

**LOCAL AGENCY FORMATION COMMISSION OF
SANTA CLARA COUNTY
MINUTES
WEDNESDAY, OCTOBER 3, 2007**

1. ROLL CALL

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 3rd day of October 2007 at 1:00 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 Blanca Alvarado, Vice Chairperson Pete Constant, and Commissioners Don Gage, John Howe and Susan Vicklund-Wilson. Alternate Commissioners Terry Trumbull and Roland Velasco are also present.

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 Alvarado and the following proceedings are had, to wit:

2. NEW ALTERNATE COMMISSIONER: KANSEN CHU, SAN JOSE REPRESENTATIVE

Chairperson Alvarado announces that the City of San Jose has appointed Councilmember Kansen Chu as Alternate LAFCO Commissioner.

3. SANTA CLARA LAFCO RECEIVES "MOST EFFECTIVE COMMISSION" AWARD FROM CALAFCO

Chairperson Alvarado informs that Santa Clara LAFCO has received the Most Effective Commission Award from the California Association of LAFCOs (CALAFCO). She informs that the past year has been an extremely fruitful one for LAFCO, particularly with the successful completion of the Agricultural Mitigation Policies. These policies provide recommendations and guidance on how negative impacts to agricultural lands are mitigated. Last year, LAFCO also initiated the annexation of 54 unincorporated islands in eight cities, comprising of about 901 acres with approximately 2,841 residents. She notes that The Sphere, CALAFCO newsletter, has an article on annexations completed by the City of Fontana in San Bernardino County where 32 islands with 2,932 acres and a

population of 3,000 have been annexed, making Fontana the fourth largest city in that county. Chairperson Alvarado states that both the agricultural mitigation policies and the island annexations are very critical to LAFCO's ability to fulfill its mandate of discouraging urban sprawl, preserving open space and agricultural lands, ensuring efficient delivery of services, and encouraging orderly growth and development.

Chairperson Alvarado then invites commissioners, alternate commissioners and staff to a picture taking.

Commissioner Howe informs that Commissioner Wilson has consistently worked with CALAFCO and was elected Treasurer during the CALAFCO Conference. He then expresses appreciation to Commissioner Wilson for being a diligent representative of the Commission to CALAFCO. Chairperson Alvarado states that Commissioner Wilson has been involved in LAFCO for a very long time and has always been an excellent representative to CALAFCO. In response, Commissioner Wilson expresses appreciation to Chairperson Alvarado and Commissioner Howe for their comments, and to the Commission for her reappointment to another four-year term as a Public Member and for the opportunity to serve in CALAFCO.

4. PUBLIC PRESENTATIONS

Bruce Davis, Executive Director, Arts Council Silicon Valley, inquires whether the Arts Council would be considered an affected agency in the incorporation of San Martin even if it is neither a public agency nor based in that area. He states that if San Martin is incorporated, the County would lose a large amount of transit occupancy tax from the Cordeville area. Since the County's support to the Arts Council is commensurate to tax revenues collected, the County's assistance to his organization may be substantially reduced as a result of the incorporation.

Chairperson Alvarado refers the inquiry to staff and directs that this be brought to the Office of the County Counsel for a legal opinion and to forward a response to Mr. Davis.

5. APPROVE MINUTES OF AUGUST 1, 2007 MEETING

On motion of Commissioner Howe, seconded by Commissioner Gage, it is unanimously ordered on a vote of 3-0, with Chairperson Alvarado and Commissioner Wilson abstaining, that the minutes of August 1, 2007 meeting be approved, as submitted.

6. OUT OF AGENCY EXTENSION OF SEWER SERVICES BY THE TOWN OF LOS ALTOS HILLS (O'KEEFE)

This being the time and place set to consider the request for an out-of-agency contract for services (OACS) relating to sewer service by the Town of Los Altos Hills, the Chairperson declares the public hearing open.

The Chairperson requests the staff report. Ms. Palacherla reports that the Town of Los Altos Hills is seeking LAFCO approval to extend sewer service to a 2.5 acre property located at 10885 West Loyola Road, outside of the Town's jurisdictional boundaries. The landowner has applied for a two-lot subdivision in the County and is proposing to build a new home on the second lot.

Ms. Palacherla informs that the subject parcel is included in the West Loyola Annexation that was approved by the Town Council on September 13, 2007. She directs attention to the map illustrating the West Loyola annexation and showing the subject parcel. She advises that the West Loyola annexation is conditioned on a roads improvement agreement that was approved by the Town Council on September 27, 2007 and which is on the agenda of the Board of Supervisors for October 16, 2007. Once the agreement is approved by the Board, the Town will be able to submit the paper work to LAFCO, and staff would then record the annexation. Once the annexation is effective, the subject property can be connected to the Town's sewer system without LAFCO approval.

Ms. Palacherla informs that the landowner has applied to the County to subdivide the subject property into a two-lot subdivision. The County General Plan requires that development within a city's urban service area (USA) must be consistent with the General Plan of that city. The Town has informed the County and property owner that the proposed subdivision is not consistent with the Town's General. Moreover, Ms. Palacherla advises that the Town's resolution seeking OACS approval does not endorse the extension

of sewer service to the subdivision because a subdivision is inconsistent with the Town's General Plan. She further informs that there is no immediate health and safety issue associated with the extension of the sewer service. She notes that the West Loyola annexation will become effective by the end of October 2007 and that annexation is the best way to provide services to this parcel. She recommends denial of the application because it is unnecessary.

In response to the inquiry by Commissioner Howe, Ms. Palacherla advises that the Town Council has approved a resolution requesting OACS approval for sewer connection and applicant has paid LAFCO \$8,151 as deposit toward LAFCO processing cost. In response to a follow-up inquiry by Commissioner Howe, Ms. Palacherla states that the applicant is aware that LAFCO OACS approval is unnecessary because the West Loyola annexation has already been approved.

David O'Keeffe, property owner, expresses appreciation to the Commission for hearing the application, stating that he and his family live on the property which they purchased in 2004 with a plan to expand. He indicates that the Town Engineer has approved his purchase of two sewer rights; however, he was unaware that OACS approval would be required. He adds that there is an existing sewer main line outside his property and engineers only need to hook up two laterals. He adds that while he supports the West Loyola annexation, he applied for OACS approval because his engineering plans are now complete; and it will take six months or more to install sewer mains in the West Loyola annexation area because funds would have to be raised by the landowners.

In response to the inquiry by Chairperson Alvarado, Ms. Palacherla explains that the Town has approved the West Loyola annexation contingent on a roads improvement agreement with the County. The agreement is on the agenda of the October 16, 2007 Board of Supervisors meeting and the County Roads and Airports Department indicates that there is no opposition to the roads agreement. Staff will then record the annexation and it becomes effective. Further, she informs that the subject parcel may apply for a connection with the Town as soon as the annexation is effective.

Mr. O'Keeffe states that it is a tough process because he could not connect to the sewer main just outside his property although he already paid for the sewer rights and fees to the Town and LAFCO. He states that residents who went through annexation have told him that it takes about six months after annexation before a property is connected to sewer.

Bob Fenwick, former mayor of Los Altos Hills, states that he spoke in favor of the O'Keeffe OACS connection at the Town Council meeting and is speaking at this hearing to request for OACS approval.

Toni Casey, resident of Los Altos Hills, requests the Commission to approve sewer services to the O'Keeffe property, stating that it took about six months before her property had been connected to sewer service after the San Antonio Hills annexation because the residents have to raise funds for it. She notes that it also took about that period of time before the Ravensbury area has been provided with sewer service.

Laura Salamanca, a resident of 10905 West Loyola Drive, neighbor to the subject property, states she is pleased to be part of the West Loyola Drive annexation. She expresses appreciation to the Commission for reading her letter, as well as to staff for the well-written staff report. She notes that the application violates the OACS policies because the Town Council has already approved the West Loyola annexation and roads agreement will be approved by the Board of Supervisors in two weeks. She states that the applicant himself indicated at the Town Council meeting that there is no safety and health issue associated with his application. She also notes that the applicant is seeking a last minute OACS approval before the West Loyola annexation is finalized because his proposed two-lot subdivision is inconsistent with the Town's General Plan. Finally, Ms. Salamanca states that the applicant has been told in writing by the Town and County planners, as well as LAFCO staff, that this application violates the policies of each of these agencies.

The Chairperson determines that there are no other members of the public who wish to speak on the item and orders that the public hearing be closed.

Commissioner Constant indicates for the record that he had met with Mr. O'Keeffe. In response to the inquiry by Commissioner Constant, Mr. O'Keeffe states that he was told

in March 2006 by the Town staff that the proposed subdivision is consistent with the Town's General Plan.

Commissioner Constant comments that since the property will eventually be annexed to the Town and be connected to sewer, he proposes that the out of agency application be approved now. He states that while the policies favor annexation, he notes that the applicants have applied to the Town and received Council resolution, and paid all the fees. He notes that it will be bureaucratic to deny the application and make the applicants wait until after annexation for sewer service. He adds that the property has infrastructure in place to connect to sewer main.

Chairperson Alvarado informs that the Commission has been working on annexations for a long time and West Loyola annexation is very important. She notes that the staff's preference for annexation over OACS is not arbitrary because OACS approval in this case is inconsistent with LAFCO's intent to encourage orderly growth. Chairperson Alvarado states that it is a matter of consistency with OACS policy rather than bureaucratic red tape.

Ms. Palacherla clarifies that the Town stated that the proposed two-lot subdivision was in conformance with its General Plan in March 2006; however, in August 2006, the Town corrected its mistake and stated that it is inconsistent with its General Plan. Hence, the Town resolution requesting OACS approval does not endorse a connection for a subdivision. She advises that LAFCO should not be involved with the subdivision issue and the applicant's development proposal with the County because the Town has already annexed the West Loyola area. The applicant has been informed that there is no need for OACS because his property has been annexed by the Town. The applicant, however, chose to move forward with the OACS application. Ms. Palacherla adds that regardless of whether the sewer service is being provided as a result of OACS approval or annexation, the property owner would have to go through the same connection process.

Commissioner Gage states for the record that he had met with the applicant. He informs that the Town approved the proposed subdivision in March 2006; however, it revised that decision in August 2006. Therefore, the County planning staff would

recommend to the Board of Supervisors to deny the proposed subdivision because it is inconsistent with the Town's General Plan, whether or not LAFCO approves the OACS application.

Commissioner Howe states for the record that he had likewise met with the applicant and expresses agreement with Commissioner Constant's proposal to approve the request for sewer connections and leave it for the Town and the Board of Supervisors to decide the subdivision issue.

Commissioner Wilson states that this is an issue between the landowner and the Town and is not a LAFCO issue. She indicates that staff has analyzed the application based on LAFCO's policies and finds that it does not meet the criteria; therefore, it should be denied. She expresses concern if one sewer connection is approved as an OACS because the application has nothing to do with LAFCO and if would not benefit anyone if LAFCO makes that decision at the meeting. Commissioner Wilson states for the record that she also talked with the applicant on the telephone.

Commissioner Wilson moves to approve the staff recommendation to deny the application. She notes that the cost of the application and waiting time for sewer service upon annexation should not be the basis for OACS approval. The Commission should not set a precedent because the Town is trying to have orderly growth within its boundary. Commissioner Wilson informs that if her motion to deny fails, she would make another motion to continue the item to the next meeting when a representative from the Town could attend. Chairperson Alvarado seconds the motion.

Commissioner Constant comments that this is an issue about sewer and not about land use, and the worst scenario would be to allow one sewer connection. He notes that the applicant should not be made to wait until the West Loyola annexation is completed because it would take months before sewer is connected. The applicant should have at least one sewer connection even if the two-lot subdivision is denied.

Mr. O'Keeffe requests to address the Commission. The Chairperson approves the request.

Mr. O’Keeffe states that the Town Council had unanimously voted that it is not against bringing the proposed subdivision to the Board of Supervisors and expresses desire to have his day in court. Chairperson Alvarado and Commissioner Gage assure Mr. O’Keeffe that the Board of Supervisors will be impartial when hearing his subdivision proposal.

Chairperson Alvarado enjoins the Commission to support Commissioner Wilson’s motion to approve the staff recommendation to deny the OACS application because it is very simple and straightforward. LAFCO should not be involved in the land use policies, particularly since the annexation of West Loyola area annexation will settle this matter in the appropriate forum down the road. In response to the inquiry by Commissioner Gage, Chairperson Alvarado states that the property will be connected to sewer when the annexation to the Town is finalized. However, the subdivision would not be approved by the Board of Supervisors because it is inconsistent with the Town’s General Plan.

Chairperson Alvarado calls the question.

It is ordered on a vote of 3-2, with Commissioners Constant and Howe opposed, Resolution No. 2007-07 be adopted denying the request by the Town of Los Altos Hills to extend sewer service to property located at 10885 West Loyola Road in the unincorporated area.

7. OUT OF AGENCY EXTENSION OF SEWER SERVICES BY THE TOWN OF LOS ALTOS HILLS (VAUGHN)

This being the time and place set to consider the request for an out of agency sewer service by the Town of Los Altos Hills, the Chairperson declares the public hearing open.

The Chairperson requests the staff report. Ms. Palacherla reports that the Town of Los Altos Hills is requesting LAFCO approval to provide sewer service to a property located at 10700 Mora Drive, outside the town’s jurisdictional boundaries. The subject property is adjacent to the Mora Drive area where LAFCO approved OACS for 28 properties in 2001 upon the Town’s assurance to annex the area once it is feasible. She directs attention to the map displayed on screen illustrating the Mora Drive area as adjacent to the West Loyola annexation, explaining that when that annexation is

completed, Mora Drive becomes contiguous with the Town's boundary. At that time, annexation of Mora Drive and the subject property will be feasible.

Ms. Palacherla advises that the applicant is seeking three sewer connections to a three-lot subdivision with a tentative map approved by the County. The Town has determined that the subdivision is consistent with its General Plan. She indicates that there is no immediate health and safety issue associated with this sewer service request. Annexation of the subject property is feasible and the landowner has waived his right to protest in the event that the property is annexed; the Town has expressed interest to annex the area and is now working with property owners. Staff recommends that the extension of a sewer service to this property be approved in anticipation of a future annexation. She recommends that this approval include a statement that LAFCO would not accept any further OACS applications from the Town until the Mora Drive area, which includes the 28 parcels, as well as the subject property, are annexed by Los Altos Hills.

Chairperson Alvarado reiterates that this will be the last OACS proposal from the Town of Los Altos Hills that will be approved by LAFCO until the Mora Drive area and the subject property are annexed.

Melvin Vaughn, property owner, expresses appreciation to the Commission and staff. He requests approval of the OACS application stating that the Board of Supervisors unanimously approved the three-lot subdivision and its final subdivision map and that the Town and neighbors support his application.

The Chairperson determines that there are no other members of the public who wish to speak on the item and orders that the public hearing be closed.

Commissioners Howe and Gage state for the record that they have separately met with the applicant. Commissioner Wilson likewise states for the record that she talked to the applicant on the telephone.

In response to the inquiry of Commissioner Wilson, Mr. Vaughn informs that there is a storm water issue on his property stating that it does not meet current County requirements for runoff water. He states that this will result in health and safety risk in the future because that is where the septic tank is located. In response to a follow-up inquiry

by Commissioner Wilson, Mr. Vaughn informs that he will not oppose future annexation of his property to the Town.

Chairperson Alvarado states that the Mora Drive issue has been going on for a long time. Ms. Palacherla advises that the Town Council has committed to annex the area, and since West Loyola will be annexed, Mora Drive area will become contiguous with the Town. Commissioner Constant states for the record that a staff member from his office had met the applicant.

On motion of Commissioner Constant, seconded by Commissioner Gage, it is unanimously ordered on a vote of 5-0 that Resolution No. 2007-04 be adopted approving the application by the Town of Los Altos Hills for an out of agency contract for sewer services to 10700 Mora Drive, and approving the Categorical Exemption for this proposal; and approving a statement that LAFCO will not accept any further OACS applications from the Town of Los Altos Hills until the Mora Drive area and subject parcel are annexed to the Town.

8. FINAL REPORT FOR NORTHWEST SANTA CLARA COUNTY SERVICE REVIEWS AND SPHERE OF INFLUENCE UPDATES

This being the time and place set to consider the Final Report for the Northwest Santa Clara County Service Reviews and Sphere of Influence (SOI) Updates, Chairperson Alvarado declares the public hearing open.

Commissioner Howe states for the record that his wife is employed by the El Camino Hospital District and recuses himself from consideration of this Final Report and SOI update. He clarifies that although he is recusing himself from participating in LAFCO's consideration of this item, his participation on the Technical Advisory Group did not favor El Camino Hospital District in any way because he did not participate in discussions relating to that special district.

Commissioner Howe leaves the Board Chambers. Alternate Roland Velasco joins the Commission to participate in this matter.

The Chairperson requests the staff report. Dunia Noel informs that the Northwest Santa Clara County Service Reviews and SOI Recommendations Final Report contains the required service reviews, service review determinations, SOI recommendations, and SOI

determinations for the cities of Campbell, Cupertino, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Mountain View, Palo Alto, Saratoga and Sunnyvale. It also includes SOI determinations for the Cupertino Sanitary District, El Camino Hospital District, Lake Canyon Community Services District, Midpeninsula Regional Open Space District, Rancho Rinconada Recreation and Park District, Santa Clara Valley Transportation Authority, Saratoga Cemetery District, West Bay Sanitary District, and West Valley Sanitation District (WVSD).

Ms. Noel advises that on August 1, 2007, LAFCO held a public hearing to consider the draft report and to accept further comments. Since then, staff has received some comments resulting in minor revisions to four sections of the report. A Notice of Availability of the Final Draft Report was sent to all the affected agencies and interested parties on September 12, 2007. The final report is available on the LAFCO website for downloading.

Ms. Noel recommends that the Commission reaffirm the SOI boundaries for all agencies, except for Palo Alto, Los Altos Hills, El Camino Hospital District, and West Valley Sanitation District. Palo Alto's SOI currently includes two residential areas that need to be moved from Palo Alto's SOI to that of Los Altos Hills. The El Camino Hospital District serves residents of Sunnyvale and Cupertino which area currently outside its boundary; therefore, staff recommends that LAFCO expand the District's SOI to include these two cities. WVSD currently serves two small areas located beyond its SOI, staff recommends expansion of the District's SOI to include these two areas. Ms. Noel reports that based on the comments received from Mountain View this week, staff recommends that the Commission amend the determination for that City's infrastructure needs and deficiencies, included as Attachment A of the staff report, to read "The library has operating and capacity challenges. A space reallocation plan is included in the City's CIP to address some space needs and to improve operating efficiency. Additional space needs, especially in the children's area, will be addressed at a later time." She indicates that Llyod Zola, the consultant for the project, is available to respond to any question of the Commission.

In the response to the inquiry by the Chairperson, Ms. Noel reports that staff has resolved the issue with Palo Alto. In response to another question by the Chairperson, Ms. Noel indicates that the Lake Canyon Community Services District serves an area near the Lexington Reservoir area.

Steven Wesoloski, Board Member, Rancho Rinconada Recreational and Park District, recommends to the Commission to hire local consultants for the service reviews so there will be no added costs for travel.

Jennifer Griffin, a homeowner in Rancho Rinconada area, states the residents are happy about the district's amenities and services. She urges the Commission to leave the Rancho Rinconada area as it is because it provides a vital service to the residents, the community is involved in running it and it adds value to the surrounding properties.

Chairperson Alvarado directs staff to take note of this comment.

Matt Freeman, Planning Manager, MROSD, states that the District is pleased with the final report. He informs, however, that there is a gap in open space services in Santa Clara County because there are some areas within the District SOI that are not within the District boundary. The District is currently conducting a master plan study of that area. He adds that MROSD will annex the area and requests the final report acknowledge that service gap so the District will be in a better position to initiate the annexation process. Mr. Freeman then submits a letter to the Commission.

Chairperson Alvarado states that public comments will be reflected in the minutes and added to the service review determinations and SOI recommendations as appropriate.

The Chairperson determines that there are no other members of the public who wish to speak on the item and orders that the public hearing be closed. Ms. Noel advises that the CEQA determinations be adopted first.

On motion of Commissioner Gage, seconded by Commissioner Constant, it is unanimously ordered on a vote of 5-0 vote, Alternate Commissioner Roland Velasco voting as the cities representative as Commissioner Howe has recused himself, in the absence of Commissioner Howe, that the Service Reviews and Sphere of Influence

Recommendations report for the Northwest Santa Clara County be categorically exempt from CEQA

In response to comment from Mr. Freeman, Ms. Palacherla, advises that the final report could acknowledge the service gap but the service review would not recommend annexation without further staff analysis.

On motion of Commissioner Gage, seconded by Commissioner Constant, it is unanimously ordered on a 5-0 vote, with Alternate Commissioner Roland Velasco voting as the cities' representative as Commissioner Howe has recused himself, that the Final Report on Northwest Santa Clara County Service Review and SOI Update be adopted with the necessary revisions; that Resolution No. 2007-05 be adopted making service review determinations for each of the cities and special districts; that the SOI be updated and Resolution No. 2007-06 be adopted making SOI determinations for each of the cities and special districts; and, that staff be directed to distribute the Final Report to all affected agencies.

9. CLARIFICATION OF "AGRICULTURAL USE"

Commissioner Howe returns at 2:05 p.m. for Item No. 9.

The Chairperson requests the staff report. Ms. Palacherla reports that the Commission unanimously approved the Agricultural Mitigation Policies at the April 4, 2007 hearing which includes a word-for-word definition of prime agricultural land as found in the Cortese-Knox-Hertzberg (CKH) Act. At the hearing, the Commission directed staff to provide clarification on the term "agricultural use" as mentioned in the CKH Act section defining prime agricultural land. A staff report had been prepared for the May 30, 2007 meeting; however, that staff report has been revised based on comments received to date. The CKH Act defines "prime agricultural land" as "an area of land, whether single parcel or contiguous parcels, that has not been developed for use other than an *agricultural use* and that meets any of the following qualifications..." The term "agricultural use" is not defined in the CKH Act. The Commission directed staff to clarify that term in the context of the CKH Act's definition of "prime agricultural lands." Ms. Palacherla adds that the term, when used by LAFCO as part of LAFCO's definition of "prime agricultural

land," refers to land uses that relate to producing crops, growing fruit/nut trees, grazing cattle, supporting an agricultural industry or other uses that would not exclude the use of land for agriculture and that would be compatible with agriculture, including land left undeveloped or fallow. She states that the staff report contains comment letters and staff response to those letters.

Jim Rowe, Planning Manager, City of Morgan Hill, requests that CKH Act that the term "agricultural use" be defined using the definition of "agricultural lands." He states that this the Agricultural Mitigation Policies should first apply to lands that are determined as agricultural. If this change is not made, he notes, the mitigation policies apply to prime agricultural and include lands that have never been used for agriculture simply because of their soil classification or by being irrigatable. He states that the primary purpose of the mitigation policies is to preserve lands that are currently being used for agriculture.

Chairperson Alvarado informs that pages 3 and 4 of the staff report respond to the issue raised by Mr. Rowe as well as those raised by the other stakeholders.

Michele Beasley, Field Representative, Greenbelt Alliance, enjoins the Commission to support the staff report clarifying the term "agricultural uses" because the focus should be on the soil that could support agriculture even if the land is left fallow. She notes that the agricultural mitigation policies should not be weakened because it is LAFCO's responsibility to encourage orderly and city-centered growth.

The Chairperson determines that there are no other members of the public who wish to speak on the item.

Commissioner Wilson informs that she requested that this item be continued to this meeting because she could not be present at the August 1, 2007 meeting. She expresses concurrence with the staff recommendation, stating that having served the Commission for 12 years, it has been a long standing LAFCO policy that fallow lands as long as they are prime soil should be classified as prime agricultural land. She proposes that the Commission take into account the letter from the Friends of Coyote Valley Greenbelt (FROG) about the viability and importance to the local economy of small scale agriculture

at the urban edge. She adds that some people intentionally let their lands go fallow in order to develop them. Regardless of the reason, the irrecoverable loss of agricultural land has to be mitigated.

Commissioner Wilson moves for acceptance of clarification to the term "agricultural use" as mentioned in LAFCO's Agricultural Mitigation Policy No. 6. Chairperson Alvarado seconds the motion.

In response to the inquiry of Commissioner Gage, Ms. Kretchmer advises that the Agricultural Mitigation Policies are using the CKH Act definition word-for-word and the reason for this clarification is because that definition has a phrase "agricultural use." Commissioner Gage states that there are some areas where urban encroachments force farmers to leave the land fallow because surrounding residential or commercial developments prevent them from spraying. He adds that there are lands, whether prime or not, that will never be used for agriculture again because of encroaching development and specific circumstances.

Chairperson Alvarado calls for the question.

It is unanimously ordered on a vote of 5-0 that the staff recommendation be accepted relating to clarification of the term "agricultural use."

The Chairperson, there being no objection, orders a recess for a fire drill at 2:13 p.m.

Alternate Commissioner Trumbull leaves at 2:13 p.m.

The Commission reconvenes at 2:41 p.m. The Chairperson confirms that there is a quorum.

10. SAN MARTIN INCORPORATION PROPOSAL: INVOICES FOR LAFCO STAFF COSTS

The Chairperson requests the staff report. Ms. Palacherla advises that this is an information only item on staff time spent on the San Martin incorporation proposal. At the last meeting, the proponents requested that the invoices include a breakdown of the tasks performed and amount of time spent. She notes that the LAFCO Counsel has a new hourly rate to be included in the invoice starting in July 2007.

11. UPDATE ON COYOTE VALLEY SPECIFIC PLAN DRAFT ENVIRONMENTAL IMPACT REPORT

The Chairperson requests the staff report. Ms. Noel informs that staff will meet with City of San Jose planning staff next week to talk about the Coyote Valley Specific Plan (CVSP) Environmental Impact Report (EIR). LAFCO is the responsible agency for this project and staff has several concerns about the EIR. The EIR will be used by the Commission to evaluate USA amendment and annexation proposals by San Jose for CVSP. Among the items that will be discussed at the meeting next week are the draft EIR's consistency with LAFCO policies, impact on the loss of agricultural lands, clarification on CVSP implementation, and status of the General Plan triggers.

12. CONSIDERATION OF CHANGE TO LAFCO MEETING TIMES

The Chairperson announces a proposal to change the meeting time from 1:00 p.m. to 1:15 p.m. Commissioner Wilson moves for approval. Commissioner Howe seconds the motion. In response to an inquiry by Commissioner Howe, Ms. Palacherla advises that the proposal is being made because there is a conflict with Commissioner Gage's schedule.

It is unanimously ordered on a vote of 5-0 that meeting time be changed from 1:00 p.m. to 1:15 p.m.

13. REPORT BACK ON THE CALAFCO ANNUAL CONFERENCE IN SACRAMENTO

The Chairperson requests for the staff report. Ms. Noel reports that Vice Chairperson Constant, Commissioners Howe and Wilson, and LAFCO staff attended the 2007 CALAFCO Conference in Sacramento. During the Conference, Commissioner Wilson was reelected to another term on CALAFCO Board of Directors and the LAFCO of Santa Clara County was presented the award for the "Most Effective Commission in 2007." Commissioner Wilson was a panelist for the session entitled "Sustaining Agriculture: Exploring LAFCO's Role" where she presented LAFCO's Agricultural Mitigation Policies and discussed the process of developing these policies. Many LAFCOs are beginning to consider how they can strengthen their agricultural preservation policies and are interested in Santa Clara LAFCO's recent experience. Commissioner Wilson also moderated the panel entitled, "CEQA and LAFCO: Achieving the LAFCO Mission."

LAFCO staff participated in that mobile workshop that focused on efforts to preserve agricultural and open space lands in Yolo County. Ms. Noel also talked about the different panel discussions. Kathy Kretchmer participated in the Attorneys' Roundtable relating to agricultural mitigation policies, indemnification of LAFCOs, and new legislation affecting LAFCOs. The 2008 CALAFCO Conference will be held in early September 2008 in Studio City.

14. COMMISSIONERS' REPORTS

There are no Commissioners' reports.

15. WRITTEN CORRESPONDENCE

Chairperson Alvarado states that copies of The Sphere, a CALAFCO publication, have been distributed to the members of the Commission.

16. NEWSPAPER ARTICLES

There are no newspaper articles.

17. PENDING APPLICATIONS / UPCOMING PROJECTS

The Commission takes note of one pending district annexation, West Valley Sanitation District 2007-1.

18. ADJOURN

On the order of the Chairperson, there being no objection, the meeting is adjourned at 2:47 p.m.

The next regular LAFCO meeting is scheduled to be held on Wednesday, December 5, 2007 at 1:15 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

Blanca Alvarado, Chairperson
Local Agency Formation Commission

ATTEST:

Emmanuel Abello, LAFCO Clerk