

**LAFCO MEETING  
AGENDA**

**Wednesday, June 3, 2009  
1:15 PM**

**Board Meeting Chambers  
70 West Hedding Street, First Floor  
San Jose, CA 95110**

**CHAIRPERSON: John Howe • VICE-CHAIRPERSON: Susan Vicklund-Wilson**

**COMMISSIONERS: Pete Constant, Don Gage, Liz Kniss**

**ALTERNATES: Al Pinheiro, Sam Liccardo, George Shirakawa, Terry Trumbull**

The items marked with an asterisk (\*) are included on the Consent Agenda and will be taken in one motion. At the beginning of the meeting, anyone who wants to discuss a consent item should make a request to remove that item from the Consent Agenda.

**Disclosure Requirements**

**1. Disclosure of Campaign Contributions**

If you wish to participate in the following proceedings, you are prohibited from making a campaign contribution of more than \$250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than \$250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings.

If you or your agent have made a contribution of more than \$250 to any commissioner or alternate during the twelve (12) months preceding the decision, that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings. For disclosure forms and additional information see: <http://www.santaclara.lafco.ca.gov/annexations&Reorg/PartyDisclForm.pdf>

**2. Lobbying Disclosure**

Any person or group lobbying the Commission or the 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. 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. For disclosure forms and additional information see: <http://www.santaclara.lafco.ca.gov/annexations&Reorg/LobbyDisclForm.pdf>

**3. Disclosure of Political Expenditures and Contributions Regarding LAFCO Proceedings**

If the proponents or opponents of a LAFCO proposal spend \$1,000 with respect to that proposal, they must report their contributions of \$100 or more and all of their expenditures under the rules of the Political Reform Act for local initiative measures to the LAFCO office. For additional information and for disclosure forms see: [http://www.santaclara.lafco.ca.gov/sclafcopolicies\\_annex&reorg\\_home.html](http://www.santaclara.lafco.ca.gov/sclafcopolicies_annex&reorg_home.html)

**1. ROLL CALL**

**2. PUBLIC PRESENTATIONS**

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on this agenda. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

**3. APPROVE MINUTES OF APRIL 8, 2009 LAFCO MEETING**

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**PUBLIC HEARING**

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**4. CAMPBELL/LOS GATOS MINOR URBAN SERVICE AREA (USA) AND SPHERE OF INFLUENCE (SOI) AMENDMENT AND DETACHMENT OF A PORTION OF WEST PARR AVENUE FROM THE CITY OF CAMPBELL**

A joint request by the City of Campbell and Town of Los Gatos to realign the USA and SOI to the centerline of West Parr Avenue and to detach a portion of West Parr Avenue from Campbell for eventual annexation to Los Gatos.

**Possible Action:** Consider the request for the USA/SOI amendment and detachment, and staff recommendation.

**5. FINAL LAFCO BUDGET FOR FISCAL YEAR 2009-2010**

**Possible Action:** Consider and adopt the Final LAFCO Budget for Fiscal Year 2009-2010.

**6. ADOPTION OF LAFCO INDEMNIFICATION POLICY**

**Possible Action:** Consider and adopt the LAFCO Indemnification Policy.

**7. LAFCO RECORDS RETENTION POLICY**

**Possible Action:** Continue the item to the next regular LAFCO meeting.

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**ITEMS FOR ACTION / DISCUSSION**

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**8. SETTLEMENT AGREEMENT BETWEEN SAN MARTIN NEIGHBORHOOD ALLIANCE (SMNA) AND LAFCO OF SANTA CLARA COUNTY**

**Possible Action:** Consider and approve the settlement agreement between SMNA and LAFCO.

**9. PROPOSED WORK PLAN FOR COMPREHENSIVE REVIEW AND UPDATE OF LAFCO POLICIES**

**Possible Action:** Consider staff report and provide direction to staff.

**10. ATTENDANCE OF ALTERNATE COMMISSIONERS AT CLOSED SESSIONS**

**Possible Action:** Consider staff report and provide direction to staff.

**11. REQUEST FOR PROPOSALS FOR DESIGN AND IMPLEMENTATION OF AN ELECTRONIC DOCUMENT MANAGEMENT SYSTEM FOR LAFCO**

**Possible Action:**

1. Authorize staff to issue a Request for Proposals (RFP) for a qualified firm to design and implement an electronic document management system.
2. Advise whether LAFCO Commissioner representation is desired on the consultant selection committee. If desired, appoint Commissioner to serve on the committee.
3. Delegate authority to LAFCO Executive Officer to enter into an agreement with the most qualified firm in an amount not to exceed \$40,000 and to execute any necessary amendments subject to LAFCO Counsel's review and approval.

**12. PRESENTATION REGARDING RECRUITMENT OF COMMISSIONERS TO THE CALAFCO EXECUTIVE BOARD**

**Possible Action:** Consider information and provide direction to staff.

**13. EXECUTIVE OFFICER'S REPORT**

**13.1 Nomination to the CALAFCO Board of Directors**

**Possible Action:** Nominate Commissioner Wilson to a fourth term on the CALAFCO Executive Board.

**13.2 CALAFCO Annual Conference on October 28-30, 2009 (Tenaya Lodge, Yosemite)**

**Possible Action:** Authorize commissioners and staff to attend the 2009 CALAFCO Annual Conference and authorize travel expenses funded by LAFCO budget.

**13.3 Report on the CALAFCO Workshop held in April-May 2009**

Information Only.

**14. COMMISSIONERS' REPORTS**

**15. NEWSPAPER ARTICLES / NEWSLETTERS**

**16. WRITTEN CORRESPONDENCE**

**17. PENDING APPLICATIONS / UPCOMING PROJECTS**

**18. ADJOURN**

Adjourn to regular LAFCO meeting on Wednesday, August 12, 2009, at 1:15 PM in the Board Meeting Chambers, 70 West Hedding Street, First Floor, San Jose.

Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commission less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office at the address listed at the bottom of the first page of the agenda during normal business hours. In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to the meeting at (408) 299-6415, or at TDD (408) 993-8272, indicating that the message is for the LAFCO Clerk.

LOCAL AGENCY FORMATION COMMISSION OF  
SANTA CLARA COUNTY  
MINUTES  
WEDNESDAY, APRIL 8, 2009

**1. ROLL CALL**

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 8th day of April 2009 at 12:03 p.m. in the Board Meeting Chambers, County Government Center, 70 West Hedding Street, San Jose, California, with the following members present: Chairperson John Howe, Vice Chairperson Susan Vicklund-Wilson, and Commissioners Pete Constant, Don Gage and Liz Kniss.

The LAFCO staff in attendance includes Neelima Palacherla, LAFCO Executive Officer; Dunia Noel, LAFCO Analyst; and, Mala Subramanian, LAFCO Counsel.

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

**2. CLOSED SESSION**

The Chairperson determines that there is a quorum and, there being no objection, orders that the meeting be adjourned to Closed Session at 12:04 p.m.

(The Commission reconvenes at 1:15 p.m.)

(Alternate Commissioners Al Pinheiro and Terry Trumbull are present.)

The Chairperson reports that the Commission conferred in Closed Session with legal counsel pursuant to Government Code §54956.9 and informs that the Commission has given direction to counsel.

The Chairperson then directs that the roll be called and it is determined that there is a quorum.

**3. PUBLIC PRESENTATION**

There is no public presentation.

**4. APPROVE THE MINUTES OF FEBRUARY 4, 2009 MEETING**

On motion of Commissioner Gage, seconded by Commissioner Constant, it is unanimously ordered that the minutes of February 4, 2009 meeting be approved, as submitted.

**5. MUNRO ANNEXATION NO. 7**

This being the time and place set for a public hearing to consider the request by the City of Morgan Hill to annex a 20-acre parcel outside its urban service area (USA), the Chairperson declares the public hearing open.

Ms. Palacherla briefly describes the project and advises that LAFCO policies disallow annexation of land outside a city's USA but allow consideration of exceptions on a case by case basis if the annexation is for the preservation of open space lands. She states that the annexation would allow the City to acquire the land and preserve El Toro as open space. She reports that the City has entered into an agreement with the property owner whereby the City would allow a lot line adjustment that would enable future subdivision within the City and in return, the property owner would sell the property located on El Toro to the City. She discusses the various factors considered in evaluating this application. She continues by stating that while the City has provided no additional assurance to maintain the area as open space, if Santa Clara County Open Space Authority (SCCOSA) funds are used to acquire the property, the City will be required to maintain the area as open space in perpetuity. In view of the circumstances presented, staff recommends approval, and to emphasize that the intent of the annexation is not for urban development, staff recommends that no urban services be provided to the property even though LAFCO would not have any enforcement capacity once the property is within the city.

In response to an inquiry by Commissioner Wilson, Ms. Palacherla advises that the restriction against provision of urban services is enforceable until the Williamson Act contract expires on January 1, 2017. The Chairperson informs that David Bischoff, representing Morgan Hill, is present to answer questions. In response to an inquiry by Commissioner Wilson, Mr. Bischoff states that SCCOSA has not made any commitment to fund the acquisition of the property at this time. He informs that it is the intent of the City Council to preserve this parcel as open space as the City has acquired more than 60 acres of open space lands in the area. Commissioner Wilson expresses concern that without stronger commitment from the City to keep the land in open space, the agreement



between the City and the property owner could be changed and LAFCO will have no oversight after annexation. She also requests that Morgan Hill consult with LAFCO in the early stages of such applications to allow greater LAFCO input. Mr. Bischoff expresses support for staff recommendation. In response to an inquiry by Alternate Commissioner Pinheiro, Mr. Bischoff informs that Morgan Hill has its own open space fund amounting to nearly \$1 million.

There being no further comments from the public, on motion of Commissioner Gage, seconded by Commissioner Constant, it is unanimously ordered that the public hearing be closed.

Commissioner Gage moves for approval and Commissioner Constant seconds the motion. Commissioner Gage clarifies the motion at the request of Commissioner Wilson.

The Chairperson calls the question. It is unanimously ordered that Resolution 2009-02 be adopted, approving the annexation to the City of Morgan Hill and the detachment from the South Santa Clara County Fire Protection District, designated as Munro Annexation No. 7. Said Resolution, by reference hereto, is made part of these minutes.

**6. DRAFT LAFCO BUDGET FOR FISCAL YEAR (FY) 2009-2010**

This being the time and place set for a public hearing to consider the Draft LAFCO Budget for FY 2009-2010, the Chairperson declares the public hearing open.

Ms. Palacherla reports that the CKH Act requires LAFCO to adopt a proposed budget by May 1 and a final budget by June 15. At its February 4, 2009 meeting, the Commission designated a Budget Subcommittee composed of Commissioners Gage and Howe to recommend a budget to the full Commission. The Subcommittee met and prepared the draft budget based on the proposed work plan for FY 2010. She then briefly discusses the work plan which includes, among other items, the next round of service reviews, assistance to cities on island annexations, and a comprehensive review and update of LAFCO policies. She reports that the draft budget is less than that of the current fiscal year, the costs to the County and the cities are reduced. She further notes that the staff report on page 4 only indicates the cost of processing the San Martin incorporation proposal through November 2008. She states that costs through January 2009 totaled

\$221,686.16. She continues that the staff report includes a description for each line item on the budget and also estimates the cost to the County and each of the cities based on LAFCO operating expenses.

There being no comments from the public and there being no objection, the Chairperson declares that the public hearing be closed.

Commissioner Constant moves for approval of the Draft LAFCO Budget for FY 2009-2010. Commissioner Gage seconds the motion.

In response to an inquiry by Commissioner Kniss, Ms. Palacherla informs that the unpaid fees for processing the San Martin incorporation application were not projected as LAFCO revenue. She states that, in addition, some of the staff costs in processing the San Martin incorporation proposal, were covered using funds allocated for other projects (which were not initiated due to workload issues as a result of the incorporation application). Therefore, the budget does not directly reflect the impact of the loss of these fees. However, if the fees had been paid, the costs to the cities and the County would have been correspondingly lower. Commissioner Kniss requests that this information be on record because it is significant in these economic times and Ms. Palacherla indicates that it will be included in the minutes. Commissioner Wilson expresses concurrence, stating that this be recorded in the minutes as a loss sustained by LAFCO. Chairperson Howe states that the Budget Subcommittee developed a balanced budget which is lower than that of the current year. Commissioner Wilson expresses appreciation to commissioners Gage and Howe for their work on the Subcommittee.

The Chairperson calls the question. It is unanimously ordered that the Commission adopt the Draft LAFCO Budget for FY 2009-2010; find that the Draft Budget is expected to be adequate to allow the Commission to fulfill its statutory responsibilities; and, that staff be authorized to transmit to each of the cities, the County and the Cities Association the adopted Draft Budget, including the estimated agency costs, as well as the notice of public hearing for adoption of the Final Budget for FY 2009-2010.

In response to a clarification by the LAFCO Counsel, Commissioners Constant and Gage inform that the motion approved includes all the recommendations in the staff report.

## **7. LEGISLATIVE REPORT**

Ms. Noel reports that there are 30 bills of interest to California Association of LAFCOs (CALAFCO) during the 2009-2010 legislative session. She then briefly discusses the bills that are most pertinent to Santa Clara LAFCO, namely, Assembly Bill (AB) 528 (Silva), relating to financial disclosure language in CKH Act; Senate Bill (SB) 215 (Wiggins), requiring "Sustainable Community Strategy" as an additional factor to be considered in reviewing LAFCO applications; AB 853 (Arambula), requiring LAFCO to conduct a feasibility review for consolidation of small water community systems when the Board of Supervisors receives a complaint and votes to require a LAFCO report; AB 113 (Senate Committee on Local Government), relating to non-substantive changes to local government laws, including those requested by CALAFCO; and, SB 211 (Simitian), allowing the Santa Cruz Board of Supervisors to create a regional open space district outside of the LAFCO process.

In response to an inquiry by Commissioner Kniss, Ms. Noel advises that small water systems are generally maintained and managed by individuals designated by a small group of residents. In response to an inquiry by Supervisor Gage, Ms. Palacherla advises that mutual water companies formed by residents with a common water source and that the 2005 Countywide Water Service Review identified several mutual water companies in the South County region. She states that at that time, there were requests from the San Martin County Water District to absorb small water agencies. In response to an inquiry by Commissioner Howe, Ms. Noel informs that Redwood Estates Mutual Water Company was taken over by the San Jose Water Company.

On motion of Commissioner Gage, seconded by Commissioner Kniss, it is unanimously ordered that the report be accepted.



**8. EXECUTIVE OFFICER'S REPORT**

Ms. Palacherla reports that LAFCO staff conducted a workshop on March 10, 2009 for cities and special districts staff involved in processing annexations and dealing with associated service transitions. Over 35 staff members attended from various County departments, cities, special districts, and Board of Supervisors offices. As a follow up, LAFCO staff will meet with the City of San Jose, the County, and various special districts staff to better coordinate the transition of services in anticipation of larger island annexations by San Jose. She also reports that the Commission, at its February 4, 2009 meeting, has retained Best, Best & Krieger to provide legal services to LAFCO. Additionally, she informs that on March 27, 2009, staff and Alternate Commissioner Trumbull attended a CALAFCO class on SB 375.

**9. COMMISSIONERS' REPORTS**

Alternate Commissioner Pinheiro requests that the Commission consider allowing alternate commissioners to attend LAFCO closed sessions. The Chairperson directs staff to include this item on the agenda of the June 3, 2009 LAFCO meeting. Commissioner Kniss requests staff to consider policies of other agencies relating to attendance of alternate members in closed sessions. Alternate Commissioner Pinheiro informs that he is an alternate Valley Transportation Authority (VTA) board member and was allowed to sit in a closed session. Commissioner Gage informs that VTA no longer allows alternates to attend closed sessions unless they are required to fill in for an absent board member.

On order of the Chairperson, there being no objection, staff is directed to prepare a report for the June 3, 2009 meeting relating to attendance of alternate commissioners in closed sessions.

Alternate Commissioner Trumbull expresses appreciation to Commissioner Wilson for her work on CALAFCO and for putting together the SB 375 class on March 27, 2009.

**10. WRITTEN CORRESPONDENCE**

There is no written correspondence.

**11. NEWSPAPER ARTICLES / NEWSLETTERS**

The Chairperson notes that the April 2009 issue of The Sphere, the CALAFCO newsletter, is included in the packet, and congratulates Commissioner Wilson on her position as Vice-Chair of CALAFCO Board of Directors.

**12. PENDING APPLICATIONS / UPCOMING PROJECTS**

Ms. Palacherla advises that staff expects to receive an application from the City of Campbell to amend its USA and annex West Parr Road.

**13. ADJOURN**

On order of the Chairperson, there being no objection, the meeting is adjourned at 1:54 p.m. to a regular meeting to be held on Wednesday, June 3, 2009 at 1:15 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

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John Howe, Chairperson  
Local Agency Formation Commission  
of Santa Clara County

ATTEST:

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Emmanuel Abello, LAFCO Clerk

**LAFCO Meeting:** June 3, 2008  
**TO:** LAFCO  
**FROM:** Neelima Palacherla, Executive Officer  
**SUBJECT:** Proposed Final Budget FY 2009-2010  
Agenda Item # 5

### **STAFF RECOMMENDATION**

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1. Adopt the Final LAFCO Budget for fiscal year 2009-2010. (Attachment A)
2. Find that the Final FY-10 Budget is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the final budget adopted by the Commission including the estimated agency costs to each of the cities, the County and the Cities Association.
4. Direct the County Auditor-Controller to apportion LAFCO costs to cities and the County using the most recent edition of the Cities Annual Report published by the Controller, and collect payments pursuant to Government Code § 56381.

### **BACKGROUND**

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#### **LAFCO Budget and Adoption Process**

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO 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 and the County. The CKH Act 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 into the next fiscal year budget. After the adoption of the final budget, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

## **CHANGES TO THE DRAFT / PRELIMINARY BUDGET**

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The Commission on April 8, 2009, adopted the preliminary budget for Fiscal Year 2009-2010. The preliminary budget was prepared using the best information available at that time. The proposed final budget has been further refined based on information that became available since then.

These changes allow LAFCO's budget to be further reduced to \$827,675 and the net operating expenses are reduced to \$535,314, representing a reduction from the previous year's budget and net operating expenses. Presented below are the proposed revisions to items:

### **EXPENDITURES**

#### **Object 1 SALARY AND BENEFITS**

An amount of \$12,725 has been reduced from the projected employee salaries and benefits for 2009-2010, thus reducing the allocated total for the item to \$391,198.

### **REVENUES**

**4301100 INTEREST (end of year projection for FY 2009)  
(Increase from \$7,000 to \$11,000)**

**4103400 Application Fees (end of year projection for FY 2009)  
(Decrease from \$50,000 to \$40,000)**

LAFCO is expected to receive higher interest from deposits than was estimated in the preliminary budget. Even though the revenues from application fees have approximated the current budgeted amount for the fiscal year, it is unlikely that they will reach \$50,000 in the remaining few months and therefore the end of the year projection for revenues are scaled down from that estimated in the preliminary budget.

### **NET LAFCO OPERATING EXPENSES (Decrease from \$539,962 to \$535,314)**

As a result of the above listed estimated changes in costs and revenues, the net operating expenses of LAFCO for FY 2010 are reduced from \$539,962 in the Draft Budget to \$535,314 in the Final Budget. This correspondingly reduces costs to the agencies.

## **COST APPORTIONMENT TO CITIES AND 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. Since the City of San Jose has permanent membership on Santa Clara LAFCO, the law requires costs to be split between the County, the City of San Jose and the remaining cities. Hence the County pays half the LAFCO cost, the City of San Jose a quarter and the remaining cities the other quarter. The cities' share (other than San Jose's) is apportioned in proportion to each city's total revenue as reported in the most recent edition (2006-2007) of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county.

The CKH Act requires the County Auditor to apportion the costs to the various agencies and to request payment from the cities and the County no later than July 1 of each year for the amount each agency owes based on the net operating expenses of the Commission and the actual administrative costs incurred by the Auditor in apportioning costs and requesting payment. Provided in the table is the draft apportionment to the agencies based on LAFCO's net operating expenses for FY-10 (\$535,314). Cost to individual cities is detailed in Attachment B.

### **Costs to Agencies**

	FY 08-09 Costs	FY 09-10 Costs
County of Santa Clara	\$270,897	\$267,656
City of San Jose	\$135,449	\$133,828
Remaining 14 cities in the County	\$135,449	\$133,828

## **ATTACHMENTS**

Attachment A: Final Budget for FY 2009-2010  
Attachment B: 2009-2010 LAFCO Cost Apportionments to Cities and the County based on 2006/2007 Cities Annual Report

**PROPOSED LAFCO BUDGET  
FISCAL YEAR 2009 - 2010**

**ITEM No. 5  
ATTACHMENT A**

ITEM #	TITLE	APPROVED FY 08-09 BUDGET	ACTUALS	END OF FY 2009 PROJECTIONS	PROPOSED FY 2009-2010 BUDGET
			Year to Date 1/31/2009		
<b>EXPENDITURES</b>					
Object 1:	Salary and Benefits	\$403,013	\$239,058	\$404,593	\$391,198
Object 2:	Services and Supplies				
5258200	Intra-County Professional	\$144,600	\$12,115	\$95,000	\$55,000
5255800	Legal Counsel	\$0	\$0	\$0	\$70,800
5255500	Consultant Services	\$75,000	\$72,659	\$100,000	\$110,000
5285700	Meal Claims	\$750	\$168	\$600	\$750
5220200	Insurance	\$559	\$559	\$559	\$603
5250100	Office Expenses	\$2,000	\$354	\$2,000	\$2,000
5255650	Data Processing Services	\$10,000	\$3,588	\$8,000	\$3,837
5225500	Commissioners' Fee	\$9,000	\$3,100	\$8,000	\$9,000
5260100	Publications and Legal Notices	\$2,500	\$69	\$2,000	\$2,500
5245100	Membership Dues	\$7,000	\$7,000	\$7,000	\$7,000
5250750	Printing and Reproduction	\$1,500	\$0	\$1,500	\$1,500
5285800	Business Travel	\$12,000	\$4,458	\$12,000	\$13,000
5285300	Private Automobile Mileage	\$1,500	\$384	\$1,500	\$2,000
5285200	Transportation&Travel (County Car Usage)	\$2,911	\$828	\$3,000	\$1,500
5281600	Overhead	\$62,391	\$31,196	\$62,391	\$49,077
5275200	Computer Hardware	\$2,000	\$451	\$2,000	\$2,000
5250800	Computer Software	\$2,000	\$0	\$2,000	\$2,000
5250250	Postage	\$2,000	\$280	\$2,000	\$2,000
5252100	Staff Training Programs	\$2,000	\$0	\$2,000	\$2,000
5701000	Reserves	\$100,000	\$0	\$0	\$100,000
<b>TOTAL EXPENDITURES</b>		<b>\$842,724</b>	<b>\$376,268</b>	<b>\$716,143</b>	<b>\$827,765</b>
<b>REVENUES</b>					
4103400	Application Fees	\$40,000	\$39,164	\$40,000	\$40,000
4301100	Interest: Deposits and Investments	\$7,000	\$6,475	\$11,000	\$7,000
<b>Total Interest / Application Fee Revenue</b>		<b>\$47,000</b>	<b>\$45,639</b>	<b>\$51,000</b>	<b>\$47,000</b>
4600100	Cities (Revenue from other Agencies)	\$270,897	\$270,897	\$270,897	
5440200	County	\$270,897	\$270,897	\$270,897	
<b>Savings/Fund Balance from previous FY</b>		<b>\$253,930</b>	<b>\$368,800</b>	<b>\$368,800</b>	<b>\$245,451</b>
<b>TOTAL REVENUE</b>		<b>\$842,724</b>	<b>\$956,233</b>	<b>\$961,594</b>	
<b>NET LAFCO OPERATING EXPENSES</b>		<b>\$541,794</b>			<b>\$535,314</b>
<b>COSTS TO AGENCIES</b>					
	County	\$270,897			\$267,657
	City of San Jose	\$135,449			\$133,828
	Other Cities	\$135,449			\$133,828

**2009/2010 LAFCO COST APPORTIONMENT**  
**Estimated Costs to Agencies Based on the Proposed Final Budget**

**LAFCO Net Operating Expenses for 2009/2010** **\$535,314**

<b>Jurisdictions</b>	<b>Revenue per 2006/2007 Report</b>	<b>Percentage of Total Revenue</b>	<b>Allocation Percentages</b>	<b>Allocated Costs</b>
<b>County</b>	N/A	N/A	50.0000000%	<b>\$267,656.80</b>
<b>San Jose</b>	N/A	N/A	25.0000000%	<b>\$133,828.40</b>
Campbell	\$37,893,677	2.2163276%	0.5540819%	\$2,966.08
Cupertino	\$55,692,872	3.2573679%	0.8143420%	\$4,359.28
Gilroy	\$85,648,532	5.0094163%	1.2523541%	\$6,704.02
Los Altos	\$35,396,719	2.0702853%	0.5175713%	\$2,770.63
Los Altos Hills	\$9,035,211	0.5284519%	0.1321130%	\$707.22
Los Gatos	\$34,668,904	2.0277169%	0.5069292%	\$2,713.66
Milpitas	\$116,952,583	6.8403294%	1.7100824%	\$9,154.30
Monte Sereno	\$2,652,541	0.1551420%	0.0387855%	\$207.62
Morgan Hill	\$67,173,041	3.9288207%	0.9822052%	\$5,257.88
Mountain View	\$156,866,835	9.1748365%	2.2937091%	\$12,278.54
Palo Alto	\$367,475,000	21.4928990%	5.3732247%	\$28,763.60
Santa Clara	\$472,938,700	27.6612660%	6.9153165%	\$37,018.63
Saratoga	\$19,106,625	1.1175094%	0.2793773%	\$1,495.54
Sunnyvale	\$248,249,502	14.5196312%	3.6299078%	\$19,431.39
<b>Total</b>	<b>\$1,709,750,742</b>	<b>100.0000000%</b>	<b>100.0000000%</b>	<b>\$535,313.59</b>
<b>Total Cities (minus San Jose)</b>				<b>\$133,830.39</b>



**LAFCO Meeting: June 3, 2009**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer**

**SUBJECT: Adoption of LAFCO Indemnification Policy**

**Agenda Item # 6**

### **RECOMMENDATION**

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It is recommended that:

1. LAFCO adopt the attached policy titled "LAFCO Indemnification Policy" that requires all applicants to indemnify LAFCO against any legal actions challenging review or approval of the applicant's proposal by LAFCO.
2. LAFCO require applicants to submit a signed indemnification agreement in the form prescribed in the policy, as part of the filing requirements for the submittal of any application to LAFCO.
3. The indemnification requirement and policy become effective for all future proposals filed with LAFCO, as well as any proposals which have not yet been determined to be complete at the time the policy is approved.

### **BACKGROUND**

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LAFCO often reviews and decides upon proposals such as annexations, urban service area amendments and incorporations that are of a complex and controversial nature. LAFCO's review and action on such applications could put LAFCO at risk for litigation, the cost of defending which LAFCO would have to bear.

While the recent lawsuit regarding the San Martin Incorporation proposal is the only lawsuit brought against Santa Clara LAFCO in the last 20 years, there certainly exists a possibility that LAFCO decisions will be challenged. Such litigation could burden LAFCO with significant litigation defense costs. For example, Monterey LAFCO incurred approximately \$150,000 in costs for defending the Carmel Valley incorporation litigation. This amount is nearly a third of Santa Clara LAFCO's operating expenses for the upcoming fiscal year.

Santa Clara LAFCO is funded jointly by the 15 cities and the county and therefore costs incurred by LAFCO in defending lawsuits would be actually

borne by the cities and the county. An indemnification policy that would require the applicant to indemnify LAFCO for any litigation associated with LAFCO's review and approval of the application would shift the burden to fund litigation defense from LAFCO and its funding agencies to the applicant.

Nearly all LAFCOs have indemnification requirements. The majority of LAFCOs require indemnification as a filing requirement. A few LAFCOs require indemnification as a condition of approval of an application. Along with requiring indemnification upfront as a filing requirement, several LAFCOs require additional indemnification as a condition of approval.

LAFCO counsel prepared the proposed indemnification agreement. The proposed indemnification policies and agreement (See Attachment A) include the following general provisions:

1. As part of LAFCO application filing requirements, applicants will be required to submit a signed indemnification agreement that indemnifies LAFCO against legal challenges related to the review and approval of the application by LAFCO.
2. A certificate of filing, deeming the application complete, will not be issued if a signed indemnification agreement is not submitted.
3. In the event of a lawsuit, a deposit (in the range of \$10,000 to \$25,000, as determined by LAFCO) is required to be made by the applicant to cover a portion of the estimated cost of defense of litigation. LAFCO may stop defending the matter if timely payment of litigation defense costs is not received.

## **ATTACHMENTS**

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Attachment A: LAFCO Indemnification Policy and Indemnification Agreement

**LAFCO INDEMNIFICATION POLICY**

To further good government practices and policies of the Commission, and protect the Commission from the costs associated with legal challenges, it is the policy of this Commission that:

1. As part of any application submitted to the Commission, the applicant(s) shall submit a signed agreement to indemnify, defend and hold harmless the Commission, its agents, officers, attorneys, and employees from any legal challenges or appeals brought to challenge the review or approval of their applications by the Commission in the form prescribed in Exhibit "A", attached hereto and incorporated herein by reference.
2. In the event that a lawsuit is brought to challenge the review or approval of a proposal by the Commission, the Commission shall notify the applicant(s) promptly and no later than three (3) business days after the Commission has been served. Additionally, the Commission shall submit an invoice to the applicant for an amount to cover a portion of the estimated cost of resolving the matter. This amount will likely range between \$10,000 and \$25,000 and shall be determined at the Commission's sole discretion. The Commission may stop defending the matter, if at any time the Commission has not received timely payment of litigation defense costs.
3. The Executive Officer shall not issue a Certificate of Filing for an application if an indemnification agreement in the form prescribed in Exhibit "A" has not been executed and submitted to the Executive Officer by the applicant(s).

Exhibit A

**INDEMNIFICATION AGREEMENT**

As part of this Application, Applicant and its successors and assigns, shall indemnify, defend and hold harmless, LAFCO, its officials, officers, employees, agents, representatives, contractors and assigns from and against any and all claims, demands, liability, judgments, damages (including consequential damages), awards, interest, attorneys' fees, costs and expenses of whatsoever kind or nature, at any time arising out of, or in any way connected with any legal challenges to or appeals associated with LAFCO's review and/or approval of the Application (collectively, "Indemnification Costs"). Applicant's obligation to indemnify, defend and hold harmless LAFCO, its officials, officers, employees, agents, representatives, contractors and assigns under this Agreement shall apply regardless of fault, to any acts or omissions, or negligent conduct, whether active or passive, on the part of the Applicant, LAFCO, its officials, officers, employees, agents, representatives, contractors or assigns. Applicant's obligation to defend LAFCO, its officials, officers, employees, agents, representatives, contractors and assigns under this Agreement shall be at Applicant's sole expense and using counsel selected or approved by LAFCO in LAFCO's sole discretion.

In the event of a lawsuit, Applicant will be notified by LAFCO within three (3) business days of being served. An invoice will be submitted to the Applicant by LAFCO for an amount between \$10,000 and \$25,000 to cover a portion of the Indemnification Costs ("Reserve"), which shall depend upon the estimated cost to resolve the matter and shall be determined in LAFCO's sole discretion. Applicant shall pay the Reserve to LAFCO within seven (7) calendar days of LAFCO's request. The Reserve shall be applied against LAFCO's final bill for the Indemnification Costs, with any unused portion to be returned to Applicant. LAFCO shall bill Applicant monthly for the Indemnification Costs, which shall be paid to LAFCO no later than 15 calendar days after receipt of LAFCO's bill. LAFCO may stop defending the matter, if at any time LAFCO has not received timely payment of the Reserve and/or the Indemnification Costs. This will not relieve Applicant of any of its obligations pursuant to this Agreement.

**BY APPLICANT**

SIGNATURE: \_\_\_\_\_ Date: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_ Title: \_\_\_\_\_

## **AGENDA ITEM No. 7: LAFCO RECORDS RETENTION POLICY**

This agenda item is unavailable at this time, as LAFCO Staff is in the process of developing a draft records retention policy for the Commission's consideration. Therefore, LAFCO Staff is recommending that the Commission continue this item to the next regular LAFCO Meeting. Thank You.

**LAFCO Meeting: June 3, 2009**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer**

**SUBJECT: Settlement Agreement between LAFCO and SMNA**

**Agenda Item # 8**

**RECOMMENDATION**

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The LAFCO Executive Officer and Legal Counsel recommend approval of the settlement agreement (see Attachment A) between LAFCO and SMNA which includes the following general provisions:

1. SMNA will dismiss its First Amended Petition and Complaint, dated January 29, 2009, with prejudice.
2. LAFCO will waive its fees incurred in processing SMNA's incorporation proposal which to date amounts to approximately \$211,677.24.
3. If SMNA files an application for incorporation in the future, SMNA must pay LAFCO's outstanding fees which approximate \$211,677.24.
4. LAFCO will retain the approximately \$1,000 in interest accrued upon funds deposited by SMNA to cover consultant costs.
5. LAFCO and SMNA will each bear its own attorney costs incurred in connection with SMNA's lawsuit.
6. With the exception of (3) and (4) above, each party will fully and mutually release the other of all claims, known and unknown, related to the Incorporation Application.

**BACKGROUND**

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On February 2, 2009, San Martin Neighborhood Alliance (SMNA) filed a lawsuit against LAFCO entitled *SMNA v. LAFCO, et al.*, (Civil Case No. 108 CV 128250) in which SMNA challenged LAFCO's review and processing of the San Martin incorporation proposal and SMNA's request for state Controller's review of the Comprehensive Fiscal Analysis (the "Incorporation Application").

On February 17, 2009, SMNA made a settlement offer to LAFCO. LAFCO considered SMNA's offer in closed session at its regular meeting in April, and made a counteroffer to SMNA. Attachment A is the resultant Settlement Agreement between LAFCO and SMNA.

## **ATTACHMENT**

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Attachment A: Settlement Agreement and Mutual Release of Claims  
between SMNA and LAFCO.



**SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS**

This Settlement Agreement and Mutual Release of Claims ("Agreement") is made and entered into by and among the Local Agency Formation Commission of Santa Clara County, Neelima Palacherla, Executive Officer of the Local Agency Formation Commission of Santa Clara County (collectively, "LAFCO"), and San Martin Neighborhood Alliance, Inc., a California non-profit corporation ("SMNA") (collectively, the "parties" and, individually, each a "party") with reference to the following:

**RECITALS**

A. There is currently pending in Santa Clara Superior Court a writ petition and complaint entitled *SMNA v. LAFCO, et al.*, Civil Case No. 108CV128250 (the "Action"), in which SMNA has asserted against LAFCO ten causes of action against LAFCO arising out of LAFCO's processing of SMNA's Application for Incorporation ("Incorporation Application"), and SMNA's request that LAFCO submit the Incorporation Application to the State Controller for review pursuant to California Government Code Section 56801.

B. The parties dispute their liabilities to one another for the claims and causes of action asserted in the Action.

In consideration of the above facts, and the promises and covenants contained below, the parties hereto agree as follows:

**AGREEMENT**

1. **Incorporation of Recitals.** The recitals set forth above, including the defined terms, are true and correct and incorporated in this Agreement as if restated in full.
2. **Dismissal with Prejudice.** Immediately upon the full execution of this Agreement by each of the parties, SMNA shall request dismissal with prejudice of the Action.
3. **Attorneys Fees.** Each side shall bear its respective attorneys' fees and costs incurred in the prosecution and defense of the Action.
4. **LAFCO's Retention of \$1000 in Interest Accrued.** LAFCO shall retain the approximately \$1,000 in interest that has accrued on the monies deposited by SMNA to cover the costs of consultants to review its Incorporation Application.
5. **Future Incorporation Applications by SMNA.** If SMNA brings an application for incorporation to LAFCO at any time in the future, whether it is the same or different from the Incorporation Application currently pending before LAFCO, SMNA shall pay LAFCO all fees and costs which LAFCO has incurred in processing the Incorporation Application to date which is \$211,677.24.
6. **LAFCO Release of SMNA.** Except as provided in Paragraphs 4 and 5 of this Agreement, LAFCO waives and discharges any claims against SMNA for payment for LAFCO staff time accrued on the Incorporation Application.

7. Mutual Release. Except as to obligations created by this Agreement, LAFCO, on the one hand, and SMNA, on the other hand, individually and collectively release, acquit and discharge the other party respectively, including the party's assigns, agents, servants, employees, officials, commissioners, representatives and attorneys, and all persons acting by, through, or under them, and each of them, of and from any and all claims, debts, costs, expenses, damages, injuries, liabilities, demands, losses and causes of action of every kind, nature, and description, known or unknown, fixed or contingent, for any matter which was alleged or could have been alleged in the Action, or related to SMNA's Incorporation Application.

8. Civil Code Section 1542. The parties acknowledge that they have been advised by their attorneys concerning, and are familiar with the provisions of California Civil Code Section 1542, which reads as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

The parties recognize that they may have sustained claims, debts, costs, expenses, damages, injuries, liabilities, demands, losses or causes of action in connection with the matters herein released that are presently unknown or unexpected, and that claims, debts, costs, expenses, damages, injuries, liabilities, demands, losses or causes of action may give rise to additional claims, debts, costs, expenses, damages, injuries, liabilities, demands, losses or causes of action in the future. The parties hereto, and each of them, acknowledge that this Agreement has been made with knowledge that such additional claims, debts, costs, expenses, damages, injuries, liabilities, demands, and causes of action damages may exist, and hereby waive any and all rights either of them may have under Section 1542, or under any other state or federal statute or case authority of similar effect.

9. No Admission of Liability. This Agreement is made in connection with the compromise of disputed claims. Neither this Agreement nor any action taken pursuant to it constitutes an admission by any party to another.

10. Integrated Agreement. The parties represent that they have not relied on any promise, inducement, representation or other statement made in connection with this Agreement that is not expressly contained in the Agreement. This is a fully integrated Agreement and contains the entire agreement between the parties.

11. Successors. This Agreement is binding on, and shall inure to the benefit of, all parties to it or who are benefited by it, and their parent corporations, affiliates, employees, agents, attorneys, representatives, predecessors, successors, assigns and partners, past, present and future.

12. No Oral Modification. This Agreement cannot be altered, amended, or modified in any respect, except by a writing duly executed by the parties.

13. California Law Applies. The parties understand and agree that this Agreement shall be construed under and interpreted in accordance with the laws of the State of California applicable to contracts between California domiciliaries that are to be performed wholly within the State of California.

14. Attorneys' Fees. If any action, at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its attorneys' fees in addition to any other relief to which it may be entitled.

15. Advice of Attorneys. The parties acknowledge that they make this Agreement upon the advice of their respective attorneys, that they have read this Agreement, and that they have discussed it with their attorneys.

16. Headings. The headings in this Agreement are descriptive only, and do not constitute any portion of the terms of this Agreement.

17. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates opposite their respective signatures.

Dated: \_\_\_\_\_, 2009

LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CLARA COUNTY

By: \_\_\_\_\_  
Printed Name: John Howe  
Title: Chair


Dated: \_\_\_\_\_, 2009

NEELIMA PALACHERLA,  
EXECUTIVE OFFICER OF THE LOCAL  
AGENCY FORMATION COMMISSION OF  
SANTA CLARA COUNTY

By: \_\_\_\_\_  
Printed Name: Neelima Palacherla  
Title: Executive Officer

Dated: May 27<sup>th</sup>, 2009

SAN MARTIN NEIGHBORHOOD ALLIANCE,  
INC., a California non-profit corporation

By:   
Printed Name: Sylvia Hamilton  
Title: SMNA President

**LAFCO Meeting: June 3, 2009**

**TO:** LAFCO

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

**SUBJECT: Proposed Work Plan for Comprehensive Review and Update of LAFCO Policies**  
Agenda Item # 9

**STAFF RECOMMENDATION**

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Review the proposed work plan for updating the LAFCO Policies, authorize staff to proceed and provide further direction as necessary.

**BACKGROUND**

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Staff has completed a preliminary review of LAFCO's current policies and has identified policy areas that need clarification. This report includes a listing and short discussion of all the needed revisions for the Commission's consideration as well as a proposed work plan.

Staff has sorted the needed policy revisions based on whether they are:

1. A minor revision of existing policies needed to be consistent with changes in state law
2. A revision or expansion of existing policies, where existing policies are insufficient
3. Development of new policies

**1. REVISE EXISTING POLICIES TO BE CONSISTENT WITH CHANGES IN STATE LAW**

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*Are current LAFCO policies consistent with state law, i.e., do LAFCO policies need to be updated to reflect any recent changes in state law.*

**A. Service Review Policies: New Determinations and Upcoming Service Reviews**

As part of the service review process, the CKH Act requires LAFCO to make written determinations in specific identified categories for all cities and special districts within the county. In 2008, the CKH Act was revised to reflect a new set of required

categories. LAFCO staff is also in the process of developing a work plan for LAFCO's second round of required service reviews and sphere of influence updates. As part of this preparation LAFCO staff will be reviewing the current Service Review Policies to see if any additional revisions are necessary.

**Recommendation**

LAFCO service review policies must be updated to reflect the new set of statutorily required determinations. LAFCO staff should also review the Service Review Policies in light of LAFCO's ongoing requirement to prepare service reviews every five years. Upon completion of that review, LAFCO staff should bring forward any recommended changes to these Policies to LAFCO for its consideration and adoption.

**B. Island Annexation Policies: New Sunset Date and Fee Waiver**

LAFCO adopted Island Annexation Policies in 2005. Since that time, the section of the CKH Act pertaining to island annexations has been revised to reflect a new sunset date of January 1, 2014 for certain provisions. Additionally, LAFCO has provided, on an ongoing basis, a fee waiver for annexations that result in the elimination of island annexations resulting in LAFCO waiving the requisite annexation fee (currently \$1,103).

**Recommendation**

LAFCO's Island Annexation Policies should be revised to reflect the current sunset date as found in the CKH Act and correctly reflect LAFCO's decision to continue to provide a fee waiver for annexations that result in elimination of entire unincorporated islands.

**2. REVISE OR EXPAND EXISTING POLICIES**

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*Is there a need to revise or bolster existing LAFCO policies to address changing local conditions or specific areas where existing policies are insufficient?*

**A. Attendance and Participation of Alternate Commissioners at LAFCO Closed Sessions**

At the April 8, 2009 LAFCO meeting, LAFCO directed staff to prepare a staff recommendation concerning whether alternate LAFCO commissioners can attend LAFCO closed sessions even if they are not needed to take the place of the regular LAFCO commissioner. LAFCO staff and legal counsel have prepared a staff report and memo (see Agenda Item #10) in response to this request.

**B. Incorporation**

In 2007, LAFCO adopted Incorporation Policies in preparation for processing the San Martin Incorporation Proposal. LAFCO recently used its Incorporation Policies, in conjunction with the OPR Guidelines, and state law to process its first ever incorporation proposal involving the unincorporated community of San Martin. In

light of this experience and with the addition of new LAFCO legal counsel, it is timely for LAFCO to review its Incorporation Policies and consider whether any revisions are appropriate. With the exception of the unincorporated community of San Martin, future incorporation proposals will continue to be a rarity in the county.

**Recommendation**

Staff should review existing Incorporation Policies and propose any revisions, as necessary, for commission consideration and adoption.

**C. Policies on Annexation/Reorganization for Cities and Special Districts**

LAFCO policies generally discourage annexation of lands outside the USA but provide a very narrow exception to this policy in cases where the annexation is for the purpose of open space or agricultural preservation. Such exceptions are not meant to be precedent setting and the Commission may reevaluate its policy that allows such exceptions. In exercising this exception, a recurring issue has been whether the goal of maintaining the land as open space will be achieved through these types of annexations. LAFCO's existing policies do not provide any guidance to applicants as to how they may demonstrate to LAFCO that their proposal will maintain the land as open space or agriculture long term. A clarification of this policy concerning this issue would greatly assist applicants and LAFCO.

**Recommendation**

Staff should review its existing policies on annexation/reorganization for cities and special districts and propose any revisions, as necessary for Commission consideration.

**3. DEVELOP NEW POLICIES**

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*Is there a need to develop new policies in order to address specific issues that would come before LAFCO and/or in order to comply with state law?*

**A. Indemnification Policy**

LAFCO often reviews and decides upon proposals such as annexations, urban service area amendments and incorporations that are of a complex and controversial nature. LAFCO's review and action on such applications could put LAFCO at risk for litigation, the cost of defending which LAFCO would have to bear. Staff has prepared an indemnification policy that would require the applicant to indemnify LAFCO for any litigation associated with LAFCO's review and approval of their application. See Agenda Item #6 for staff report concerning this matter.

**B. LAFCO Records Retention Policies**

LAFCO is responsible for retaining and managing its own records. In order to have an efficient, economical and effective records management system, LAFCO must develop policies or a schedule that documents which records must be stored, which records are of historic value and therefore must be preserved and which records

should be destroyed because they have no administrative, fiscal or legal value. Staff is currently working on such a retention schedule. Such a policy will also assist LAFCO in its effort to implement an electronic document management system as discussed in Agenda Item # 11.

### Proposed Work Plan for LAFCO Policies Review and Revision

<b>1. Update Existing Policies to be Consistent with Changes in State Law</b>		
<b>Policies</b>	<b>Revision Status</b>	<b>Proposed LAFCO Hearing</b>
Service Review Policies	To begin June 2009	August 2009
Island Annexation Policies	To begin June 2009	August 2009
<b>2. Revise or Expand Existing Policies</b>		
<b>Policies</b>	<b>Status</b>	<b>Proposed LAFCO Hearing</b>
Attendance and Participation of Alternate Commissioners at LAFCO Closed Sessions	<i>See Staff Report for Agenda Item No. 10</i>	August 2009
Incorporation Policies	To begin June 2009	August 2009
Policies on Annexation/Reorganization for Cities and Special Districts	To begin June 2009	August 2009
<b>3. Develop New Policies</b>		
<b>Policies</b>	<b>Status</b>	<b>Proposed LAFCO Hearing</b>
Indemnification Policy	<i>See Staff Report for Agenda Item No. 6</i>	June 2009
Records Retention Policies	<i>In progress</i>	August 2009



**LAFCO Meeting: June 3, 2009**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, LAFCO Analyst**

**SUBJECT: Attendance of Alternate Commissioners at Closed Sessions  
Agenda Item # 10**

**RECOMMENDATION**

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Consider report and attached memo from counsel and provide direction to staff.

**BACKGROUND**

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At the April 8, 2009 LAFCO meeting, the Commission directed staff to prepare a report on whether alternate members should be allowed to attend closed sessions even if the regular member is present. The current practice at Santa Clara LAFCO allows alternate commissioners to attend closed sessions only when the regular member is unable to attend and the alternate member is needed to take the place of the regular commissioner. See Attachment A for legal counsel's memo on this issue.

Staff conducted an informal survey of LAFCOs across the state concerning this issue. The majority of respondents indicated that they do not allow alternate commissioners to attend closed sessions unless they are serving in the absence of the regular commissioner. These LAFCOs stated that their position is based on the California Attorney General's opinion on this issue and their legal counsel's opinion.

Some LAFCOs responded that they allow alternate commissioners to attend all closed sessions. However, unless the alternate commissioners are acting in the absence of the regular commissioner, they are not allowed to vote. These same LAFCOs stated that they do not place great significance on the AG's Opinion.

A couple of LAFCOs have adopted policies which seek to balance the Attorney General opinion with various special circumstances that may present themselves. For example, El Dorado LAFCO's alternate commissioners, when not acting in the absence of a regular member do not generally participate in closed sessions. However the Commission, under the advice of the Executive Officer and Counsel, may invite the participation of alternates in closed session on a case-by-case basis.

**ATTACHMENTS**

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Attachment A: LAFCO Counsel memo dated May 11, 2009, re. Closed Session and Alternates

MEMORANDUM

**TO:** Chair Howe  
Members of the Commission  
Neelima Palacherla, Executive Officer

**FROM:** Malathy Subramanian

**DATE WRITTEN:** May 11, 2009

**MEETING DATE:** June 3, 2009

**RE:** Closed Session Attendance and Alternates

Background

You have asked whether Santa Clara LAFCO Alternate Commissioners can attend and participate in closed session meetings when not serving in the place of a regular commissioner. Santa Clara LAFCO is composed of five members and four alternates. The five members include two County Supervisors, a San Jose Councilmember, a City Councilmember selected by the City Selection Committee, a public member, and an alternate member for each of the aforementioned groups.

Analysis

The Brown Act requires that all meetings of a "legislative body" be open and public, except as expressly provided otherwise in the Brown Act. (Gov. Code § 54953(a).) The Act contains several provisions that permit a "legislative body" to meet in closed session to discuss, among other things, issues related to anticipated and existing litigation. (Gov. Code § 54956.9).

Unfortunately, there are no statutes or cases that address whether an alternate can attend and participate in closed session when not serving in the place of a regular member. But there are several Attorney General opinions that address who may properly attend closed session. The overriding theme of these opinions is that closed session attendance should be limited to those members of the legislative body and those staff members, consultants, or others who have an "official or essential role to play in the closed session." (86 Ops.Cal.Atty.Gen.210 (2003).) The Attorney General has repeatedly stressed this theme to avoid "semi-executive" sessions "to which only particular members of the public, selected or approved by members of the local agency, are permitted to attend." (46 Ops. Cal.Atty.Gen. 34 (1965).)

The Attorney General opinion most on point was issued in 1999 and addressed whether a LAFCO alternate member, when not serving in place of a regular member, may attend closed session of the commission. (82 Ops.Cal.Atty.Gen. 29 (1999).) The opinion concluded that an alternate member of the commission could not attend closed session when the member was not serving in place of a regular member. The Attorney General reasoned that unless the alternate was sitting in place of an absent or disqualified regular member, an alternate member may not attend closed session without converting the session into an unauthorized "semi-closed meeting." The Attorney General used the analogy of an alternate juror, who is excluded from jury deliberations unless that person is seated as juror.

In the same opinion, the Attorney General concluded that alternate members, when not serving in the place of a regular member, may participate in public hearings and deliberations of the commission. Interestingly, the rationale for this opinion is based on fully informed alternates; "[u]ndoubtedly, it

would be beneficial for alternate members to be present at all the hearings of a LAFCO since proposals are commonly considered at more than one meeting. Attendance by all alternates members would allow them to be fully informed if and when they must replace the regular members who are absent or disqualified." The Attorney General analogized this situation to alternate members of a jury, who must hear all evidence so that they may immediately replace any disqualified juror.

Here, the Commission most recently met in closed session to discuss anticipated litigation and existing litigation. Litigation matters can be prolonged and entail numerous closed session meetings to discuss complex legal issues. In these situations, allowing alternates to attend closed session only when a regular member is absent could make it difficult for the alternate to be fully informed, thus limiting meaningful participation. If different regular members are absent, there may be no collective meeting of the minds.

While not binding, Attorney General opinions "are entitled to great weight" and "in the absence of controlling authority, these opinions are persuasive since the legislature is presumed to be cognizant of that construction of the statute." (Napa Valley Educators' Assn. v. Napa Valley Unified School Dist. (1987) 194 Cal.App.3rd 243, 251.)

Many attorneys and LAFCOs are split about whether the Attorney General opinion discussed above was correctly decided. While the opinion appropriately details the need for alternates to be fully informed by participating in public hearings and other open session discussions, it does not explain why this rationale does not apply for closed session. Instead, the Attorney General relies on previous opinions stating that "persons without an official role in the meeting should not be present." (46 Ops.Cal.Atty.Gen.34 (1965).

### **Conclusion and Options**

Since there is no controlling authority, the Commission can:

1. Follow the Attorney General opinion and prohibit Alternate LAFCO Commissioners from attending closed session when not serving in place of a regular commissioner.
2. Alternatively, the Commission can allow Alternate LAFCO Commissioners to participate in closed session, particularly when the matter is prolonged, to allow for meaningful participation.

But in neither event should Alternate LAFCO Commissioners be allowed to vote when not serving in place of a regular commissioner.

**LAFCO Meeting: June 3, 2009**

**TO:** LAFCO

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

**SUBJECT: Request for Proposals (RFP) for Electronic Document Management System: Design and Implementation**

**Agenda Item # 11**

**STAFF RECOMMENDATION**

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1. Authorize staff to issue a Request for Proposals (RFP) for a qualified firm to design and implement an electronic document management system.
2. Advise whether LAFCO Commissioner representation is desired on the consultant selection committee. If desired, appoint Commissioner to serve on the committee.
3. Delegate authority to LAFCO Executive Officer to enter into an agreement with the most qualified firm in an amount not to exceed \$40,000 and to execute any necessary amendments subject to LAFCO Counsel's review and approval.

**BACKGROUND**

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LAFCO annually generates and receives a considerable amount of documentation relating to its regulatory and planning responsibilities. This includes certificates and resolutions confirming governmental boundary changes, which must be retained in perpetuity for legal purposes. Additional documents, such as studies and staff reports, must also be retained for historical records. It has been the practice of LAFCO to retain its documents in their original paper form in onsite and offsite storage facilities.

An electronic document management system will allow LAFCO to:

- Preserve and archive LAFCO records, many of which are in deteriorating condition and/or are one of a kind,

- Efficiently search through the ever increasing amount of LAFCO records, and retrieve the appropriate record(s),
- Quickly and efficiently recover these records in the event of a disaster, and
- Efficiently and safely store these documents given the space limitations of the LAFCO Office.

Additionally, LAFCO staff is developing a records retention policy for Commission consideration and adoption. If adopted, this policy would be used to design and implement a document management system to organize the storing and destruction of LAFCO records consistent with State law and State guidelines for government agencies.

Records retention procedures and electronic document management systems are currently being designed and implemented for various LAFCOs, cities and County departments specific to their individual legal requirements and objectives. Similarly, LAFCO of Santa Clara seeks a system specific to its needs.

### **Project Objectives**

The underlying objective of the project is to allow LAFCO to efficiently scan and import documents into a central repository. The electronic document management system (EDMS) should include the ability to store, index, search, retrieve, and distribute documents. The electronic document management system should also be user-friendly while providing an appropriate level of security to protect against unauthorized use. Additionally, the electronic document management system should have the ability to transmit and archive data on compact discs. Lastly, the electronic document management system should allow for future integration with current technologies (e.g. Geographic Information Systems and access via the web) and should be able to grow with LAFCO to encompass more advanced document management concepts, including workflow management, and other emerging technologies. This Project is the first phase of a multi-phase project aimed at improving the workflow of LAFCO.

### **Funding for the Project**

The proposed LAFCO Budget for fiscal year 2009-2010 includes funding for this project. LAFCO staff anticipates that an allocation of \$40,000 for this project will be adequate to accomplish LAFCO's requirements and objectives. This project has been included in past LAFCO work plans and budgets. However, due to workload issues and competing priorities, this project was placed on hold until

now. LAFCO staff also anticipates that there may be some ongoing post-project costs such as annual licensing fees and fees for technical support services. The LAFCO Executive Officer will negotiate the final project cost and any post-project costs with the selected firm.

### **Request for Proposals (RFP)**

Attached is a draft RFP for the Design and Implementation of an Electronic Document Management System for LAFCO. Staff has compiled a list of firms and agencies that work in this field. Upon authorization by the Commission, the final RFP will be sent out to those firms and will be posted on the LAFCO website as well as on the CALAFCO website for interested firms.

### **Evaluation Criteria and Selection Process**

Firms will be selected for further consideration and follow-up interviews based on the following criteria:

- The professional and technical competence and related experience of the firm, in organizing and completing similar projects,
- The proposed project approach and completeness of the proposal in addressing each of the requirements and objectives listed in the request for proposals,
- The schedule and project completion date,
- The cost to perform the requested services, and
- Reference checks.

An interview/selection committee will conduct interviews and the most qualified firm will be selected based on the above evaluation criteria. Following the selection of the most qualified firm, a final services agreement including budget, schedule, and final Scope of Services statement will be negotiated before executing the contract. It is anticipated that the selected firm will begin the project immediately after the contract is finalized.

### **ATTACHMENT**

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**Attachment A:** Draft RFP for Electronic Document Management System:  
Design and Implementation

**REQUEST FOR PROPOSALS FOR ELECTRONIC DOCUMENT  
MANAGEMENT SYSTEM: DESIGN AND IMPLEMENTATION**

Issue Date: Friday, June 19, 2009

Due Date: Friday, July 31, 2009

**I. PROPOSAL DESCRIPTION AND OBJECTIVE**

The Local Agency Formation Commission (LAFCO) of Santa Clara County is seeking proposals from qualified firms to design and implement an electronic document management system for a Microsoft Windows environment, hereinafter referred to as the "project." The scope of the project includes the (a) software and scanning device for electronic document management system, (b) set-up and maintenance of the system and the software, (c) training for all associated software and equipment necessary to support the system, and (d) scanning and indexing services for backfile conversion. Please specify server and operating system requirements in your proposal.

The underlying objective of the project is to allow LAFCO to efficiently scan, import, and save documents into a central repository. The electronic document management system should include the ability to store, index, search, retrieve, and distribute documents. The electronic document management system should also be user-friendly while providing an appropriate level of security to protect against unauthorized use. Additionally, the electronic document management system should have the ability to transmit and archive data on compact discs. Lastly, the electronic document management system should allow for future integration with current technologies (e.g. Geographic Information Systems and access via the web) and should be able to grow with LAFCO to encompass more advanced document management concepts, including work flow management, and other emerging technologies.

**II. BACKGROUND**

LAFCO of Santa Clara County is a state mandated local agency with regulatory and planning responsibilities to coordinate the formation and development of local governmental agencies and services. LAFCO's regulatory duties include managing governmental boundary lines by approving or disapproving proposals involving the formation, expansion, or dissolution of cities and special districts. LAFCO also conducts studies to evaluate the level and range of local governmental services to inform and direct its regulatory duties.



LAFCO annually generates and receives a considerable amount of documentation relating to its regulatory and planning responsibilities. This includes certificates and resolutions confirming governmental boundary changes, which must be retained in perpetuity for legal purposes. Additional documents, such as studies and staff reports, must also be retained for historical records. It has been the practice of LAFCO to retain documents in their original paper form in onsite and offsite storage facilities.

An electronic document management system will allow LAFCO to:

- Preserve and archive LAFCO records, many of which are in deteriorating condition and/or are one of a kind,
- Efficiently search through the ever increasing amount of LAFCO records, and retrieve the appropriate record(s),
- Quickly and efficiently recover these records in the event of a disaster, and
- Efficiently and safely store these documents given the space limitations of the LAFCO Office.

### **III. BUDGET AND SCHEDULE**

LAFCO has budgeted \$30,000 in Fiscal Year 2009-2010 for the project. Additional funds may be allocated to the project if deemed appropriate and available. LAFCO would like to complete the project by the end of the fiscal year, June 30, 2010. The final project cost and schedule will be negotiated with the selected firm.

### **IV. PROPOSAL REQUIREMENTS**

The proposal should address the content sections presented below in narrative format. Information should be as concise as possible. Any supporting materials included with the proposal should be directly related to one of the content sections.

- **Firm Description and Summary of Qualifications**

Provide a description of the firm, including type of business, years in business, and office location(s). Identify the key staff members that would be assigned to the project. Summarize the firm's qualifications to design and implement an electronic document management system.

- **Related Work Experience and References**

Provide a summary of the firm's previous work experience in designing and implementing an electronic document management system, particularly in a Microsoft Windows environment. Provide a list of at least three (3) client references. The reference list must include the client name, location, and contact person with telephone number.

- **Proposed Scope of Services**

Provide a proposed scope of services for the design and implementation of the electronic document management system. The proposed scope of services should divide the project into major tasks.

- **Proposed Cost**

Identify a proposed not-to-exceed cost to complete the project. The proposed cost of the project should itemize each major task or product and include appropriate training for LAFCO staff. All hourly rates and fees should be clearly stated. Please identify additional post-project costs as appropriate, including annual licensing fees and technical support services.

- **Proposed Schedule**

Identify an overall project schedule, including the timing of major work tasks.

## **V. SUBMISSION OF PROPOSALS**

Please deliver five copies (one unbounded and four bounded) of your proposal with a cover letter that includes the following:

- The letter must be signed by an individual who is authorized to bind the firm to a contract.
- The statement that the proposal is valid for 90 days from the due date of the proposal.
- The name, title, address and telephone number of the individual to whom correspondence and other contacts should be directed during the selection process.
- The letter must also include a statement acknowledging the firm has reviewed and accepted LAFCO's sample professional services agreement (Attachment A) with or without qualifications. If qualifications are involved, those items requiring adjustments must be identified along with suggested changes. If no qualifications are noted, LAFCO will assume the firm is capable of performing all normal managerial tasks and services without reservations or qualifications to the agreement.

Proposals must be received in the LAFCO Office by **5 p.m. on Friday, July 31, 2009**. Any proposal received after this date and time will not be considered.

Please address your proposal to:

Neelima Palacherla, Executive Officer  
LAFCO of Santa Clara County  
70 West Hedding Street, 11<sup>th</sup> Floor, East Wing  
San Jose, California 95110

*Note:* If delivery is to be in person, please first call the LAFCO Office (408-299-5148 or 6415) to arrange delivery time.

## **VI. EVALUATION CRITERIA**

- (a) The professional and technical competence and related experience of the firm, in organizing and completing similar projects,
- (b) The proposed project approach and completeness of the proposal in addressing each of the requirements and objectives listed in the request for proposal,
- (c) The schedule and project completion date,
- (d) The cost to perform the requested services, and
- (e) Reference checks.

## **VII. INTERVIEW AND SELECTION PROCESS**

The proposals will be reviewed upon receipt and the most qualified firms will be requested to interview with an ad-hoc committee in August 2009. Based on the criteria above and the interview, the committee will determine which proposal best meets the needs of LAFCO and LAFCO will negotiate a final scope of services along with price and schedule with the selected firm. It is anticipated that the selected firm will begin the project immediately after the contract is finalized.

LAFCO reserves the right to reject any or all proposals, to issue addenda to the RFP, to modify the RFP or to cancel the RFP.

## **VIII. INFORMATION AND QUESTIONS**

For further information, please contact Neelima Palacherla, Executive Officer, at 408.299.5127. Consultants may submit questions seeking clarification or additional information regarding this RFP. Questions may be submitted by e-mail and directed to Neelima Palacherla at [neelima.palacherla@ceo.sccgov.org](mailto:neelima.palacherla@ceo.sccgov.org). All questions must be received no later than 5:00 P.M. on Wednesday, July 8, 2009. Responses will be sent to all firms on the RFP circulation list and posted on the LAFCO website no later than 5:00 P.M. on Wednesday, June 15, 2009.

## **IX. ATTACHMENT**

- 1. Draft Professional Service Agreement and insurance obligations (provided when issued).

## **X. REFERENCE INFORMATION**

For general information about LAFCO of Santa Clara County, refer to its website: [www.santaclara.lafco.ca.gov](http://www.santaclara.lafco.ca.gov).

CALAFCO RECRUITMENT COMMITTEE

**Board of Directors Candidate Information**

Introduction:

The mission of the California Association of Local Agency Formation Commissions (CALAFCO) as a non-profit 501 (c) (3) organization is to “provide educational, information sharing and technical support for its members by serving as a resource for, and by collaborating with, the public, the legislative and executive branches of state government, and other organizations, for the purpose of discouraging urban sprawl, preserving open space and prime agricultural lands, and encouraging orderly growth and development of local agencies.”

The purpose of this presentation is to inform you of the current issues that CALAFCO is focusing on; our programs, activities and organizational structure; and opportunities for your participation as a member of the CALAFCO Board of Directors. Questions that you may have regarding information provided in this presentation should be directed to CALAFCO Executive Director Bill Chiat at [wchiat@calafco.org](mailto:wchiat@calafco.org) or by phone at (916) 442-6536. Additional information can also be obtained from the CALAFCO website at [www.calafco.org](http://www.calafco.org).

Current Issues:

To help guide the organization in its ongoing program activities for 2009/2010, the CALAFCO Board of Directors has identified the following priority issues of greatest importance to its members:

Viability of Local Government Agencies – The current severe economic recession is undermining the financial stability of a number of local agencies throughout California and highlighting the limitations on LAFCos’ ability to deal with such issues.

Ag Land and Open Space Protection - Debate continues within CALAFCO about the authority that LAFCos have to preserve agricultural lands and open space, and potential strategies that may be pursued by individual LAFCos to work toward that goal.

Water Availability – As the demand for water continues to grow to serve California’s continuing population growth, water districts face increasing challenges on how to provide reliable water supplies.

Authority of LAFCo – California continues to explore new options for governance of its expanding urban populations through regional initiatives or legislative actions in Sacramento. The role of LAFCos in new governance strategies and the impacts of special legislation on LAFCo authority are of continuing concern to CALAFCO.

Other issues of interest that CALAFCO is following include:

Housing - The provision of housing for all income levels, consistent with state law, is a factor that LAFCos may consider in evaluating cities' proposed spheres of influence (SOIs) or annexations.

Transportation – The significant relationship between transportation infrastructure, urban development patterns and related municipal service needs makes transportation plans an important factor for LAFCos to consider in SOI and annexation proceedings. The implementation of recently enacted SB 375 is a reflection of the important relationship between regional growth plans and transportation planning.

Flood Control – The vulnerability of proposed urban development areas to flooding and the adequacy of flood control measures are important factors for LAFCos to consider in SOI and annexation proceedings. The adequacy of existing flood control districts to continue to provide protection to existing urbanized areas is an important issue that needs to be addressed by LAFCos in their municipal service review process. As directed by the Map Modernization Act passed by Congress following the Katrina flooding, the Federal Emergency Management Administration (FEMA) is updating flood maps to reflect current flood risks. These new maps need to be considered in planning for future urban growth and related municipal services.

## Programs and Activities:

CALAFCO has a range of programs and activities that are designed to both educate its members and support the effectiveness of individual LAFCos in carrying out their mandates.

### Educational Forums and Professional Development Training

Annual Conferences – CALAFCO's annual conferences provide sessions on a wide variety of policy issues related to urban development, municipal services, and agricultural and open space lands protection, including important legislative initiatives that may impact LAFCos. The conferences are designed to provide opportunities for LAFCo commissioners, staff and practitioners to share information and engage in dialogue on important policy issues. The conferences also provide important

networking opportunities for attendees to establish working relationships to help increase their effectiveness.

Staff Workshops – CALAFCO holds an annual staff workshop which provides training opportunities for all LAFCo staff to learn about LAFCo processes, procedures and analytical strategies; and to establish working relationships to share information and improve their effectiveness. The Workshop includes professional development sessions for all staff, and specials sessions for clerks, executive officers, analysts, and counsel.

CALAFCO University – CALAFCO U provides courses to educate commissioners, staff and LAFCo practitioners on important and timely policy and process topics. The most recent course offered, with classes held in both southern and northern California, was on the implementation of SB 375, which integrates regional growth plan with transportation planning and infrastructure funding. Classes are designed to meet accreditation requirements for professional training certificates that recognize professional development.

Building Strong Member LAFCos – CALAFCO also promotes the development of strong and effective individual LAFCos through a number of other services that facilitate information sharing and communication among LAFCos. These include the CALAFCO website, the SPHERE newsletter, the Executive Officer, Clerks, and Counsel List Serves; and opportunities for serving on conference and workshop committees, the Association's Legislative Committee, and other ad hoc committees formed to address specific topics. CALAFCO also promotes regional meetings between LAFCos and training sessions on LAFCo practices and procedures (LAFCo 101).

#### Website

CALAFCO maintains an expansive website at [www.calafco.org](http://www.calafco.org). The site contains timely information on CALAFCO activities along with an extensive library of resources and links to other valuable sites. For example, you can find a summary of all recent court decisions which affect LAFCos along with links to the full decision. There is also a complete directory of member LAFCos and contact information. The members-only section adds to the resources available. It includes an up-to-date summary of legislative issues of interest to members on the website.

#### Legislative Activities

A primary service of CALAFCO is to serve as a resource to the Legislature, State Agencies, peer associations and members regarding current LAFCo law and proposed legislation that may affect LAFCos. In addition, CALAFCO has an active Legislative Committee that review legislative requests, proposes legislation to advance LAFCo

principles and monitors legislation and recommends positions on bills which affect LAFCos.

### CALAFCO Organization and Board of Directors' Responsibilities:

CALAFCO is governed by a 15 member Board of Directors. Four directors shall be county commissioners or alternate commissioners; four directors shall be city commissioners or alternate commissioners; four directors shall be special district commissioners or alternate commissioners; and three directors shall be public member commissioners or alternate commissioners. Each director shall be elected for a 2-year term.

The Association is staffed by a combination of contract staff and volunteer staff officers from member LAFCos. The Executive Director serves as the administrative director and manager of the Association. The Executive Officer and Deputy Executive Officers serve as fiscal agent for the Association and manage various services and programs of the Association under the direction of the Board and the Executive Director. Legal Counsel provides legal advice to the Board and, as needed, to the Executive Director and volunteer staff officers in the operations of the Association, interpretation of LAFCo law, and in support of member LAFCo Counsels.

It is the responsibility of the Board of Directors, which meets quarterly in alternate locations in northern and southern California, to provide overall policy guidance and direction to the Association. This guidance and direction is described in the Association's Policies and Procedures Manual and its Strategic Plan, which is updated every two years. The Board develops and adopts an annual budget which reflects its program priorities. The Board also appoints a standing Legislative Committee annually, which is chaired by the Executive Director and has a membership of 5-6 Board members and 15 staff. The Committee meets regularly to review existing and proposed laws that may affect LAFCos and makes recommendations to the Board of Directors.

### Board of Directors Elections Process:

Prior to the annual meeting, the Board appoints a recruitment committee consisting of four directors who are not standing for re-election at that meeting. Those directors shall be consisting of one county, one city, one special district and one public member.

The committee shall submit nominations at the annual meeting for all positions on the Board, the terms of which will expire with that meeting. Nominations may also be made from the floor at the annual meeting. Only Commissioners of Member LAFCos in good standing and whose membership dues and assessments are fully paid may be nominated to be a director. Directors shall be eligible for reelection without limitation on the number of terms they may serve.

**Terms of office will expire this year at the Association's 2009 annual meeting, which is held at the annual conference in October, for two city, two county and two special district directors, and for one public director.**

No later than three months prior to the Annual Conference, the Recruitment Committee Chairman will send an announcement to each member LAFCo for distribution to each commissioner and alternate. The announcement will include the following:

A statement clearly indicating which offices are subject to the election.

The date by which all nominations must be received by the Recruitment Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFCo marked "Received too late for Nominations Committee action."

The names of the Recruitment Committee members with the Committee Chairman's LAFCo address and phone number.

A form for each LAFCo to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.

A copy of the Association's election procedures will be posted on the CALAFCO web site at that time.