

Local Agency Formation Commission of Santa Clara County

MINUTES OF LAFCO MEETING WEDNESDAY, APRIL 7, 2004 (Revised Copy)

1. ROLL CALL

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes the 7th day of April 2004 at 1:20 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California, with the following members present: Chairperson Susan Vicklund Wilson, Commissioners Donald Gage, Linda J. LeZotte and Mary Lou Zoglin. The following member absent: Commissioner Blanca Alvarado.

The LAFCO staff in attendance includes Neelima Palacherla, LAFCO Executive Officer; Kathy Kretchmer, LAFCO Counsel; Dunia Noel, LAFCO Analyst; and Ginny Millar, LAFCO Surveyor.

The meeting is called to order by Chairperson Wilson and the following proceedings are had, to wit:

2. PUBLIC PRESENTATION

There are no public presentations.

3. APPROVE MINUTES OF FEBRUARY 11, 2004 MEETING

On motion of Commissioner Gage, seconded by Commissioner Zoglin, it is unanimously ordered that the minutes of February 11, 2004 be approved, as submitted.

4. APPROVE CONSENT CALENDAR

On motion of Commissioner Gage, seconded by Commissioner Zoglin, it is unanimously ordered that the consent calendar be approved to include in Item No. 4.1.

4.1* WEST VALLEY SANITATION DISTRICT 2004-01 (SUVIEW DRIVE: LANDS OF DONNELLY)

On motion of Commissioner Gage, seconded by Commissioner Zoglin, it is unanimously ordered that the annexation to the West Valley Sanitation District of a parcel (APN 537-24-026) with a total area of approximately 15.053 acres, located on the west side of Suviev Drive and south side of Shannon Road in Los Gatos, designated as West Valley

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Sanitation District Annexation 2004-01, be approved (LAFCO Resolution No. 04-04) and the protest proceedings be waived.

5. **ADOPTION OF THE FINAL COUNTYWIDE FIRE PROTECTION SERVICE REVIEW REPORT AND RESOLUTION MAKING DETERMINATIONS**

Neelima Palacherla, LAFCO Executive Officer, reports that the draft Fire Protection Service Review Report was distributed and comments were received from the public and various agencies. The consultants have responded to comments and she notes that the comments and responses were included in the packets that were distributed to cities and agencies and posted on the LAFCO Website. She states that responses and corrections based on the comments will be included in the final Service Review report. Service review determinations were slightly revised since the draft report was published and are included in the staff report. She points out that state law requires that LAFCO make determinations on nine evaluation categories.

Ms Palacherla continues by stating that at a previous LAFCO meeting, the Commission requested staff to provide additional information on the implementation of the alternatives. She states that five key issues were identified regarding fire services in Santa Clara County. The first issue is relative to providing fire protection services to areas that are outside the fire district or fire agency's boundaries. She comments that there are several remote areas in Santa Clara County that are not within fire district jurisdiction. She reports that the second issue is in South County. Due to specific factors relating to growth protection and geographical separation from other parts of the County, it may be beneficial to have regional service providers in South County.

Ms Palacherla advises that the third issue is regarding the area surrounding Saratoga and service being provided by two agencies, Saratoga Fire District and Central Fire District. The fourth issue is to review regional approaches in providing fire support services and emergency communications for the different fire agencies in the County. Finally, Ms Palacherla reports that the last issue is to determine if there are any inefficiencies in fire service to the Los Altos Hills area.

In terms of implementation of the options identified, Ms. Palacherla advises that LAFCO has the ability to initiate and take lead action only on the Saratoga and Los Altos Hills County Fire Protection issues. The two issues that would require LAFCO approval but which LAFCO could not initiate include the regional fire protection issue in South County

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and the issue regarding service to under protected areas. LAFCO would have no authority over the issue relative to regional approaches for fire service support which could be addressed through a Joint

Powers Authority. She concludes by stating that the next step is for LAFCO to begin the sphere review and updates for the four fire districts. In response to an inquiry by Ann Waltonsmith, Mayor of Saratoga, regarding further clarification on the Saratoga alternatives, Ms Palacherla responds that LAFCO cannot initiate the detachment of the City of Saratoga from County Fire and annex to Saratoga Fire.

In response to an inquiry by Chairperson Wilson regarding what action needs to be taken on this agenda item, Ms Palacherla responds that the staff report lists the recommendations for Commission action and notes that comments at the public hearing should be considered.

On motion of Commissioner Gage, seconded by Commissioner Zoglin, it is unanimously ordered that the Countywide Fire Protection Service Review Final Report and resolution making determinations be approved.

6. PROPOSED LAFCO FEE SCHEDULE REVISION

Ms Palacherla reports that staff proposes revising the LAFCO fees and that the last revision to the fee schedule was in June 2002. She explains that since that time, staff costs have risen and that some of the current fees under estimated staff time spent on applications. She points out that the staff report shows the changes in hourly rates and that the report provides detailed information on how staff arrived at the fees.

Regarding district formations and incorporations, Ms. Palacherla informs the Commissioners that staff is proposing a mandatory pre-application meeting due to complicated issues involved. She states that if LAFCO receives approximately the average number of applications received in the past five years, the new fee schedule would generate a 50 percent increase in revenues. If the fee schedule were adopted, the effective date would be June 1, 2004.

On motion of Commissioner LeZotte, seconded by Commissioner Gage, it is unanimously ordered that the proposed LAFCO fee schedule revision be adopted.

7. PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2005

Ms Palacherla states that the budget sub-committee consists of Commissioners Gage, Zoglin and LAFCO staff and recommends approval of the draft budget for fiscal year 2005.

She states that the budget is approximately \$600,000 which is slightly higher than last year. There are no proposed increases in staffing or program costs. Increases are due to additional overhead and staffing costs transferred from the County to LAFCO. Staff is projecting to collect higher revenues due to fee revisions and savings from the balance of last year's fund.

Ms Palacherla advises that the net cost for operating LAFCO would be \$382,846 of which \$191,000 will be paid by the County, \$96,000 will be paid by City of San Jose and the balance of \$96,000 will be paid by the remaining cities. She advises that LAFCO is required to submit a draft budget by May 1, 2004 and that the final budget is due June 15, 2004. Further, she adds that the final budget is likely to be slightly different as staff salaries may be lowered by two to three percent. She states the final budget public hearing will be held at the June 9, 2004 LAFCO meeting and that, in the interim, the budget will be forwarded to the cities.

On motion of Commissioner Zoglin, seconded by Commissioner Gage, it is unanimously ordered that the proposed LAFCO Budget for fiscal year 2005 be adopted.

8. UPDATE ON COUNTYWIDE WATER SERVICE REVIEW

Dunia Noel, LAFCO Analyst, informs the Commission that the consultant selection committee interviewed three consultant firms to conduct the Countywide Water Service Review. It was determined that Dudek & Associates with Crosthwaite Consulting will perform the service review and that staff anticipates completion of the service review by the end of this year. LAFCO staff and representatives from the Santa Clara Valley Water District are compiling information on various water providers by way of electronic questionnaire and that it was sent to districts and cities in the County.

Ms. Noel comments that there is a Technical Advisory Committee (TAC) consisting of LAFCO staff, Chairperson Wilson and different water service providers. The TAC was formed in February of this year and will serve as liaison between LAFCO and agencies and serve as a technical resource for the service review. Ms. Noel concludes by stating that LAFCO staff will keep the Commission abreast of the progress on the water service review.

9. UPDATE ON ISLAND ANNEXATIONS IN SANTA CLARA COUNTY

Ms. Palacherla provides an update on island annexations by cities in Santa Clara County. She notes that in February, Cupertino annexed one of the most fragmented pockets, Monta Vista, and that the only pocket remaining in Cupertino is Creston.

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Further, Ms. Palacherla notes that Los Gatos initiated annexation of a portion of the Blossom Hill Manor pocket. Due to the amount of protest, the approval of the annexation will be subject to majority vote in an election in November. Ms Palacherla states that the City of Campbell has expressed some interest to the County Planning Office about annexing entire pockets.

10. LEGISLATIVE REPORT

Ms Palacherla reports on pending legislation affecting LAFCO and refers to the CALAFCO legislative report. She summarizes the bills most relevant to Santa Clara LAFCO -- Assembly Bills 2634 and 2067 and Senate Bill 1266.

11. PENDING APPLICATIONS

11.1 PETITION FOR FORMATION OF REDWOOD ESTATES

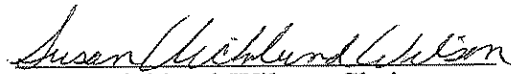
Ms. Palacherla informs the Commission that LAFCO has received the petition for formation of the Redwood Estates Community Services District. The District is near Summit Road and is currently being served by the Redwood Estates Mutual Water Company. She reports that the petition has been sent to the Registrar of Voters for signature verification and that she will keep the Commission informed of the status of this application.

12. WRITTEN CORRESPONDENCE

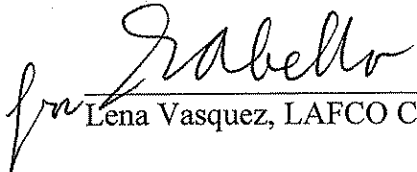
There is no written correspondence.

13. ADJOURNMENT

On motion of the Chairperson, there being no objection, the meeting is adjourned at 1:57 p.m. to the next regular meeting to be held on Wednesday, June 9, 2004 at 1:15 in the Chamber of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.


Susan Vicklund-Wilson, Chairperson
Local Agency Formation Commission

ATTEST:


Lena Vasquez, LAFCO Clerk