



**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  
Terry Trumbull  
Mark Turner

**Alternate Commissioners**  
Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill  
**Executive Officer**  
Neelima Palacherla

## **REGULAR MEETING**

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

City Administration Conference Room, Gilroy City Hall, 7351 Rosanna St, Gilroy

**June 4, 2025 ▪ 1:15 PM**

## **AGENDA**

Chairperson: Sylvia Arenas ▪ Vice-Chairperson: Rosemary Kamei

### **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/84061847627> or by dialing **(669) 900-6833** and entering **Meeting ID 840 6184 7627#** when prompted.

### **PUBLIC COMMENT INSTRUCTIONS**

**Written Public Comments** may be submitted by email to [LAFCO@ceo.sccgov.org](mailto: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/84061847627> 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 \$500 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 \$500 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 \$500 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](http://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 \$500 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](http://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](http://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. COMMISSIONER APPOINTMENTS BY THE INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE**

**For Information Only.**

**\*5. APPROVE MINUTES OF APRIL 2, 2025 LAFCO MEETING**

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**PUBLIC HEARINGS**

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**6. FINAL WORK PLAN AND BUDGET FOR FY 2026 AND AB 2561 DISCUSSION ON STATUS OF EMPLOYEE VACANCIES AND RECRUITMENT AND RETENTION EFFORTS**

**Recommended Action:**

1. Adopt the Work Plan for Fiscal Year 2025-2026, as revised by the Commission at its April 2, 2025 meeting.
2. Adopt the Final Budget for Fiscal Year 2025-2026.
3. Find that the Final Budget for Fiscal Year 2026 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
4. Authorize staff to transmit the Final Budget adopted by the Commission including the estimated agency costs to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.
5. Direct the County Auditor-Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

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**ITEMS FOR ACTION / INFORMATION**

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**\*7. RESULT OF THE PROTEST PROCEEDINGS FOR THE REORGANIZATION PROPOSAL: SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT DISSOLUTION AND SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT ANNEXATION**

**For Information Only.**

**\*8. CALAFCO RELATED ACTIVITIES**

**8.1 Report on the 2025 CALAFCO Staff Workshop (April 30 – May 2, 2025)**

**For Information Only.**

**8.2 2025 CALAFCO Regional Meetings and Cultural Assessment Survey**

**For Information Only.**

**8.3 2025 CALAFCO Annual Conference (October 22 – 24, 2025)**

**Recommended Action:** Authorize commissioners and staff to attend the Annual Conference and direct that associated travel expenses be funded by the LAFCO Budget for Fiscal Year 2026.

**\*9. FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ASSURA SOFTWARE, LLC FOR THE DEVELOPMENT OF A CUSTOMIZED DATABASE AND FOR PROVIDING ONGOING LICENSING AND ANCILLARY SUPPORT SERVICES**

**Recommended Action:**

1. Approve the first amendment to the professional services agreement with Assura Software, LLC, for the design and development of a customized database to process LAFCO applications, track public inquiries, and manage the LAFCO contacts directory; and for providing ongoing licensing and ancillary support services, including, hosting, and technical support.

**10. COMMISSIONER REPORTS**

**11. NEWSPAPER ARTICLES / NEWSLETTERS**

**12. WRITTEN CORRESPONDENCE**

**13. ADJOURN**

Adjourn to the regular LAFCO meeting on August 6, 2025 at 1:15 PM in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.



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Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Terry Trumbull  
Mark Turner

**ITEM # 4**

**Alternate Commissioners**

Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill

**Executive Officer**

Neelima Palacherla

**LAFCO MEETING: June 4, 2025**

**TO: LAFCO**

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

**SUBJECT: COMMISSIONER APPOINTMENTS BY THE INDEPENDENT  
SPECIAL DISTRICT SELECTION COMMITTEE (ISDSC)**

**FOR INFORMATION ONLY**

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At its meeting on May 14, 2025, the Independent Special District Selection Committee (ISDSC) unanimously reappointed Yoriko Kishimoto (Board Member of the Midpeninsula Regional Open Space District and current LAFCO Commissioner) as a regular member and Helen Chapman (Board Member of the Santa Clara Valley Open Space Authority and current LAFCO Alternate Commissioner) as an alternate member, to serve on LAFCO for new four-year terms from June 2025 through May 2029.

The current terms of Commissioner Kishimoto and Alternate Commissioner Chapman expire on May 31, 2025 and they will both begin new four-year terms on LAFCO on June 1, 2025.

Pursuant to Government Code §56332(b), Executive Officer Palacherla convened the meeting of the ISDSC (composed of presiding officers of the 17 independent special districts in Santa Clara County) on May 14, 2025, to appoint two special district members to serve on LAFCO as a regular LAFCO commissioner and an alternate LAFCO commissioner.

In December 2012, Santa Clara LAFCO adopted Resolution No. 2012-07, expanding its membership to include two special district members and one alternate special district member. Under the agreement with the Special Districts Association of Santa Clara County, one special district member is appointed by the Santa Clara Valley Water District (SCVWD), while the ISDSC appoints the second regular member and the alternate member to serve in place of either regular member when necessary.

We thank the ISDSC members and all participants for their time and attendance at the May 14, 2025 meeting and continued interest in LAFCO.

LAFCO staff conducts an orientation program to educate incoming Commissioners on the agency's history, State mandate, the roles of Commissioners and staff, and Santa Clara LAFCO's key planning boundaries. The program also covers regulatory

and planning tools, the application review process, the service review program, decision-making procedures, policies, outreach efforts, and current or upcoming projects.

Commissioner Kishimoto and Alternate Commissioner Chapman are already well acquainted with LAFCO, having served as Commissioner/Alternate Commissioners for many years. Therefore, an orientation is not necessary in their case.



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Neelima Palacherla

**ITEM # 5**

**LAFCO MEETING MINUTES  
WEDNESDAY, APRIL 2, 2025**

**CALL TO ORDER**

The meeting was called to order at 1:23 p.m.

**1. ROLL CALL**

**Commissioners**

- Sylvia Arenas, Chairperson
- Rosemary Kamei, Vice Chairperson
- Jim Beall
- Yoriko Kishimoto (Absent)
- Otto Lee
- Terry Trumbull
- Mark Turner

**Alternate Commissioners**

- Pamela Campos (Arrived at 1:38 p.m.)
- Helen Chapman (Voting for Yoriko Kishimoto)
- Betty Duong (Absent)
- Zach Hilton
- Teresa O'Neill

**Staff**

- Neelima Palacherla, Executive Officer
- Dunia Noel, Assistant Executive Officer
- Emmanuel Abello, Analyst
- Sonia Humphrey, Clerk
- Mala Subramanian, Counsel

**2. PUBLIC COMMENTS**

There were none.

**3. APPROVE CONSENT CALENDAR**

MOTION: Lee	SECOND: Chapman	
AYES: Arenas, Beall, Chapman, Kamei, Lee, Trumbull, Turner		
NOES: None	ABSTAIN: None	ABSENT: None

**Commission Action:** The Commission approved the Consent Calendar, including Items #4, #8, #9 and #10.

**4. TAKEN ON CONSENT: APPROVE MINUTES OF FEBRUARY 5, 2025 LAFCO MEETING**

The Commission approved the minutes of the February 5, 2025 meeting.

**PUBLIC HEARINGS**

**5. SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT DISSOLUTION AND SANTA CLARA COUNTY CENTRAL FIRE PROTECTION ANNEXATION / SPHERE OF INFLUENCE AMENDMENT**

**Chairperson Arenas** opened the public hearing.

5 individuals addressed the Commission.

**Chairperson Arenas** closed the public hearing.

MOTION: Arenas	SECOND: Lee	
AYES: Arenas, Beall, Chapman, Kamei, Lee, Trumbull, Turner		
NOES: Turner	ABSTAIN: None	ABSENT: None

**Commission Action:**

1. The Commission determined that the proposal is categorically exempt from the provisions of the CEQA pursuant to State CEQA Guidelines §15320, Class 20.
2. The Commission approved LAFCO Resolution 2025-01 which:
  - a. approves the Santa Clara County Central Fire Protection District (CCFD) Sphere of Influence (SOI) amendment that includes all lands contained in the SOI of the South Santa Clara County Fire Protection District (SCFD) and adopts SOI determinations, and
  - b. approves the dissolution of the SCFD and concurrent annexation of its territory to the CCFD, subject to the listed terms and conditions.
3. The Commission directed the LAFCO Executive Officer to conduct protest proceedings pursuant to GC §57000.

**6. PROPOSED WORK PLAN AND BUDGET FOR FY 2026**

MOTION: Arenas	SECOND: Lee	
AYES: Arenas, Beall, Chapman, Kamei, Lee, Trumbull, Turner		
NOES: None	ABSTAIN: None	ABSENT: None

**Commission Action:**

1. The Commission directed staff to amend the proposed Work Plan for Fiscal Year 2025-2026 to include a work item to conduct a strategic planning workshop for the Commission to specifically discuss development of environmental justice policies.
2. Adopted the Proposed Budget for Fiscal Year 2025-2026.
3. Found that the Proposed Budget for Fiscal Year 2026 is adequate to allow the Commission to fulfill its statutory responsibilities.
4. Authorized staff to transmit the Proposed Budget adopted by the Commission including the estimated agency costs as well as the LAFCO public hearing notice for the adoption of the Fiscal Year 2026 Final Budget to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.

**ITEMS FOR ACTION / INFORMATION**

**7. PROPOSED WORK PLAN: PHASE 2 - COMPREHENSIVE REVIEW AND UPDATE OF LAFCO POLICIES**

MOTION: Lee	SECOND: Kamei	
AYES: Arenas, Beall, Chapman, Kamei, Lee, Trumbull, Turner		
NOES: None	ABSTAIN: None	ABSENT: None

**Commission Action:** The Commission approved the work plan for Phase 2 Comprehensive Review and Update of LAFCO Policies

**8. TAKEN ON CONSENT: EXECUTIVE OFFICER'S REPORT**

**Commission Action:** The Commission accepted the report.

**9. TAKEN ON CONSENT: SPECIAL DISTRICT MEMBER TERMS EXPIRATION For Information Only.**

**10. TAKEN ON CONSENT: CALAFCO UPDATE**

**Commission Action:** The Commission accepted the report.

**11. COMMISSIONER REPORTS**

**Commissioner Beall** shared about the recent passing of Don Gage and recollected fond memories of serving together on the County Board of Supervisors for over 10 years.

**Alternate Commissioner Chapman** shared that former Santa Clara Valley Open Space Authority (OSA) Director Mike Flaughter passed away in February. He served on their Board for 10 years.

**Chairperson Arenas** acknowledged a member of the public, Kanta Khiatani and praised the positive impact she, along with Don Gage and Mike Flaughter, had on our lives.

**12. NEWSPAPER ARTICLES / NEWSLETTERS**

There were none.

**13. WRITTEN CORRESPONDENCE**

There were none.

**14. ADJOURN**

The Commission adjourned at 4:00 p.m., to the next regular LAFCO meeting on June 4, 2025, at 1:15 p.m., in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.

Approved on June 4, 2025

\_\_\_\_\_  
Sylvia Arenas, Chairperson  
Local Agency Formation Commission of Santa Clara County

Prepared by: \_\_\_\_\_  
Emmanuel Abello, LAFCO Analyst



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**Executive Officer**

Neelima Palacherla

**ITEM # 6**

**LAFCO MEETING: June 4, 2025**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer**

**SUBJECT: FINAL WORK PLAN AND BUDGET FOR FY 2026 AND  
AB 2561 DISCUSSION ON STATUS OF EMPLOYEE  
VACANCIES AND RECRUITMENT AND RETENTION  
EFFORTS**

**STAFF RECOMMENDATIONS**

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1. Adopt the Work Plan for Fiscal Year 2025-2026, as revised by the Commission at its April 2, 2025 meeting.
2. Adopt the Final Budget for Fiscal Year 2025-2026.
3. Find that the Final Budget for Fiscal Year 2026 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
4. Authorize staff to transmit the Final Budget adopted by the Commission including the estimated agency costs to the cities, the special districts, the County, the Cities Association of Santa Clara County and the Santa Clara County Special Districts Association.
5. Direct the County Auditor-Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

**REVISIONS TO THE PROPOSED WORKPLAN FOR FY 2026**

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On April 2, 2025, the Commission directed staff to revise the proposed workplan for Fiscal Year 2025-2026 to include a work item to conduct a strategic planning workshop for the Commission to specifically discuss potential development of environmental justice policies. Staff has amended the proposed workplan to include the work item under “Applications Review / Processing and LAFCO Policy Development”. See Attachment A for the amended Work Plan.

**NO CHANGES TO THE DRAFT/PRELIMINARY BUDGET**

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On April 2, 2025, the Commission adopted its preliminary budget for Fiscal Year 2025-2026 as recommended by the Finance Committee. The preliminary budget

adopted by the Commission is available in the report for Agenda Item # 6 of the April 2, 2025 LAFCO Meeting. No further changes are recommended to the preliminary budget adopted by the commission.

### **AB 2561 DISCUSSION**

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AB 2561, which went into effect on January 1, 2025, requires a public agency to present the status of vacancies and recruitment and retention efforts at a public hearing at least once per fiscal year and prior to the adoption of the final budget. It requires the public agency, during the public hearing, to identify any necessary changes to policies, procedures, and recruitment activities that may lead to obstacles in the hiring process. It also entitles the recognized employee organization to be present at the hearing. If the number of job vacancies within a single bargaining unit meets or exceeds 20% of the total number of authorized full-time positions, the bill requires the public agency, upon request of the recognized employee organization, to include specified information during the public hearing.

Santa Clara LAFCO does not have any vacant positions currently and therefore, there are no recruitment efforts. In addition, there are no recommended changes to retention efforts. Lastly, we have not identified any necessary changes to policies, procedures and recruitment activities that may lead to obstacles in the hiring process.

### **LAFCO ANNUAL BUDGET PROCESS REQUIREMENTS**

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The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, 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. Both the draft and the final budgets are required to be transmitted to the cities, the special districts and the County. Government Code §56381(a) establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

LAFCO and the County of Santa Clara entered into a Memorandum of Understanding (MOU) (effective since July 2001), under the terms of which, the County provides staffing, facilities, and services to LAFCO. The associated costs are reflected in the LAFCO budget. LAFCO is a stand-alone, separate fund within the County's accounting and budget system and the LAFCO budget information is formatted using the County's account descriptions/codes.

## **COST APPORTIONMENT TO CITIES, DISTRICTS AND THE COUNTY**

The CKH Act requires LAFCO costs to be split in proportion to the percentage of an agency's representation (excluding the public member) on the Commission. Santa Clara LAFCO is composed of a public member, two County board members, two city council members, and since January 2013 – two special district members. Government Code §56381(b)(1)(A) provides that when independent special districts are seated on LAFCO, the county, cities and districts must each provide a one-third share of LAFCO's operational budget.

Since the City of San Jose has permanent membership on LAFCO, as required by Government Code §56381.6(b), the City of San Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. Therefore, in Santa Clara County, the City of San Jose pays one sixth and the remaining cities pay one sixth of LAFCO's operational costs. Per the CKH Act, the remaining cities' share must be apportioned in proportion to each city's total revenue, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county. Each city's share is therefore based on the 2022/2023 Report – which is the most recent edition available.

Government Code Section 56381 provides that the independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. The Santa Clara County Special Districts Association (SDA), at its August 13, 2012 meeting, adopted an alternative formula for distributing the independent special districts' share to individual districts. The SDA's agreement requires each district's cost to be based on a fixed percentage of the total independent special districts' share.

The estimated apportionment of LAFCO's FY 2026 costs to the individual cities and districts is included as Attachment B. The final costs will be calculated and invoiced to the individual agencies by the County Controller's Office after LAFCO adopts the final budget.

## **ATTACHMENTS**

- |               |   |
|---------------|---|
| Attachment A: | LAFCO Workplan for FY 2026                  |
| Attachment B: | Final LAFCO Budget for Fiscal Year 2026     |
| Attachment C: | Costs to Agencies Based on the Final Budget |



## FINAL WORK PLAN FOR FISCAL YEAR 2026

**PRIORITY\***    H - High Priority (essential activities: state mandate, Commission directive, requirements)  
                   M - Medium Priority (important, provided resources allow or time permits)  
                   L - Low Priority (desirable provided resources allow or time permits, not urgent)

	<b>PROJECT DESCRIPTION</b>	<b>ACTIVITIES / TIMELINE</b>	<b>RESOURCES</b>	<b>PRIORITY*</b>
<b>APPLICATIONS REVIEW / PROCESSING AND LAFCO POLICY DEVELOPMENT</b>	Process applicant-initiated LAFCO proposals	Encourage pre-application meetings prior to application submittal  Conduct pre-agenda meetings with County Depts. to obtain Assessor & Surveyor reports, as needed  Process applications per CKH Act requirements: issue Notice of Application, Certificate of Filing / Sufficiency, Public Hearing Notice, staff report, conduct protest proceedings, as needed	Staff	H
	Comment on potential LAFCO applications, relevant projects & development proposals, city General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff	H
	Comprehensive review and update of LAFCO policies for context, clarity and consistency with State law – Phase 2	Develop a Phase 2 workplan /timeline for commission consideration and begin implementation	Staff	H
	Prepare flowcharts for LAFCO processes and update application packets and application fee schedules for current requirements and ease of public use	Upon completion of policies update	Staff	L
	Conduct a Strategic Planning Workshop for the Commission to Consider the Development of Environmental Justice Policies	Identify a facilitator for the Workshop - Early 2026	Staff / Consultant	M

## FINAL WORK PLAN FOR FISCAL YEAR 2026

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>ISLAND ANNEXATIONS</b>	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, and provide assistance with annexations or necessary USA amendments	Prepare and distribute island maps to cities	Staff	L
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff	H
<b>OUTREACH, GOVERNMENT / COMMUNITY RELATIONS &amp; CUSTOMER SERVICE</b>	Conduct outreach to increase awareness of LAFCO's role	Presentations on LAFCO to cities, other agencies or organizations, as relevant	Staff	M
		Distribute LAFCO communications material to elected officials and staff of cities, special districts and the County		M
		Seek exhibit opportunities at public spaces / events		L
		Maintain website as the primary information resource on LAFCO		H
	Engage and establish relationships with local (cities, districts, county), regional (ABAG/MTC), state (SGC, OPR, DoC, SWRCB) agencies, organizations such as SDA, SCCAPO, CALAFCO, other stakeholder groups	Attend regular meetings of SDA (quarterly), SCCAPO (monthly), and County Planning Dept. (quarterly)	Staff	M
		Small water systems issues / legislation Collaborate with agencies and entities with goals common to LAFCO		M
Track LAFCO related legislation	Commission takes positions and submits letters on proposed legislation	Staff	M	
Respond to public inquiries re. LAFCO policies, procedures and application filing requirements	Timely response to public inquiries	Staff	H	
	Update the PRA form for the website		L	
	Document research on complex inquiries		L	
	Report to Commission on complex inquiries		H	

## FINAL WORK PLAN FOR FISCAL YEAR 2026

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>SERVICE REVIEWS, SPECIAL STUDIES &amp; SPHERE OF INFLUENCE UPDATES</b>	Countywide Fire Service Review	Work with interested agencies on implementing recommendations requiring LAFCO action (Table B Recommendations)	Staff	H
	Countywide Water and Wastewater Service Review	Develop water/wastewater service review workplan and identify method for consultant selection	Staff	M
	Continue to monitor implementation of recommendations from previous service reviews and conduct special studies, as necessary	RRRPD study – city took action to delay decision on consolidation	Staff	L
	Map Mutual Water companies	Initial maps complete, further through service review	Staff	L
	Engage in or support grant / partnership opportunities on issues related to enhancing viability of agriculture, and climate smart growth	As needed, and as opportunities arise	Staff	L
	Compile and post JPA filings on the LAFCO website	Notice provided, gather JPA information through service review process	Staff	L

## FINAL WORK PLAN FOR FISCAL YEAR 2026

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>COMMISSION SUPPORT</b>	Provide ongoing support to the 12 commissioners for regularly scheduled Commission meetings, special meetings and Committee meetings (Finance Committee, Technical Advisory Committees or Ad-Hoc Committees)	Prepare and distribute public hearing notices and agenda packets, provide staff support during the meetings, record minutes, broadcast meetings  Hold pre-agenda review meeting with Chair  Hold pre-meeting calls with individual commissioners to address agenda item questions and prepare meeting script for Chair  Process commissioner per diems for attendance at LAFCO meetings	Staff	H
	Keep the Commission informed	EO report  Off-agenda emails, as needed  Provide ongoing educational opportunities/events, including presentations from local agencies	Staff	H
	Onboarding new Commissioners	Facilitate filing / completion of Form 700, commissioner pledge, ethics training  Update LAFCO letterhead, directory, and website  Set up vendor accounts, provide parking permits  Conduct new Commissioner orientation  Recognize outgoing commissioners for LAFCO service  Organize Commissioner / staff Luncheon	Staff	H
	Commissioners Selection Process	Inform appointing bodies of any upcoming vacancies and provide information on appointment criteria  Convene ISDSC committee meeting, as necessary  Coordinate public member selection process, as necessary	Staff	H
	Commissioner participation in CALAFCO	Support commissioner participation in CALAFCO activities / or election to the CALAFCO Board	Staff	L

## FINAL WORK PLAN FOR FISCAL YEAR 2026

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>ADMINISTRATIVE PROJECTS</b>	Prepare LAFCO annual work plan	March - June 2025	Staff/Finance Committee	H
	Prepare LAFCO annual budget	March - June 2025	Staff/Finance Committee	H
	Prepare LAFCO Annual Report	August 2025	Staff	H
	Prepare LAFCO Annual Financial Audit	October 2025 (Contract with Chavan Associates extended for FY 2024 thru FY 2027)	Consultant / Staff	H
	Office / facility management	Coordinate with Building Manager on facilities issues  Coordinate with County re. computers/network, phone, printers, office security, procurement, installation & maintenance  Order and manage office supplies  Make travel arrangements and process expense reimbursements.  Process mileage reimbursements  Office space lease through April 30, 2027	Staff	H
	Records management	Organize scan of LAFCO records to Electronic Document Management System (Laserfiche)  Maintain LAFCO's hard copy records  Maintain and enhance the LAFCO Website  Maintain LAFCO database	Staff/ Consultant   Staff	H  H H H
	Contracts and payments & receivables	Track consultant contracts and approve invoices  Approve vendor invoices / process annual payments for various services/ memberships  Coordinate with County Controller's Office and track annual collection of payments from member agencies	Staff	H
	Review and update LAFCO bylaws / administrative policies and procedures	Ongoing, as needed, and also as part of Phase 2 Policies Revision	Staff	H

## FINAL WORK PLAN FOR FISCAL YEAR 2026

	PROJECT DESCRIPTION	ACTIVITIES / TIMELINE	RESOURCES	PRIORITY*
<b>ADMINISTRATIVE PROJECTS</b>	Staff training and development	CALAFCO workshops, conferences, relevant courses	Staff	H
		Implementation of the work plan for staff professional development		H
		Staff retreat for team bonding and staff development		M
	Coordinate with County on administrative issues	Attend monthly meetings with the Deputy County Executive	Staff	H
Staff and EO performance evaluation	May – December 2025	Staff/Commission	H	
Other administrative functions mandated of a public agency (Form 806, maintaining liability/workers comp insurance, etc.)	Ongoing	Staff	H	

**FINAL LAFCO BUDGET  
FISCAL YEAR 2025- 2026**

ITEM #	TITLE	APPROVED BUDGET FY 2025	ACTUALS Year to Date 2/25/2025	PROJECTIONS Year End FY 2025	FINAL BUDGET FY 2026
<b>EXPENDITURES</b>					
Object 1:	Salary and Benefits	\$862,484	\$580,917	\$946,609	\$994,427
Object 2:	Services and Supplies				
5255100	Intra-County Professional	\$10,000	\$0	\$10,000	\$12,000
5255800	Legal Counsel	\$85,780	\$48,125	\$82,000	\$88,766
5255500	Consultant Services	\$150,000	\$18,525	\$100,000	\$175,000
5285700	Meal Claims	\$750	\$139	\$700	\$1,000
5220100	Insurance	\$6,737	\$0	\$0	\$8,000
5250100	Office Expenses	\$5,000	\$1,887	\$4,000	\$5,000
5270100	Rent & Lease	\$56,416	\$42,102	\$56,416	\$58,106
5255650	Data Processing Services	\$22,517	\$16,832	\$22,517	\$24,443
5225500	Commissioners' Fee	\$10,000	\$3,800	\$8,000	\$10,000
5260100	Publications and Legal Notices	\$1,000	\$702	\$1,000	\$1,000
5245100	Membership Dues	\$14,509	\$14,318	\$14,318	\$15,000
5250750	Printing and Reproduction	\$1,500	\$416	\$1,500	\$1,500
5285800	Business Travel	\$21,000	\$6,078	\$16,000	\$21,000
5285300	Private Automobile Mileage	\$1,000	\$497	\$800	\$1,000
5285200	Transportation&Travel (County Car Usage)	\$600	\$0	\$300	\$600
5281600	Overhead	\$21,119	\$10,594	\$21,119	\$37,324
5275200	Computer Hardware	\$4,000	\$0	\$2,000	\$4,000
5250800	Computer Software	\$4,000	\$2,261	\$4,000	\$4,000
5250250	Postage	\$500	\$24	\$300	\$500
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>		<b>\$1,280,912</b>	<b>\$747,217</b>	<b>\$1,292,579</b>	<b>\$1,464,666</b>
<b>REVENUES</b>					
4103400	Application Fees	\$25,000	\$21,074	\$21,074	\$25,000
4301100	Interest: Deposits and Investments	\$6,000	\$19,711	\$20,000	\$10,000
<b>TOTAL REVENUE</b>		<b>\$36,000</b>	<b>\$40,785</b>	<b>\$41,074</b>	<b>\$35,000</b>
3400150	FUND BALANCE FROM PREVIOUS FY	\$172,301	\$237,891	\$237,891	\$63,997
<b>NET LAFCO OPERATING EXPENSES</b>		<b>\$1,077,611</b>	<b>\$468,541</b>	<b>\$1,013,614</b>	<b>\$1,365,669</b>
3400800	RESERVES Available	\$200,000	\$200,000	\$200,000	\$200,000
<b>COSTS TO AGENCIES</b>					
5440200	County	\$359,204	\$359,204	\$359,204	\$455,223
4600100	Cities (San Jose 50% + Other Cities 50%)	\$359,204	\$359,204	\$359,204	\$455,223
4600100	Special Districts	\$359,204	\$359,204	\$359,204	\$455,223



**LAFCO COST APPORTIONMENT: COUNTY, CITIES, SPECIAL DISTRICTS**  
**Estimated Costs to Agencies Based on the Final FY 2026 LAFCO Budget**

				<b>Net Operating Expenses for FY 2026</b>	<b>\$1,365,669</b>
<b>JURISDICTION</b>	<b>REVENUE PER 2022/2023 REPORT</b>	<b>PERCENTAGE OF TOTAL REVENUE</b>	<b>ALLOCATION PERCENTAGES</b>	<b>ALLOCATED COSTS</b>	
<b>County</b>	N/A	N/A	33.3333333%	<b>\$455,223.00</b>	
<b>Cities Total Share</b>			<b>33.3333333%</b>	<b>\$455,223.00</b>	
San Jose	N/A	N/A	50.0000000%	\$227,611.50	
Other cities share			50.0000000%	\$227,611.50	
Campbell	\$81,150,037	1.8865076%		\$4,293.91	
Cupertino	\$131,485,364	3.0566608%		\$6,957.31	
Gilroy	\$127,015,477	2.9527487%		\$6,720.80	
Los Altos	\$72,145,869	1.6771863%		\$3,817.47	
Los Altos Hills	\$21,047,529	0.4892952%		\$1,113.69	
Los Gatos	\$66,269,927	1.5405874%		\$3,506.55	
Milpitas	\$214,374,038	4.9835868%		\$11,343.22	
Monte Sereno	\$5,142,039	0.1195378%		\$272.08	
Morgan Hill	\$130,786,193	3.0404071%		\$6,920.32	
Mountain View	\$449,519,762	10.4500562%		\$23,785.53	
Palo Alto	\$834,039,393	19.3890442%		\$44,131.69	
Santa Clara	\$1,431,529,099	33.2789808%		\$75,746.78	
Saratoga	\$37,994,793	0.8832709%		\$2,010.43	
Sunnyvale	\$699,101,862	16.2521303%		\$36,991.72	
<b>Total Cities (excluding San Jose)</b>	<b>\$4,301,601,382</b>	<b>100.0000000%</b>		<b>\$227,611.50</b>	
<b>Total Cities (including San Jose)</b>				<b>\$455,223.00</b>	
<b>Special Districts Total Share</b>		<b>(Fixed %)</b>	<b>33.3333333%</b>	<b>\$455,223.00</b>	
Aldercroft Heights County Water District		0.06233%		\$283.74	
Burbank Sanitary District		0.15593%		\$709.83	
Cupertino Sanitary District		2.64110%		\$12,022.89	
El Camino Healthcare District		4.90738%		\$22,339.52	
North Santa Clara Resource Conservation District		0.04860%		\$221.24	
Lake Canyon Community Services District		0.02206%		\$100.42	
Lion's Gate Community Services District		0.22053%		\$1,003.90	
Loma Prieta Resource Conservation District		0.02020%		\$91.96	
Midpeninsula Regional Open Space District		5.76378%		\$26,238.05	
Purissima Hills Water District		1.35427%		\$6,164.95	
Rancho Rinconada Recreation and Park District		0.15988%		\$727.81	
San Martin County Water District		0.04431%		\$201.71	
Santa Clara Valley Open Space Authority		1.27051%		\$5,783.65	
Santa Clara Valley Water District		81.44126%		\$370,739.36	
Saratoga Cemetery District		0.32078%		\$1,460.26	
Saratoga Fire Protection District		1.52956%		\$6,962.91	
South Santa Clara Valley Memorial District		0.03752%		\$170.80	
<b>Total Special Districts</b>		<b>100.00000%</b>		<b>\$455,223.00</b>	
<b>Total Allocated Costs</b>				<b>\$1,365,669.00</b>	





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

777 North First Street  
Suite 410  
San Jose, CA 95112

[SantaClaraLAFCO.org](http://SantaClaraLAFCO.org)

**Commissioners**

Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Terry Trumbull  
Mark Turner

**ITEM # 7**

**Alternate Commissioners**

Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill

**Executive Officer**

Neelima Palacherla

**LAFCO MEETING: June 4, 2025**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Assistant Executive Officer**

**SUBJECT: RESULT OF THE PROTEST PROCEEDING FOR THE  
REORGANIZATION PROPOSAL: SOUTH SANTA CLARA  
COUNTY FIRE PROTECTION DISTRICT DISSOLUTION AND  
SANTA CLARA COUNTY CENTRAL FIRE PROTECTION  
DISTRICT ANNEXATION**

**FOR INFORMATION ONLY**

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**Background**

On February 6, 2025, LAFCO received an application initiated by the two agencies – Santa Clara County Central Fire Protection District (CCFD) and South Santa Clara County Fire Protection District (SCFD) – adopting substantially similar resolutions for the reorganization of the two districts that includes dissolution of the SCFD, and concurrent annexation of its territory to CCFD; and a Sphere of Influence (SOI) amendment for the CCFD to include the SCFD SOI.

SCFD’s boundary encompasses 288± square miles of unincorporated areas surrounding the cities of Morgan Hill and Gilroy, and extending to the Santa Clara-Santa Cruz County line in the southwest, and the Santa Clara-San Benito County line in the south; including the unincorporated area known as Coyote Valley in the north, and portions of the Diablo range to the east.

The purpose of the reorganization is to address longstanding structural challenges associated with maintaining an adequate and appropriate level of fire protection for SCFD territories, including addressing SCFD’s structural operating deficit.

At a public hearing on April 2, 2025, the Commission approved the reorganization proposal subject to terms and conditions, as specified in LAFCO Resolution 2025-01. The Commission directed EO Palacherla to conduct protest proceedings pursuant to GC §57000 whereby landowners and registered voters within the subject territory (i.e., within SCFD) may file written protest to the Commission’s action.

**Notice of Protest Proceeding**

In compliance with State law, a Notice of Protest Hearing was posted on the LAFCO website and on the County Clerk’s Notice Board on April 8, 2025; and published in

the *Morgan Hill Times*, the *Gilroy Dispatch*, and the *San Jose Post Record* on April 11, 2025; and in the *San Jose Mercury News* on April 12, 2025.

Staff created a dedicated LAFCO Protest Proceeding webpage designed to help landowners, registered voters, and other stakeholders understand the protest proceeding process. The webpage included instructions on how to file a timely written protest against the reorganization and information/weblinks to the following: Notice of Protest Hearing, Downloadable Protest Form, LAFCO Staff Report and the approved Resolution for the Reorganization, Map of SCFD. The webpage also included an interactive mapping tool to help landowners and/or registered voters determine if they are within SCFD boundaries. The public hearing notice included a link to the LAFCO Protest Proceeding Webpage.

### **Results of Protest Proceeding**

On May 7, 2025, Executive Officer Palacherla conducted a noticed public hearing to receive protests against the proposed reorganization.

LAFCO received written protest in the mail as well as at the protest hearing. In total, LAFCO received 328 protests from landowners and 318 protests from registered voters. Following the conclusion of the protest hearing, LAFCO staff evaluated the protests with the assistance of the County of Santa Clara Registrar of Voters and the County of Santa Clara Assessor. LAFCO staff made the following determinations:

1. Valid protests were submitted by 213 landowners within the South Santa Clara County Fire Protection District, which represents less than 25% of landowners owning less than 25% of the assessed land value within the area.
2. Valid protests were submitted by 148 registered voters within the South Santa Clara County Fire Protection District, which represents less than 25% of the total number of registered voters residing within the area.

Based on these determinations and Government Code §57092, EO Palacherla ordered the reorganization without an election. On May 16, 2025, LAFCO staff recorded a Certificate of Completion (**Attachment A**) for the reorganization. The reorganization will be effective on July 1, 2025.

In the days leading up to the protest hearing, LAFCO received numerous emails from landowners and registered voters within the SCFD boundaries, as well as from residents of nearby cities such as Morgan Hill and Gilroy, expressing a range of views on the proposed reorganization, but with most voicing opposition.

### **ATTACHMENT**

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Attachment A: LAFCO Certificate of Completion: South Santa Clara County Fire Protection District Dissolution and Santa Clara County Central Fire Protection District Annexation/SOI Amendment

**COPY**

Place Clerk Recorder sticker below this line  
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WHEN RECORDED, PLEASE MAIL  
THIS TO:

**LAFCO**  
**777 N. First St., Suite 410**  
**San Jose, CA 95112**

**25808230**

Regina Alcomendras  
Santa Clara County - Clerk-Recorder  
05/16/2025 01:06 PM

**CONFORMED COPY**

Copy of document recorded.  
Has not been compared with original.

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**CERTIFICATE OF COMPLETION:**  
**SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT**  
**DISSOLUTION AND SANTA CLARA COUNTY CENTRAL FIRE PROTECTION**  
**DISTRICT ANNEXATION/SOI AMENDMENT**

DOCUMENT TITLE



**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  
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Terry Trumbull  
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**Alternate Commissioners**  
Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill  
**Executive Officer**  
Neelima Palacherla

**CERTIFICATE OF COMPLETION**

I, Neelima Palacherla, Executive Officer of the Santa Clara County Local Agency Formation Commission, issue this Certificate of Completion pursuant to Government Code Sections 57200 and 57201.

The names of the districts are **South Santa Clara County Fire Protection District** and **Santa Clara County Central Fire Protection District**.

The two districts are entirely located in Santa Clara County.

The reorganization completed includes the **DISSOLUTION** of South Santa Clara County Fire Protection District (SCFD) and **ANNEXATION** of SCFD territory to the Santa Clara County Central Fire Protection District (CCFD). A map of CCFD and SCFD boundaries is appended hereto.

The title of the proceeding is: **South Santa Clara County Fire Protection District Dissolution and Santa Clara County Central Fire Protection District Annexation/SOI Amendment**.

The reorganization was ordered subject to terms and conditions as noted in **LAFCO Resolution No. 2025-01**. **The effective date of the reorganization is July 1, 2025**.

The date of adoption of **LAFCO Resolution No. 2025-01** ordering the reorganization is **04/02/2025**.

I declare under the penalty of perjury in the State of California that the foregoing is true and correct.

Dated: 5/16/25

Neelima Palacherla  
Neelima Palacherla, Executive Officer  
LAFCO of Santa Clara County

*Attachments: LAFCO Resolution No. 2025-01 with Exhibit A (Map of CCFD and SCFD Boundaries) and Exhibit B (CCFD Sphere of Influence Determinations); and EO Determination & Order No. 2025-01.*

**RESOLUTION NO. 2025-01**

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY AMENDING THE SPHERE OF INFLUENCE (SOI) OF THE SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT (CCFD), DISSOLVING THE SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT (SCFD), AND ANNEXING ITS TERRITORY TO CCFD**

**SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT DISSOLUTION AND SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT ANNEXATION / SPHERE OF INFLUENCE AMENDMENT**

**RESOLVED** by the Local Agency Formation Commission of Santa Clara County, State of California, that

**WHEREAS**, on January 14, 2025, the Board of Directors of the SCFD adopted Resolution No. SCFD 2025-01 initiating application by the SCFD requesting the Commission pursue proceedings for the dissolution of the SCFD and the annexation of its territories into the CCFD, and taking further actions consistent therewith; and

**WHEREAS**, on January 14, 2025, the Board of Directors of the CCFD adopted Resolution No. CFPD 2025-01 initiating application by the CCFD for the dissolution of the SCFD and annexation of its territory into the CCFD; and requesting an amendment of CCFD's Sphere of Influence (SOI); and

**WHEREAS**, under GC §56853(a), if the legislative bodies of two or more local agencies adopt substantially similar resolutions of application in support of the consolidation of districts or for the reorganization of all or part of the districts into a single local agency, a commission shall approve or conditionally approve the reorganization proposal;

**WHEREAS**, the SCFD and CCFD Boards of Directors have adopted substantially similar resolutions initiating application in support of the proposed reorganization, and, therefore Santa Clara LAFCO shall approve or conditionally approve the reorganization proposal;

**WHEREAS**, pursuant to GC §56653, the application includes a "Plan for Services" which provides (1) an enumeration and description of services currently provided or to be provided; (2) the level and range of those services; (3) an indication of when the services can feasibly be extended; (4) an indication of any improvements and augmented services levels; and (5) information on how the services will be financed; and

**WHEREAS**, California Revenue and Taxation Code Section 99(b)(5) requires that when organizational changes affect the service area or service responsibility of one or more special districts, the County Board of Supervisors shall, on behalf of the districts, negotiate any property tax transfers associated with those changes and adopt a resolution identifying the transfers. The County Board of Supervisors, on behalf of both the CCFD and the SCFD negotiated the exchange of property tax revenues, and adopted a property tax exchange agreement on January 28, 2025; and

## **RESOLUTION NO. 2025-01**

**WHEREAS**, the Executive Officer on March 6, 2025, issued a Certificate of Filing deeming the application complete and setting the matter for hearing; and

**WHEREAS**, the subject proposal is assigned the distinctive short form designation: “South Santa Clara County Fire Protection District Dissolution and Santa Clara County Central Fire Protection District Annexation / Sphere of Influence Amendment”; and

**WHEREAS**, the affected territory is inhabited as defined in GC §56046.

**WHEREAS**, at the time and in the manner required by law, the Executive Office gave public notice of the Commission’s hearing on this proposal; and

**WHEREAS**, the Executive Officer has reviewed the proposal and prepared a report incorporated herein by reference, including her recommendation, the proposal and report having been presented to and considered by this Commission; and

**WHEREAS**, the reorganization proposal is subject to protest proceedings pursuant to GC §57000; and

**WHEREAS**, LAFCO, on June 13, 2001, delegated authority to the Executive Officer to conduct protest proceedings and perform any functions otherwise required of the Commission in regard to its responsibilities as a conducting authority; and

**WHEREAS**, a public hearing was held by the Commission on April 2, 2025; and at the hearing the Commission received and considered all oral and written comments, which were made, presented or filed; and

**NOW, THEREFORE**, LAFCO, does hereby resolve, determine and order as follows:

### **SECTION 1:**

1. As a Responsible Agency under the California Environmental Quality Act (CEQA), LAFCO finds that the proposed reorganization is categorically exempt from CEQA pursuant to CEQA Guidelines §15320(b) (Class 20 – Changes of Organization of Local Agencies), which is consistent with the determination made by CCFD, as Lead Agency under CEQA and presented in Resolution No. CFPD 2025-01.

### **SECTION 2:**

1. The Commission hereby approves the amendment of the CCFD SOI to include all lands contained in the SOI of the SCFD, as depicted in **Exhibit A**, and adopts the SOI determinations, including a statement on the nature, location and extent of any functions or classes of services provided, as presented in **Exhibit B**.

## RESOLUTION NO. 2025-01

2. The Commission hereby approves the proposed reorganization consisting of the dissolution of the SCFD and the annexation of its territory to CCFD, as depicted in **Exhibit A**, and subject to terms and conditions included in Section 3 of this resolution.
3. The effective date of the SOI amendment, and reorganization consisting of the SCFD dissolution, and annexation to CCFD of SCFD territory, shall be the later of the date of recordation of the Certificate of Completion, or July 1, 2025.

### SECTION 3:

1. Approval of the reorganization is subject to the following terms and conditions:
  - a. **Successor Agency.** Upon the effective date of the reorganization, the SCFD shall be dissolved, terminated, and all of its corporate powers shall cease. All rights, responsibilities, and functions of SCFD will be transferred to CCFD, as the successor agency. CCFD, as successor agency to SCFD, shall function under and carry out all authorized duties and responsibilities assigned to a fire protection district as provided in the Health and Safety Code (§13800 et seq.).
  - b. **Revenue Transfer.** Upon the effective date of the reorganization, CCFD shall levy, collect, track and administer all revenue, income, and previously authorized funds, charges, fees, assessments, and taxes currently in effect, levied, or collected by SCFD, including, but not limited to, property and other taxes.
  - c. **Transfer of Assets & Liabilities.** Upon the effective date of the reorganization, all assets and liabilities, including but not limited to debts, obligations, equipment, facilities, property, cash, fund balances or other fiscal matters of SCFD shall become the assets and liabilities of CCFD.
  - d. **Successor Agency Revenue Sources.** CCFD, as successor agency, will continue to be financed through property taxes, benefit assessments, special assessments and taxes, fees and charges, and all other revenue currently in effect and being collected by CCFD and SCFD. Until otherwise determined by the CCFD Board of Directors, pursuant to GC §56886(t), any previously authorized charge, fee, assessment, or tax within the SCFD territory shall be extended or continued by CCFD, as successor agency.
  - e. **Governance – Board of Directors**  
The total composition of the CCFD Board of Directors will remain the same.

**RESOLUTION NO. 2025-01**

**f. Use of Funds.**

CCFD will ensure that all funds derived from the territory of the former SCFD are accounted for and expended for the provision of fire services within the reorganized CCFD in compliance with all applicable measures, ordinances, statutes and regulations of CCFD.

**g. Plan for Services.**

Upon the effective date of the reorganization, CCFD as the successor agency shall serve the dissolved SCFD service territory through implementation of the Plan for Services until and unless it is determined by the CCFD Board of Directors that fiscal or service requirements justify changes to the Plan for Services. CCFD shall provide LAFCO annually and for the next 2 years, a written update on how the Plan for Services included with the LAFCO application has been implemented.

**SECTION 4:**

1. The Commission hereby directs the Executive Officer to give notice and conduct protest proceedings, as provided for in GC §57000 et seq., as soon as possible.

**PASSED AND ADOPTED** by the Local Agency Formation Commission of Santa Clara County, State of California, on April 2, 2025, by the following vote:

**AYES:** ARENAS, BEALL, CHAPMAN (Alternate to KISHIMOTO), KAMEI, LEE, TRUMBULL

**NOES:** TURNER

**ABSENT:** None

**ABSTAIN:** None

DocuSigned by:  
*Sylvia Arenas*  
D017E7C66EC1415...  
Sylvia Arenas, Chairperson  
LAFCO of Santa Clara County

**ATTEST:**

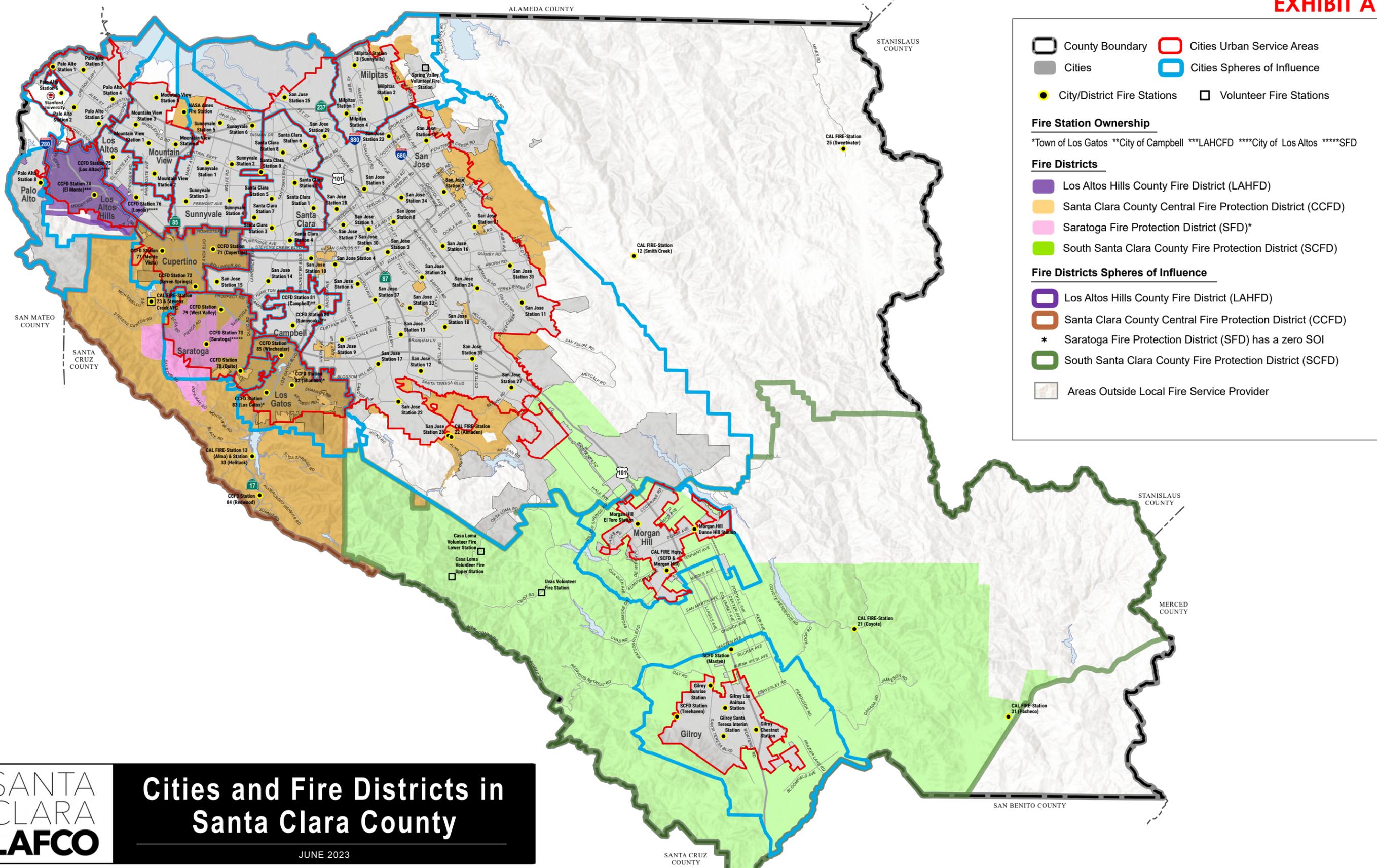
DocuSigned by:  
*Emmanuel Abello*  
43C41738CE194CA...  
Emmanuel Abello, LAFCO Analyst

**APPROVED AS TO FORM:**

Signed by:  
*Malathy Subramanian*  
0BF2DA8CFE264DA...  
Malathy Subramanian, LAFCO Counsel

Attachments to Resolution No. 2025-01

1. Exhibit "A" Map of CCFD and SCFD Boundaries
2. Exhibit "B" CCFD SOI determinations



**Legend**

- County Boundary
- Cities Urban Service Areas
- Cities
- Cities Spheres of Influence
- City/District Fire Stations
- Volunteer Fire Stations

**Fire Station Ownership**

\*Town of Los Gatos \*\*City of Campbell \*\*\*LAHCFD \*\*\*\*City of Los Altos \*\*\*\*\*SFD

**Fire Districts**

- Los Altos Hills County Fire District (LAHFD)
- Santa Clara County Central Fire Protection District (CCFD)
- Saratoga Fire Protection District (SFD)\*
- South Santa Clara County Fire Protection District (SCFD)

**Fire Districts Spheres of Influence**

- Los Altos Hills County Fire District (LAHFD)
- Santa Clara County Central Fire Protection District (CCFD)
- \* Saratoga Fire Protection District (SFD) has a zero SOI
- South Santa Clara County Fire Protection District (SCFD)
- Areas Outside Local Fire Service Provider

**SANTA CLARA LAFCO**

**Cities and Fire Districts in Santa Clara County**

JUNE 2023





## EXHIBIT B

### Santa Clara County Central Fire Protection District (CCFD) Sphere of Influence Determinations

#### **SPHERE OF INFLUENCE DETERMINATIONS**

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##### **1. Present and planned land uses in the area, including agricultural and open-space lands**

CCFD provides fire and EMS service to the unincorporated areas in the Santa Cruz mountains, the cities of Cupertino, Los Gatos, Monte Sereno, and a portion of Saratoga, as part of its inherent service area; and by contract to the cities of Campbell and Los Altos; and to the Los Altos Hills County Fire District and the Saratoga Fire Protection District. The expansive area encompasses a variety of land uses, but is predominantly single-family residential, with limited commercial and industrial development and some agricultural and open space lands in the hillside areas. Under the various cities' existing General Plans and the County General Plan, lands uses in CCFD are not expected to change.

Territory within SCFD's boundary and SOI are unincorporated lands designated by the County General Plan as agriculture, open space lands, rural residential, and regional parks. SCFD's boundaries also include remote areas of the Santa Cruz Mountains and the Diablo Range designated as hillside and ranchlands with resource conservation lands and a portion of the Henry Coe State Park. The boundaries also include the rural residential communities of San Martin and Corde Valle. Some limited commercial and industrial uses are located in San Martin and along Pacheco Pass Highway. The unincorporated area within SCFD's boundary and SOI is planned to remain non-urban in character and predominantly rural residential, agricultural, and open space in accordance with the County's General Plan.

The proposed expansion of CCFD's SOI to add the SCFD SOI will not facilitate new development or changes in land use and will have no impact on agricultural and open-space lands.

##### **2. Present and probable need for public facilities and services in the area**

In 2022, there were over 19,000 incidents within CCFD's bounds and its contract areas, indicating a need for the services provided, in particular for rescue and medical responses which constituted 59% of calls. Calls for service within CCFD declined in 2020 and grew through 2022. This area is projected to have a cumulative growth rate of 13% between 2020 and 2035, or 0.8% annually and 13% between 2035 to 2050, or 0.8% annually, indicating a likely analogous increase in demand for fire and emergency medical services.

In 2022, there were over 15,000 incidents within SCFD's bounds, indicating a need for the services provided, in particular for rescue and medical responses which constituted 61% of calls. Calls for service within SCFD consistently increased between 2018 and 2022. This area is projected to have a cumulative growth rate of 0.07% between 2020

and 2035, or <0.01% annually and 5% between 2035 to 2050, or 0.32% annually, indicating a likely analogous increase in demand for fire and emergency medical services.

LAFCO's Countywide Service Review, adopted in 2023, found that some growth is anticipated within CCFD's current territory and to a much lesser degree within SCFD's current territory. This very modest amount of growth will slightly increase the demand for fire and emergency medical response services in these areas.

**3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide**

CCFD operates 15 fire stations throughout the district, with 339 safety and civilian personnel. CCFD provides an adequate level of services and has the capacity to serve existing demand within its service area, including contract agencies.

While CCFD is a large, well-funded, all risk fire district with a stable and growing revenue stream, financial limitations pose the greatest threat to SCFD's ability to provide services to existing and future growth in demand. The Service Review found that additional revenues or reduced costs are necessary to ensure sustainability of SCFD's operations.

As noted in the Plan for Services, only one (Masten) of the four existing fire stations that SCFD currently uses will be transferred to CCFD, and all apparatus owned by SCFD will be transferred to CCFD, as part of the reorganization. Therefore, CCFD will need to enter into a separate agreement with the City of Gilroy to lease an existing fire station (Treehaven,) and establish at least one temporary fire station, until a permanent fire station site can be located and developed.

**4. Existence of any social or economic communities of interest in the area**

The cities of Campbell, Cupertino, Los Altos, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, San José, Santa Clara, Saratoga, and Los Altos Hills, as well as the surrounding incorporated communities, affect CCFD's service provision and demand for services and are considered social and economic communities of interest.

SCFD serves all of South County with the exception of the cities of Morgan Hill and Gilroy. Within the SCFD's boundaries are rural residential communities such as San Martin. However, a majority of the district consists of a patchwork of low-density rural residential development that is socially and economically independent of one another.

Upon reorganization, CCFD's social or communities of interest will include rural residential communities that were served by SCFD, such as San Martin.

**5. Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence**

As part of LAFCO's Countywide Fire Service Review, adopted in October 2023, one disadvantaged unincorporated community (DUC) was identified within CCFD, outside of CCFD's SOI. This DUC is also located within and adjacent to the City of San José and its SOI—identified as San José #1. This DUC has an estimated population of 1,656, with a

median household income of \$54,917. Fire services are provided to the DUC by San José FD through the Zone 1 contract with CCFD. There were no DUCs identified in SCFD.

**6. The nature, location, and extent of functions, and classes of services provided**

CCFD provides a full range of services, including fire suppression, wildland fire suppression, statewide mobilization, EMS first response, specialized/technical rescue, HazMat response, fire inspection/code enforcement, plan reviews, public education/prevention, arson investigation, and fuels mitigation, within its service area as described above.

**CERTIFICATION**

This is to certify that the foregoing is a true and correct copy of the original.



Emmanuel Abello  
LAFCO Analyst

5/16/2025



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

777 North First Street  
Suite 410  
San Jose, CA 95112

[SantaClaraLAFCO.org](http://SantaClaraLAFCO.org)

**Commissioners**

Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Terry Trumbull  
Mark Turner

**Alternate Commissioners**

Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill

**Executive Officer**  
Neelima Palacherla

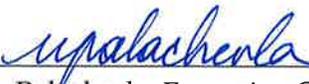
**EXECUTIVE OFFICER DETERMINATION AND ORDER NO. 2025-01**

**SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT DISSOLUTION AND  
SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT ANNEXATION /  
SPHERE OF INFLUENCE AMENDMENT**

DETERMINATION OF THE EXECUTIVE OFFICER OF THE LOCAL AGENCY FORMATION COMMISSION ORDERING A REORGANIZATION CONSISTING OF THE DISSOLUTION OF THE SOUTH SANTA CLARA COUNTY FIRE PROTECTION DISTRICT AND ANNEXATION OF ITS TERRITORY TO THE SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT

1. This action is taken pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et seq.) and the policies of the Local Agency Formation Commission of Santa Clara County (hereafter Commission).
2. The reorganization was initiated by Santa Clara County Central Fire Protection District Resolution No. CFPD 2025-01 and South Santa Clara County Fire Protection District Resolution No. SCFD 2025-01.
3. On April 2, 2025, the Commission, following a noticed public hearing, adopted LAFCO Resolution No. 2025-01 making determinations and approving the reorganization proposal subject to terms and conditions.
4. Acting on authority delegated by the Commission, on May 7, 2025, I conducted a noticed public hearing to receive protests against the proposed reorganization and, following the conclusion of the hearing, have made the following determinations:
  - a. Valid protests were submitted by 148 registered voters within the South Santa Clara County Fire Protection District, which represents less than 25% of the total number of registered voters residing within the area.
  - b. Valid protests were submitted by 213 landowners within the South Santa Clara County Fire Protection District, which represents less than 25% of landowners owning less than 25% of the assessed land value within the area.
5. Based on the determinations above and Government Code §57092, I hereby order the reorganization without an election.

This order is made on May 16, 2025.

  
\_\_\_\_\_  
Neelima Palacherla, Executive Officer  
Local Agency Formation Commission of Santa Clara County



**Local Agency  
Formation Commission  
of Santa Clara County**  
777 North First Street  
Suite 410  
San Jose, CA 95112  
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**Commissioners**  
Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Terry Trumbull  
Mark Turner

**ITEM # 8**

**Alternate Commissioners**  
Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill  
**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: June 4, 2025**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Assistant Executive Officer**

**SUBJECT: CALAFCO RELATED ACTIVITIES**

**8.1 REPORT ON THE 2025 CALAFCO STAFF WORKSHOP (APRIL 30 – MAY 2, 2025)**

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**For Information Only.**

LAFCO staff attended the 2025 Annual CALAFCO Staff Workshop in Temecula, California (April 30 - May 2), hosted by Riverside LAFCO. Approximately 85 participants from LAFCOs statewide attended the annual workshop, which offered practical and hands-on courses, professional development sessions, and informal roundtable discussions.

Assistant EO Noel served on the 2025 CALAFCO Workshop Planning Committee. She coordinated and was a panelist for a breakout session entitled *“Cracking the Code for Island Annexations: Insights, Challenges, and What’s Next”*. She discussed the long evolution of islands annexations in Santa Clara County, including Santa Clara LAFCO’s very successful Island Annexation Program, and shared a more recent case study involving the annexation of twenty-four unincorporated islands to the Town Los Gatos.

In addition to the one pre-workshop activity – a Mobile Workshop showcasing the local wine industry and how it contributes to the vitality of the Temecula Valley, the program for the first day of the workshop included two general sessions entitled *“Ballots & Boundaries: Navigating the Ins and Outs of LAFCO Protest Hearings and Elections,”* and *“Back to Basics: How Well Do We Know Ourselves and the Law?”*

Thursday’s program included one general session entitled *“Tips to Improve the MSR Process,”* and several breakout sessions including *“CEQA: Everything You Need to Know in Under 90 Minutes”*; *“Making Sense of SB 938: The Adventure of Del Paso Manor Water District”*; *“Cracking the Code for Island Annexations: Insights, Challenges, and What’s Next”*; *“Navigating ADA PDF Compliance”*; *“Funding the Gap: Enhancing Services and Infrastructure in Disadvantaged Communities”*; and *“Balancing Growth and Green: LAFCO’s Role in the Future of Agriculture.”*

Friday's program featured a general session entitled "*Navigating Stormy Waters & Turning the Ship Around – A Special Focus Group/Visioning Session.*" Held on behalf of CALAFCO, the session allowed LAFCO staff to provide input on the organization's future and began with a brief update from two of CALAFCO's Regional Directors, followed by a facilitated visioning and feedback discussion.

CALAFCO has posted workshop handouts on its website at [www.calafco.org](http://www.calafco.org).

Attending the annual CALAFCO Workshop is included in LAFCO's work plan for staff professional development.

## **8.2 CALAFCO REGIONAL MEETINGS AND CULTURAL ASSESSMENT SURVEY**

### **For Information Only.**

As reported at the April 2025 meeting, CALAFCO is in the process of actively addressing its organizational instability. CALAFCO has taken significant steps to address member concerns, including implementing mitigation measures and approving several membership-recommended changes to its bylaws and policies.

To support this work, CALAFCO has retained Pamela Miller, a consultant and former CALAFCO Executive Director (2012–2022), to conduct a full organizational assessment and comprehensive organizational structural assessment, review CALAFCO policies and Bylaws, and assist in the recruitment of a permanent CALAFCO Executive Director. She is also leading stakeholder outreach to ensure member voices are heard. She is in the process of gathering feedback from a broad range of members, including staff, commissioners, and associate members, on various aspects of CALAFCO's operations to learn what is and is not working. Key areas of inquiry include services, organizational culture, education, legislative advocacy, communications and transparency, Board structure, and the desired qualifications for the next Executive Director.

CALAFCO is collecting this feedback through multiple channels, including an online survey (*Cultural Assessment Survey*) and a series of focus group/visioning sessions held across the state. These efforts aim to help CALAFCO realign its priorities to better support and serve its membership.

On May 7, 2025, EO Palacherla emailed CALAFCO's *Cultural Assessment Survey* to Commissioners, with a request to complete the online survey by May 23, 2025.

Over the next few weeks, Ms. Miller will facilitate a focus group/visioning session in each of CALAFCO's four regions (Coastal, Central, Southern, and Northern). These sessions will provide participants with an opportunity to engage in the ongoing cultural and organizational review of CALAFCO and to contribute ideas for shaping the future of the Association. The Coastal Region session is scheduled for Wednesday, May 28, 2025, at San Jose City Hall. Santa Clara LAFCO staff have been actively assisting CALAFCO with logistical arrangements for the Coastal Region Session. Special thanks to Commissioner Kamei for securing the venue for this important meeting.

Lastly, as an alternative to the online survey and/or to supplement it, Ms. Miller has offered to meet individually with interested commissioners to gather their feedback.

### **8.3 2025 CALAFCO ANNUAL CONFERENCE (OCTOBER 22 – 24, 2025)**

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#### **Recommendation**

Authorize commissioners and staff to attend the Annual Conference and direct that associated travel expenses be funded by the LAFCO Budget for Fiscal Year 2026.

#### **Discussion**

The upcoming CALAFCO Annual Conference will be held at the Wyndam San Diego Bayside in San Diego, CA from Wednesday, October 22<sup>nd</sup> to Friday, October 24<sup>th</sup>. The Conference provides an annual opportunity for commissioners and staff to gain additional knowledge about changes in LAFCO legislation, LAFCO policies and practices, and the latest issues facing LAFCOs, counties, cities, and special districts across the state. The Conference brings together approximately 250 LAFCO Commissioners and staff from around the state to discuss the latest issues and share knowledge and best practices. Further details will be made available in late summer.





Local Agency  
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**Commissioners**

Sylvia Arenas  
Jim Beall  
Rosemary Kamei  
Yoriko Kishimoto  
Otto Lee  
Terry Trumbull  
Mark Turner

**ITEM # 9**

**Alternate Commissioners**

Pamela Campos  
Helen Chapman  
Betty Duong  
Zach Hilton  
Teresa O'Neill

**Executive Officer**

Neelima Palacherla

**LAFCO MEETING: June 4 , 2025**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer**

**SUBJECT: FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ASSURA SOFTWARE, LLC FOR THE DEVELOPMENT OF A CUSTOMIZED DATABASE AND FOR PROVIDING ONGOING LICENSING AND ANCILLARY SUPPORT SERVICES**

**STAFF RECOMMENDATION**

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1. Approve the first amendment to the professional services agreement with Assura Software, LLC, for the design and development of a customized database to process LAFCO applications, track public inquiries, and manage the LAFCO contacts directory; and for providing ongoing licensing and ancillary support services, including, hosting, and technical support.

**BACKGROUND**

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In October 2024, LAFCO approved a professional Services Agreement with Assura Software, LLC, for the design and development of a customized database to process LAFCO applications, track public inquiries, and manage the LAFCO contacts directory; and for providing ongoing licensing and ancillary support services, including, hosting, and technical support.

The services agreement includes a one-time \$7,800 fee for configuring the database platform in accordance with the Scope of Work. However, additional coordination and iterative development between LAFCO staff and the Consultant have been necessary during the testing/development phase. To complete the project, we propose adding 10 additional hours to the contract at a rate of \$200 per hour.

Please see attachment A for the first amendment to the services agreement.

The LAFCO Budget for Fiscal Year 2024-2025 includes sufficient funding (under "Consultant Services") for the services.

**ATTACHMENTS**

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Attachment A: First amendment to the services agreement between the Local Agency Formation Commission of Santa Clara County and Assura Software, LLC to develop a customized database and provide ongoing licensing and ancillary support services



**FIRST AMENDMENT  
TO THE SERVICES AGREEMENT  
(TO DEVELOP A CUSTOMIZED DATABASE AND  
PROVIDE ONGOING LICENSING AND ANCILLARY SUPPORT SERVICES)**

This First Amendment to the Services Agreement is made and entered into as of this \_\_\_ day of \_\_\_\_\_, 2025, by and between the Local Agency Formation Commission of Santa Clara County (“LAFCO”), and ASSURA SOFTWARE, LLC, a Delaware limited liability company (“Contractor” or “Consultant”). LAFCO and Contractor are sometimes individually referred to as “Party” and collectively as “Parties.”

RECITALS:

A. LAFCO and Contractor entered into an agreement entitled “Services Agreement,” dated October 2, 2024 (“Agreement”) for the purposes of developing a customized database and to provide ongoing licensing and ancillary support services.

B. LAFCO and Contractor now desire to amend the Services Agreement to extend the number of hours for development and testing of the platform from 24 to 34 hours, and to increase the compensation amount.

NOW, THEREFORE, for good and valuable consideration, LAFCO and Contractor agree as follows:

1. Amendment. Exhibit A-2 of the Services Agreement is hereby replaced with the amended Exhibit A-2, attached hereto and incorporated herein by reference. From and after the date of this First Amendment, all references to “Exhibit A-2” shall mean Exhibit A-2 as amended by this First Amendment.

2. Continuing Effect of Services Agreement. Except as amended by this First Amendment, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this First Amendment. From and after the date of this First Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by this First Amendment.

3. Severability. If any portion of this First Amendment is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

[Signatures on following page]

**SIGNATURE PAGE FOR FIRST AMENDMENT  
TO THE SERVICES AGREEMENT  
(TO DEVELOP A CUSTOMIZED DATABASE AND  
PROVIDE ONGOING LICENSING AND ANCILLARY SUPPORT SERVICES)**

**IN WITNESS WHEREOF**, LAFCO and Contractor have executed this First Amendment to the Agreement as follows:

**LOCAL AGENCY FORMATION COMMISSION    ASSURA SOFTWARE, LLC  
OF SANTA CLARA COUNTY**

\_\_\_\_\_  
Sylvia Arenas  
LAFCO Chairperson

\_\_\_\_\_  
Hamish Howard  
Managing Director/CEO

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

APPROVED AS TO FORM:

\_\_\_\_\_  
Malathy Subramanian, LAFCO Counsel

\_\_\_\_\_  
Date

**EXHIBIT A-2  
RATE SCHEDULE**

**DEVELOPMENT OF A CUSTOMIZED DATABASE AND ONGOING LICENSING AND  
ANCILLARY SUPPORT SERVICES**

There are two costs: (1.) for configuring the database platform as detailed in the Scope of Work (Exhibits A and A1), and (2.) an ongoing monthly fee to cover the license, hosting, updates and support.

1. The cost of developing the custom database platform prior to the launch shall not exceed \$9,800 as detailed below, at a rate of \$200 per hour.

<b>Deliverable</b>	<b>Hours</b>	<b>Rate USD</b>	<b>Amount</b>
Project Management	5	200	\$ 1,000.00
Environment Setup and Branding	4	200	\$ 800.00
Development and Testing	34	200	\$ 6,800.00
Data Migration	4	200	\$ 800.00
User Training	2	200	\$ 400.00
<b>Total Services</b>			<b>\$ 9,800.00</b>

2. Licensing access and operational upkeep including hosting, updates and support will be billed at a rate of \$750 per month for 36 months, following the launch date. After the initial 36-month period the monthly rate may be increased by the percentage increase in the Consumer Price Index, All Urban Consumers, San Francisco-Oakland-San Jose for the previous calendar year.
3. Any live support and consultation beyond 2 hours per month will be billed at a rate of \$200 per hour.
4. The total cost shall not exceed \$25,000 per year.