

**AGENDA
REGULAR MEETING
Wednesday, October 8, 2003
1:15 p.m.**

Chambers of the Board of Supervisors
70 West Hedding Street, First Floor, East Wing
San Jose, CA 95110

CHAIRPERSON: Blanca Alvarado
COMMISSIONERS: Donald F. Gage, Linda LeZotte, Susan Vicklund-Wilson, Mary Lou Zoglin
ALTERNATES: John Howe, Pete McHugh, Chuck Reed, Terry Trumbull

The items marked with an asterisk (*) are included in 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.

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, in the proceeding 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.

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 AUGUST 13, 2003 MEETING

PUBLIC HEARING

4. MORGAN HILL 2003 URBAN SERVICE AREA, SPHERE OF INFLUENCE AMENDMENT AND REORGANIZATION - BOYS RANCH WATER TANK SITE

A request by the City of Morgan Hill for:

- a. a minor Sphere of Influence (SOI) amendment to remove APNs 728-35-003, 004 & 005 from San Jose SOI and include in Morgan Hill's SOI,

- b. an Urban Service Area (USA) amendment to include APNs 728-35-003, 004 & 005 in Morgan Hill USA
- c. a reorganization including detachment of APN 728-35-005 from the City of San Jose, annexation of APNs 728-35-005 & 003 to the City of Morgan Hill, detachment of APN 728-35-003 from the South Santa Clara County Fire Protection District and annexation of APN 728-35-005 to Santa Clara County Library Service Area

Possible Action: Consider the proposal and staff recommendation.

5. EXECUTIVE OFFICER'S REPORT

- A. **Update on LAFCO's Countywide Fire Service Review Information Only**
- B. **Update on Gilroy's Agricultural Mitigation Policy Information Only**
- C. **Report on the 2003 CALAFCO Annual Conference in San Francisco Information Only**

6. PENDING APPLICATIONS

- A. **Cupertino Sanitary District (Pierce Road – Lands of Wilson)**

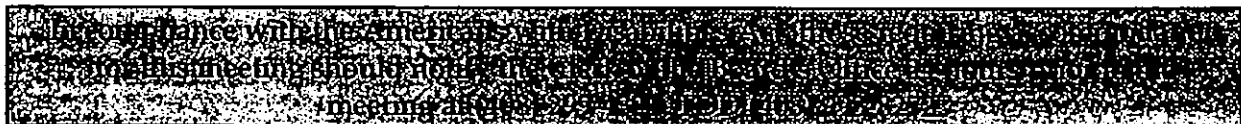
7. WRITTEN CORRESPONDENCE

8. ADJOURN

Adjourn to the next regular business meeting on Wednesday, December 10, 2003.

NOTE TO COMMISSIONERS:

Upon receipt of this agenda, please contact Emmanuel Abello, LAFCO Clerk at (408) 299-5088 if you are unable to attend the LAFCO meeting.



Local Agency Formation Commission
of Santa Clara County

MINUTES

WEDNESDAY, AUGUST 13, 2003

1. ROLL CALL

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 13th day of August 2003 at 1:22 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 and Commissioners Donald Gage, Linda LeZotte, Susan Vicklund-Wilson and Mary Lou Zoglin.

The LAFCO staff in attendance include 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. PUBLIC PRESENTATION

There are no public presentations.

3. APPROVE MINUTES OF JUNE 11, 2003 MEETING

On motion of Commissioner Gage, seconded by Commissioner LeZotte, with Commissioner Zoglin abstaining, it is ordered on a 4-0 vote that the minutes of the June 11, 2003 meeting be approved, as submitted.

4. APPROVAL OF CONSENT CALENDAR

On motion of Commissioner Gage, seconded by Commissioner Wilson it is unanimously ordered that the consent calendar be approved.

4.1* WEST VALLEY SANITATION DISTRICT ANNEXATION 2003-02
(SHANNON ROAD: SHANNON VALLEY RANCH)

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that the annexation to the West Valley Sanitation District of three parcels (APNs 537-18-001, 567-23-041 and 567-24-008) with a total area of 80.3 acres, located on the northwest side of Hicks Road, between Shannon Road and Camden Avenue in Los Gatos, designated as West Valley Sanitation District Annexation 2003-02 (Shannon Road: Shannon Valley Ranch), be approved (LAFCO Resolution No. 03-10) and the protest proceedings be waived.

5. UPDATE ON COUNTYWIDE FIRE SERVICE REVIEW

Chris Carlson, Matrix Consulting Group, LAFCO consultant for the countywide fire service review project, presents an overview of the fire services in Santa Clara County. He briefly provides information on the various fire agencies that serve the county and the costs of the services. He also provides general information on regional ambulance, emergency medical services, and communication infrastructure. He then discusses some fire protection issues in the county that have been initially identified through the service review process. Finally, on the status of the project, Mr. Carlson advises the Commission that at this point, they have collected and completed the profiles of the fire agencies. Based on these and on the various discussions and meetings, they have identified issues on fire services. The next step is for the consultant to develop options to address the identified issues.

In response to a request by Commissioner Gage, Mr. Carlson states that they are able to provide information on whether the emergency calls are medical or fire in nature. Commissioner Gage requests that the consultants also explore means by which fire agencies serving the unprotected 613 square miles in the County be compensated for their services. He further requests that the

* Consent Item

breakdown on emergency calls also include dollar costs to both the fire and medical portions.

In response to an inquiry by the Chairperson, Ms. Palacherla advises that the draft report will be presented to the Commission in October 2003 and that the final report will be completed in December 2003. That report will be published on the LAFCO website and sent out to the stakeholders. In response to an inquiry by Commissioner LeZotte, Ms. Palacherla advises that the initial fire service review report will be sent out to the fire chiefs, the Fire Chiefs Association and the City Managers Association. She adds that the Fire Chiefs Association and the City Managers Association have appointed liaisons to work with LAFCO staff on the service review. Ben Lopes from the Santa Clara Central Fire Protection District, Jeff Clet from Gilroy Fire Department, and Kevin Duggan, City Manager from Mountain View, along with LAFCO staff, are part of the Technical Advisory Committee. In response to an inquiry by Commissioner Wilson, Ms. Palacherla states that the main purpose of the service reviews is to update the spheres of influence and to provide a comprehensive overview of the services and needs. The Chairperson notes that the County needs this review to improve coordination, fast track certain areas for disaster preparedness and to stimulate discussion and dialogue to improve coordination. Commissioner Zoglin proposes that staff solicit input from stakeholders with cut-off date for submitting such input when the draft report is presented in October and explain once more why LAFCO is undertaking the service review. The Chairperson agrees with Commissioner Zoglin, saying that some people see the service review as an unnecessary intrusion by LAFCO.

The Chairperson determines that there are no members of the public who would like to speak on this subject.

6. COUNTYWIDE WATER SERVICE REVIEW

Ms. Palacherla reports that staff is preparing for a Countywide Water

Service Review and proposes that it will be completed in two parts (i.e., South County and North County). Staff has circulated the draft of request for proposal (RFP) and scope of services to the cities and water agencies for review and comment. Additionally, staff will hold a workshop with the water agencies on August 27, 2003 to get input. She advises that staff will revise these documents based on the input received and send them out to prospective consultants. She proposes that the process for selecting a consultant would be similar to what was done for the fire service review.

The Chairperson requests that staff send out a letter or talk to officials of water agencies to explain the responsibility of the Commission in conducting the water service review. In response to an inquiry by Commissioner Zoglin, Ms. Palacherla reports that \$75,000 will be allocated to hire a consultant to conduct the water service review. She notes this amount is comparable to that for the water service reviews being conducted by other LAFCOs. In response to an inquiry by Commissioner Gage, Ms. Kretchmer states that since the Santa Clara Valley Water District (SCVWD) is a water wholesaler and does not directly sell water to customers, there are portions of the County that rely on their own well water such as some cities. Ms. Kretchmer adds that owners of water wells are required to apply for permits and that SCVWD and the Department of Environmental Health have lists of the wells in the County. In this regard, Commissioner Gage requests staff to include private wells throughout the County in the water service review, including those that have been dug without permits.

In response to an inquiry by the Chairperson, Commissioner Wilson states that she is willing to sit on the Consultant Selection Committee

On motion of Commissioner Gage, seconded by Commissioner LeZotte, it is unanimously ordered that (a) staff is authorized to issue an RFP for consultant to prepare a countywide water service review; (b) Commissioner Wilson is

designated to represent the Commission on the Consultant Selection Committee; and (c) authority is delegated to the LAFCO Executive Officer to enter into an agreement with the most qualified consultant in an amount not to exceed \$75,000 and to execute necessary amendments subject to LAFCO Counsel's review and approval.

7. LAFCO ANNUAL REPORT (FISCAL YEAR 2002-2003)

Ms. Palacherla refers to the application record in the staff report to highlight increased number of applications in Fiscal Year 2002-03. LAFCO processed city-conducted annexations, Urban Service Area (USA) amendments and out-of-agency contracts for services (OACS). This increased activity was also reflected in the increased revenues during the year. She adds that LAFCO undertook special studies and projects such as the mapping of special districts, and adopted the boundary and SOI maps in GIS for fire, sewer, water and sanitation districts. She reports that the Commission also revised policies on sphere of influence, USA, OACS and service reviews, along with policies for processing applications affecting more than one county. In that Fiscal Year, she advises that LAFCO also adopted the CEQA policies and procedures, and has started the countywide fire service reviews.

8. EXECUTIVE OFFICER'S REPORT

8A. UPDATE ON INITIAL FEASIBILITY STUDY FOR SAN MARTIN INCORPORATION

Ms. Palacherla reports that staff received a copy of the initial feasibility analysis conducted for the proposed incorporation of San Martin community. The San Martin Neighborhood Association contracted the services of Economic Planning Systems, a consultant company, to conduct the initial feasibility study. She advises that the study has concluded that incorporation is fiscally feasible for the community, however, she states that staff has not reviewed this report in detail, and that an application for incorporation has not yet been filed with

LAFCO. She reports that staff will meet with the neighborhood association on August 18, 2003. She adds that after an application is filed, LAFCO has the lead responsibility to prepare a comprehensive feasibility analysis. She notes that, in the meantime, the initial fiscal report allows the proponents to determine whether it is feasible to continue the incorporation efforts, however, she clarifies that it is not a substitute for a comprehensive feasibility analysis.

Commissioner Alvarado directs staff to provide each member of the Commission with a copy of the initial feasibility analysis.

8B. CALAFCO EXECUTIVE BOARD NOMINATIONS

Ms. Palacherla reports that the California Association of LAFCOs (CALAFCO) is soliciting nominations to its Executive Board. There are two vacancies each in the cities, special districts and county representation, and one vacancy for the public member representation. The deadline for nominations is on August 25, 2003, and the elections will be held during the CALAFCO conference in September 2003.

The Chairperson invites interested Commissioners to submit their applications to staff. Ms. Palacherla advises that the membership to the CALAFCO Executive Board is a two-year term with quarterly board meetings, one is during the CALAFCO Conference and the other three in Sacramento.

On motion of Commissioner Gage, seconded by Commissioner Zoglin, it is unanimously ordered, on a vote of 3-0, with Commissioners LeZotte and Wilson abstaining, that Commissioners LeZotte and Wilson be nominated to the CALAFCO Executive Board.

The Commission adjourned to closed session at 2:00 p.m.

9. **CLOSED SESSION MEETING ON ONE ITEM OF EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9(a)**

WEDNESDAY, AUGUST 13, 2003

Half Moon Bay Coastside Foundation, et al. V. Mid-Peninsula Regional Open Space District, San Mateo County LAFCO, Santa Clara County LAFCO

The meeting resumed at 2:07 p.m.

Ms. Kretchmer reports that the Commission accepted the report from the LAFCO Counsel and that no specific action was taken.

10. PENDING APPLICATIONS

There are no pending applications.

11. WRITTEN CORRESPONDENCE

CALAFCO Newsletter.

12. ADJOURNMENT

On order of the Chairperson, there being no objection, the meeting is adjourned at 2:08 p.m. to the next regular meeting to be held on Wednesday, October 8, 2003 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

September 29, 2003

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer *np*

SUBJECT: **Morgan Hill Urban Service Area Amendment (2003),
Minor Sphere of Influence Amendment and Reorganization
– Boys Ranch Water Tank
Agenda Item # 4**

STAFF RECOMMENDATION

1. CEQA Action

As a Responsible Agency under CEQA, LAFCO must take the following actions: Find that [a] the *Initial Study and Mitigated Negative Declaration* approved by the City of Morgan Hill was completed in compliance with CEQA and is an adequate discussion of the environmental impacts of the project, [b] prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as shown in the *Initial Study and Mitigated Negative Declaration*.

2. Proposal

- a. Approve a minor Sphere of Influence (SOI) amendment between the City of San Jose and Morgan Hill, include APNs 728-35-003, 004 & 005 in Morgan Hill SOI and adopt the findings included in the staff report. *See Attachment 2 for map.*
- b. Approve an amendment to Morgan Hill's Urban Service Area (USA) to include APNs 728-35-003, 004 & 005. *See Attachment 2 for map.*
- c. Approve a reorganization of the City of Morgan Hill including:
 - Detachment of APN 728-35-005 from the City of San Jose. *See Attachment 3 for legal description [Exhibit A] and map [Exhibit B]*
 - Annexation of APNs 728-35-005 & 003 to the City of Morgan Hill and detachment of APN 728-35-003 from the South Santa Clara County Fire Protection District. (Jorgenson Springs #2) *See Attachment 4 for legal description [Exhibit A] and map [Exhibit B].*
- d. Approve annexation of APN 728-35-005 to Santa Clara County Library Service Area (Jorgenson Springs Annexation to the Santa Clara County Library Services Area). *See Attachment 5 for legal description [Exhibit A] and map [Exhibit B].*

PROJECT DESCRIPTION

The City of Morgan Hill is requesting to reorganize the City of Morgan Hill and City of San Jose boundaries to include three parcels (APNs 728-35-003, 004 & 005) into the City of Morgan Hill totaling 2.59 acres. The project area is located on the northerly boundary of the Boys Ranch Correctional facility, on the north side of Malaguerra Avenue. The proposed reorganization consists of:

1. a Sphere of Influence (SOI) amendment to remove APNs 728-35-003, 004 & 005 from San Jose SOI and include in Morgan Hill's SOI,
2. an Urban Service Area (USA) amendment to include APNs 728-35-003, 004 & 005 in Morgan Hill USA
3. a reorganization including detachment of APN 728-35-005 from the City of San Jose, annexation of APNs 728-35-005 & 003 to the City of Morgan Hill, detachment of APN 728-35-003 from the South Santa Clara County Fire Protection District and annexation of APN 728-35-005 to Santa Clara County Library Service Area

These boundary changes are necessary to facilitate the construction of a new one million gallon water tank at the existing water tank site located on a portion of the three-parcel site. (The City would like to increase the water storage capacity to ensure adequate water service during peak usage periods and for emergency situations). The City of Morgan Hill owns all three of the contiguous parcels but each of the three parcels is located in a different jurisdiction. APN 728-35-003 is located in the unincorporated county, APN 728-35-004 is in Morgan Hill and APN 728-35-005 is in San Jose. (*See Attachment 1 for map of parcels*) In order for the City to construct the new tank, the three separate parcels must be merged into one parcel. The merger of the parcels cannot be completed until all of the parcels are within the same jurisdiction. The three parcels are within the SOI of San Jose. Annexation of these parcels to Morgan Hill requires that all the parcels be within Morgan Hill's SOI and USA. Therefore, in addition to the city boundary changes, amendment to the USA and SOI are necessary.

Assessor Parcel Numbers	Parcel Size (acres)	Current Jurisdiction	Current GP Designation	Morgan Hill GP Designation	Morgan Hill's Pre-Zoning / Zoning
728-35-003	0.8	Unincorporated	Hillsides	Open Space	Open Space (5 acre minimum)
728-35-004	0.57	Morgan Hill	Open Space	Open Space	Open Space (5 acre minimum)
728-35-005	1.22	San Jose	Non-urban hillside	Open Space	Open Space (5 acre minimum)

BACKGROUND

In preparation for these boundary changes, the Morgan Hill City Council has included the parcels in its urban growth boundary, applied a General Plan designation of Open Space to the parcels and has pre-zoned the parcels with an Open Space designation as well. The San Jose City Council has adopted a resolution in support of the SOI amendment as well as the detachment of one parcel from San Jose. *See Attachment 6 for San Jose City Council Resolution.*

ENVIRONMENTAL CONSIDERATIONS

An Initial Study and Mitigated Negative Declaration was prepared for the proposal, a copy of which is attached. An analysis of the environmental information is contained in the attached LAFCO Analyst's staff report. *See Attachment 7 for LAFCO Analyst Report.*

SPHERE OF INFLUENCE AMENDMENT

Effective January 1, 2001, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 requires that a service review be conducted prior to a SOI amendment. The requested SOI amendment is between the San Jose and Morgan Hill. Even though the area is currently in San Jose's SOI, it is in the outermost edge and is outside its urban growth boundary and urban service area. No city services are provided to this area. San Jose has indicated support for the proposal to include the area in Morgan Hill SOI. Therefore the SOI amendment is being considered minor and is being processed without conducting or requiring a service review.

Sphere of Influence Findings

Government Code Section 56425(d) requires that LAFCO consider and adopt findings on each of these issues when approving a sphere amendment.

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

Finding: The three parcels are owned by the City of Morgan Hill but in three separate jurisdictions as mentioned in this report. Currently there is a half million-gallon tank and an abandoned wooden water tank on the site. Morgan Hill proposes to annex the parcels and construct a one million gallon water tank on the site. Morgan Hill has applied an open space GP land use designation along with a pre-zoning designation of Open Space to the three parcels. The majority of the site has slopes ranging from 50 to 67%. Morgan Hill's Hillside Ordinance prohibits construction on slopes in excess of 20%. There are no prime agricultural lands on the site.

2. The present and probable need for public facilities and services in the area.

Finding: The site currently does not contain any public facilities other than the water tank. Currently none of the jurisdictions provide municipal services to the site. The construction of the new tank will not require any other services such as sewer or electric power to the site nor will it increase the need for additional fire or police protection services.

3. The present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide.

Finding: No services will need to be provided upon inclusion in Morgan Hill's SOI. See finding #3.

4. The existence of any social or economic communities of interest in the area.

Finding: The area is rural in nature and is located in the hills of northeastern Morgan Hill above the Boy's Ranch Correctional Facility. Access to the site is through the Boy's Ranch Facility gate, which is located on Malaguerra Avenue. Site access is restricted and authorization from the Correctional Facility is required prior to entry. Inclusion of the site into Morgan Hill's SOI will not affect the area as the access to the site will continue to be from the same gate.

URBAN SERVICE AREA AMENDMENT

The following is an analysis of the proposal's consistency with LAFOC policies relative to urban service area amendments:

Consistency with Morgan Hill General Plan

The project site has been included in Morgan Hill's urban growth boundary. It is consistent with Morgan Hill's General Plan policies.

Conversion of Prime Agricultural Lands and Open Space

There are no prime agricultural lands on the site or in the adjacent areas. The project will not impact agricultural lands or result in the conversion of open space lands.

Logical and Orderly Boundaries

The proposed boundary changes including the SOI / USA amendments and the reorganization will result in more logical boundaries. The boundary changes will allow all the three parcels to be included within the single jurisdiction of Morgan Hill.

Growth Inducing Impact

The City of Morgan Hill has applied an Open Space land use designation to the parcels. This designation does allow for one dwelling unit per five acres. However,

residential development on this site will not be feasible or allowed for several reasons. The City of Morgan Hill is proposing to merge the three parcels to construct a new water tank. The site has restricted entry through the Boys Ranch Facility. The majority of the site has over 50% slopes and Morgan Hill prohibits construction on slopes beyond 20%. The proposed USA amendment will not have a direct growth inducing impact because no public services or facilities are proposed to be extended to the site in conjunction with the water tank construction.

Five-Year supply of Vacant Land

LAFCO policies generally do not encourage more than a 5-year supply of vacant land within a City's urban service area. In this case, the site is designated Open Space. Even though this designation allows development of one residence per every 5 acres, there are certain restrictions (as discussed under growth inducing impact) applicable to this site that prohibit development on this site.

Ability of City to Provide Urban Services

No services including sewer and electric power are proposed to be provided to the site. The site is to be developed with a water tank to maintain an adequate water supply for the city.

Ability of School District to Provide School Facilities

The development of this area with a new water tank will not directly generate any new students or demand for public school services.

Fiscal Impacts Analysis

The project site has no population and minimal tax base. Morgan Hill pays property tax for the City owned parcels which are currently outside the City limits. The City pays \$27.92 for APN 728-35-003. Annexation of the parcel to the City will result in a loss of that amount in property tax revenue to the County. On APN 728-35-005, the City paid \$40.04 in property tax. Annexation of this parcel to the City would result in a loss of \$9.04 in revenue to the County and \$31.00 to San Jose. The fiscal impact of inclusion of the area in Morgan Hill will be negligible for all affected agencies.

REORGANIZATION

The reorganization includes a detachment of APN 728-35-005 from San Jose prior to annexation of that parcel along with the APN 728-35-004 to Morgan Hill. San Jose City Council adopted a resolution in favor of this reorganization. In addition, the proposal includes annexation of APN 728-35-004 to the Santa Clara County Library Services Area.

The following is a review of the proposal's consistency with LAFCO policies and state law relative to annexations.

Urban Service Area / Sphere of Influence

As part of this proposal Morgan Hill is seeking inclusion of all three parcels within its urban service area and sphere of influence.

Pre-Zoning Designations

The City has applied a pre-zoning designation of Open Space (5 acre minimum) to all three parcels.

Definite and Certain Proposal

The County Surveyor has determined the boundaries of the proposed detachment and annexation to be definite and certain and in compliance with LAFCO's road annexation policies.

Island Creation

The proposed detachment and annexation do not create any islands or areas difficult to provide with municipal services. The annexation of APN 728-35-003 would eliminate an existing unincorporated island surrounded by San Jose and Morgan Hill.

Split Lines of Assessment

The proposed detachment and annexation do not create any split lines of assessment or ownership.

Consistency with the City's General Plan

The proposed detachment and annexation are consistent with both Morgan Hill's and San Jose's General Plan.

Contiguity to City Limits

The territory proposed to be annexed is contiguous to the current city limits of Morgan Hill.

Special District

Concurrent detachment of APN 728-35-004 is proposed from the South County Fire Protection District. Upon annexation, the City of Morgan Hill will provide fire protection service through contract with the Santa Clara County Central Fire Protection District.

Annexation of APN 728-35-005 is proposed to the Santa Clara County Library Services Area, as all property within Morgan Hill must be included within the Library District.

Waiver of Protest Proceedings

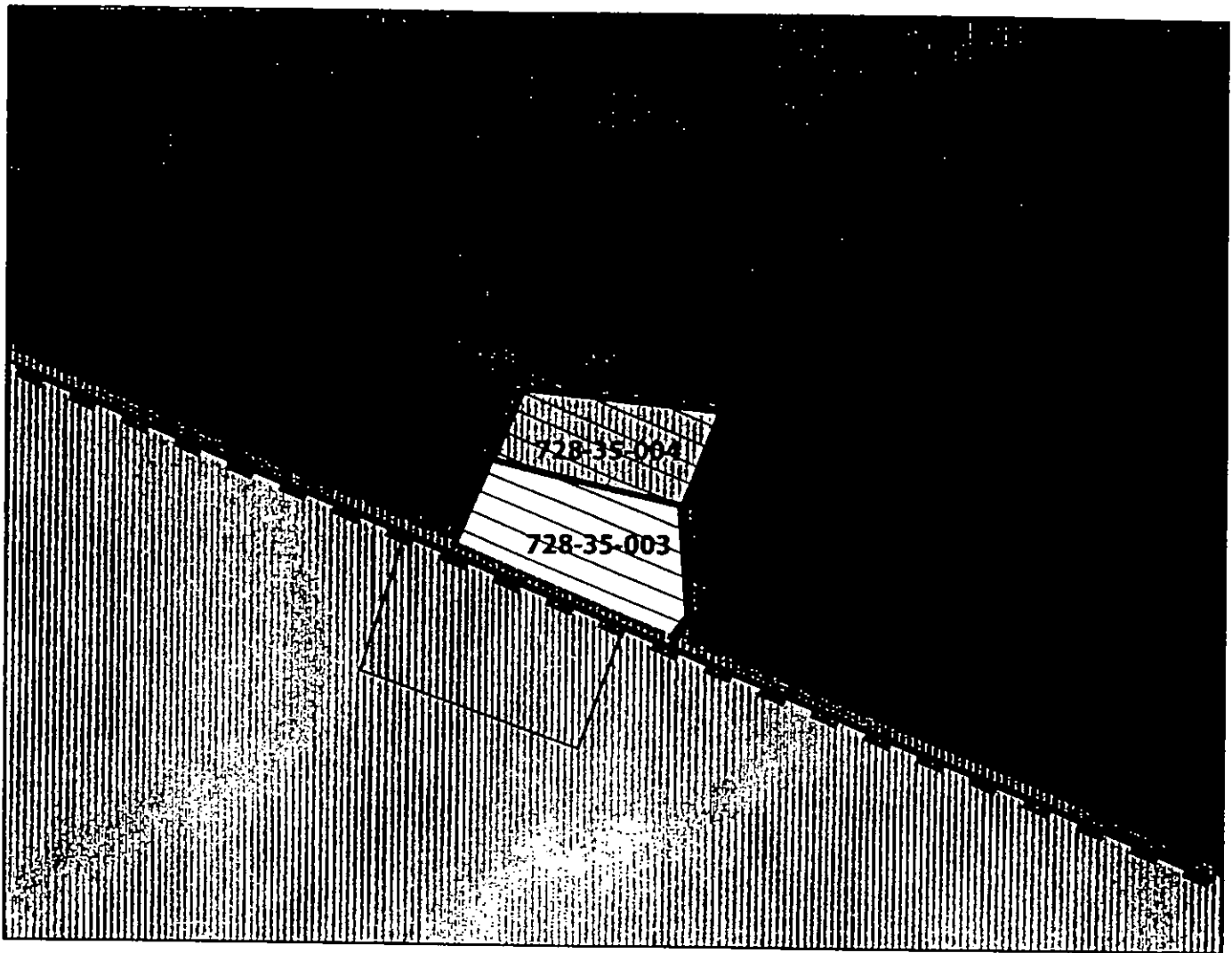
Since this is an uninhabited, 100% consent proposal, Government Code Section 56663(c) allows LAFCO to waive protest proceedings if all agencies that gain or lose territory as a result of this proposal give written consent to waive protest proceedings. All agencies have either provided the consent or have indicated that they will provide the written consent before the LAFCO meeting.





CONCLUSION

The proposed boundary changes are required to enable Morgan Hill to develop a new water tank for additional water storage capacity. These boundary changes are consistent with LAFCO and relevant city policies. The proposal does not impact agricultural lands and would result in logical boundaries. The City of San Jose is in support of the proposal. Staff recommends approval for all boundary changes included in this proposal.

ATTACHMENTS

- Attachment 1: Map of parcels in proposal
- Attachment 2: Map of Proposed SOI and USA Amendment
- Attachment 3: Detachment from San Jose (Exhibit A and B)
- Attachment 4: Jorgenson Springs #2 Reorganization (Exhibit A and B)
- Attachment 5 Jorgenson Springs Annexation to Santa Clara County Library Services Area (Exhibit A & B)
- Attachment 6: San Jose City Council Resolution dated 9/23/03
- Attachment 7: LAFCO Analyst Report with Environmental Analysis



- | | | | |
|-----------|-----------------------|---|-----------------------------------|
| ————— | Sphere of Influence |  | Site Area |
| - - - - - | Urban Growth Boundary |  | Santa Clara County/Unincorporated |
| - - - - - | Urban Service Area |  | City of Morgan Hill |
| ————— | City Limit |  | City of San Jose |

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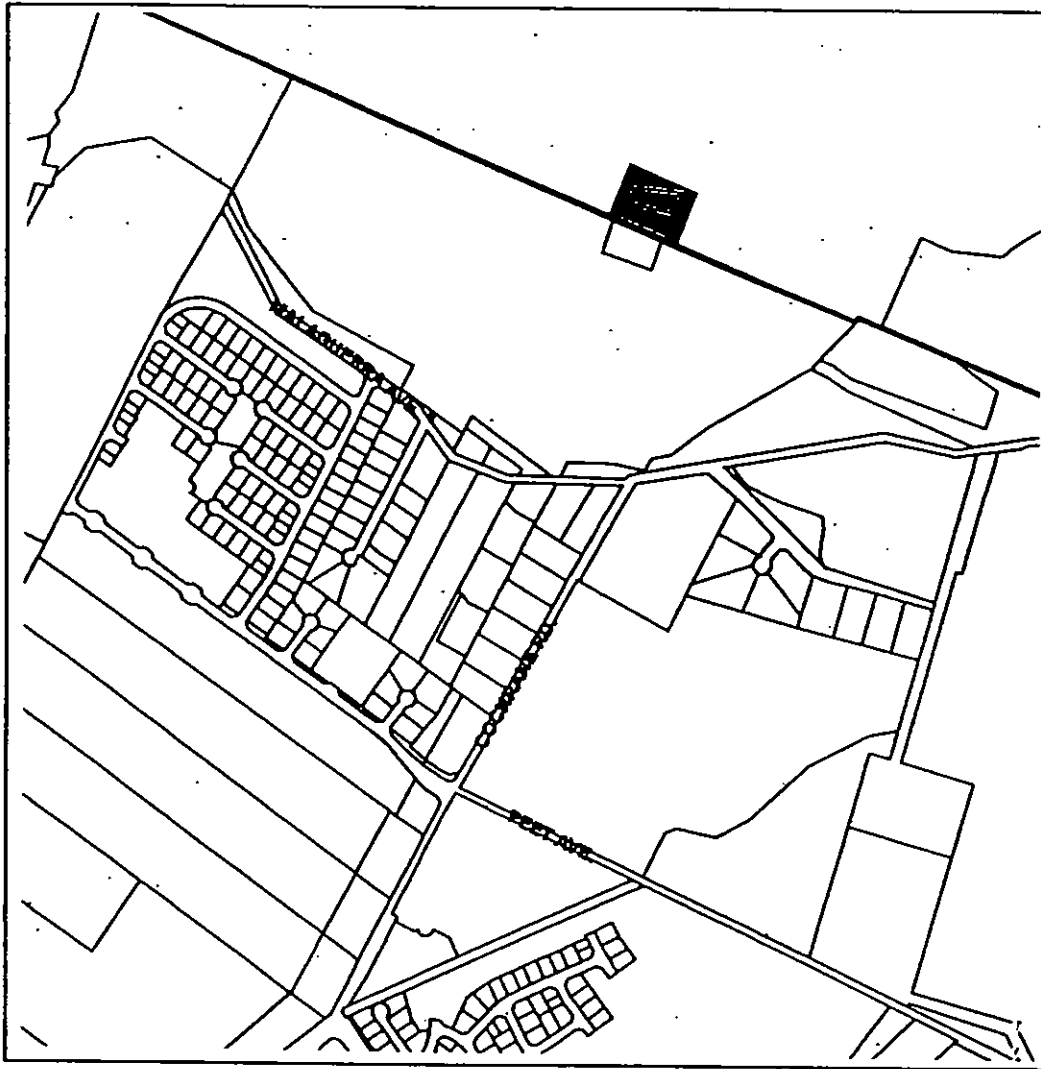


CITY OF MORGAN HILL

Prepared by Community Development Department

Boys Ranch Water Tank Site





**Area to be included in the
Sphere of Influence and
Urban Service Area**



**Sphere of Influence and
Urban Service Area**

**MORGAN HILL 2003 USA & SOI AMENDMENT
BOYS RANCH WATER TANK SITE**

EXHIBIT 'A'

DETACHMENT FROM THE CITY OF SAN JOSE
PORTION OF "RIVERSIDE NO. 17- C" ANNEXATION

All that real property situated in the County of Santa Clara, State of California, being more particularly described as follows:

BEGINNING at the northwest corner of that certain 0.567 acre parcel of land conveyed to the City of Morgan Hill by deed recorded in Book 5357, at Page 627, Official Records of Santa Clara County, California, said corner also being an angle point of that certain annexation to the City of San Jose by Resolution No. 24830 "Riverside No. 17 - C", as adopted November 12, 1963; thence along the limit line of the City of San Jose as described in said "Riverside No. 17 - C" annexation South 84° 25' 34" East 233.86 feet to an angle point thereof; thence South 20° 26' 26" West 122.00 feet to an angle point thereof; thence North 78° 25' 54" West 16.92 feet (16.99 feet) to an angle point thereof; thence South 11° 55' 54" East 135.94 feet (136.31 feet) to an angle point thereof; thence South 30° 34' 06" West 37.90 feet (37.89 feet) to an angle point thereof; thence South 68° 24' 00" East 9.05 feet (South 68° 30' East) to a point being South 68° 24' 00" East 67.00 feet from the most easterly corner of that certain 1.00 acre parcel of land conveyed to the City of Morgan Hill by deed recorded December 11, 1911 in Book 377 of Deeds, at Page 298, Santa Clara County Records; thence leaving said City limit line North 21° 36' 00" East 300.00 feet; thence North 68° 24' 00" West 374.00 feet; thence South 21° 36' 00" West 300.00 feet to a point on said City limit line; thence along said City limit line South 68° 24' 00" East 91.32 to an angle point thereof; thence North 19° 56' 03" East 211.20 feet (233.05 feet) to the **POINT OF BEGINNING**.

Containing 1.22 acres, more or less.

() Denotes data per "Riverside No. 17 - C" Annexation

SEE EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HEREOF.

Description prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

John K. King Date 9/30/03
John K. King
P.L.S. 6809
Expires: 9/30/04

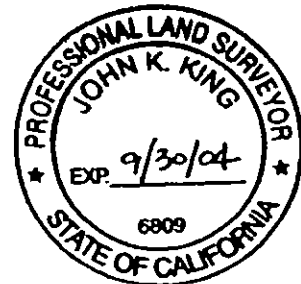


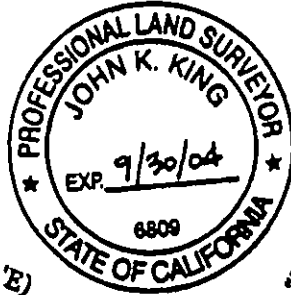
EXHIBIT 'B'

PORTION OF "RIVERSIDE NO. 17-C"
DETACHMENT FROM THE CITY OF SAN JOSE
RESOLUTION NO. _____

APN 729-48-005

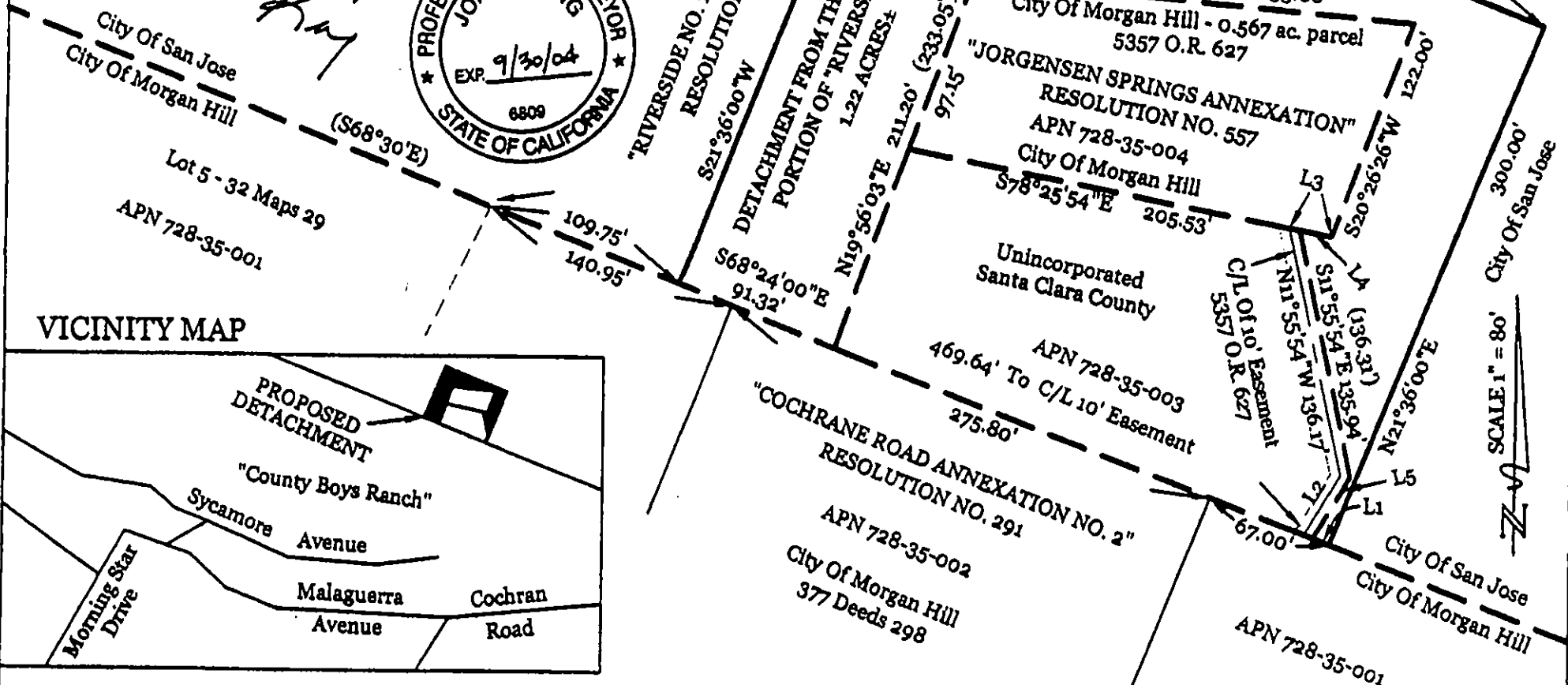
SEPTEMBER, 2003

John K. King

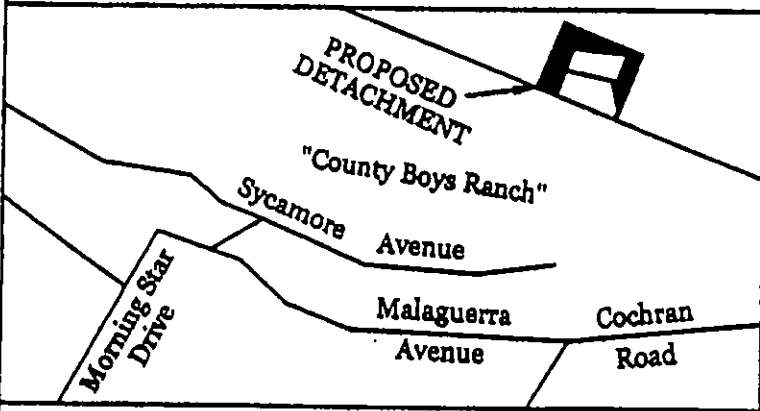


LINE DATA

- L1 S68°24'00"E 9.05'
- L2 N30°34'06"E 36.74'
- L3 S78°25'54"E 22.37'
- L4 N78°25'54"W 16.92' (16.99')
- L5 S30°34'06"W 37.90' (37.89')



VICINITY MAP



BAGOYE & KING, INCORPORATED
PROFESSIONAL LAND SURVEYORS
P.O. BOX 1288 - GILROY, CALIFORNIA, 95021
TEL (408) 847 0233 FAX (408) 847 9933
Job No. 03038bk

LEGEND

- EXISTING CITY LIMITS LINE
- BOUNDARY LINE OF PROPOSED DETACHMENT
- APN
- P.O.B.
- DENOTES DATA PER "RIVERSIDE NO. 17-C"

ITEM No. 4
ATTACHMENT 4

EXHIBIT 'A'

ANNEXATION TO THE CITY OF MORGAN HILL
"JORGENSEN SPRINGS NO. 2"

All that real property situated in the County of Santa Clara, State of California, being more particularly described as follows:

BEGINNING at a point lying on the existing northeasterly city limits line of the City of Morgan Hill as established by Resolution No. 291 "Cochrane Road Annexation No. 2", as adopted May 9, 1960, said point being South 68° 24' 00" East 67.00 feet from the most easterly corner of that certain 1.00 acre parcel of land conveyed to the Town of Morgan Hill by deed recorded December 11, 1911 in Book 377 of Deeds, at Page 298, Santa Clara County Records; thence leaving said City limits line North 21° 36' 00" East 300.00 feet; thence along a line parallel to said City limits line North 68° 24' 00" West 374.00 feet; thence South 21° 36' 00" West 300.00 feet to said City limits line; thence along said City limits line South 68° 24' 00" East 374.00 feet to the **POINT OF BEGINNING**.

EXCEPTING THEREFROM that parcel of land annexed to the City of Morgan Hill by Resolution No. 557 "Jorgensen Springs Annexation", as adopted September 21, 1966, being more particularly described as follows:

COMMENCING at the northeast corner of Lot 5 as shown on that Record of Survey map recorded in Book 32 of Maps, at Page 29, Santa Clara County Records; thence along the prolongation of the northeasterly line of said Lot 5 South 68° 24' 00" East 469.64 feet; thence North 30° 34' 06" East 36.74 feet; thence North 11° 55' 54" West 136.17 feet to the **TRUE POINT OF BEGINNING**; thence South 78° 25' 54" East 22.37 feet; thence North 20° 26' 26" East 122.00 feet; thence North 84° 25' 34" West 233.86 feet; thence South 19° 56' 03" West 97.15 feet; thence South 78° 25' 54" East 205.53 feet to the **TRUE POINT OF BEGINNING**.

Containing 2.01 acres, more or less.

SEE EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HEREOF.

Description prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

John K. King

John K. King
P.L.S. 6809

Date 9/30/03

Expires: 9/30/04



EXHIBIT 'B'

"JORGENSEN SPRINGS NO. 2" ANNEXATION TO THE CITY OF MORGAN HILL RESOLUTION NO. _____

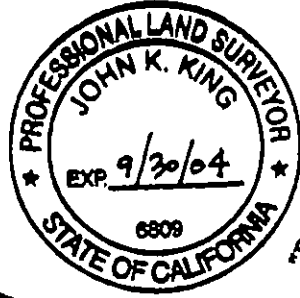
SEPTEMBER, 2003

APN 729-48-005

LINE DATA

L1 S68°24'00"E 14.11'
L2 N30°34'06"E 36.74'
L3 S78°25'54"E 22.37'

John K. King



RIVERSIDE NO. 17-C ANNEXATION
RESOLUTION NO. 24830

ANNEXATION TO THE CITY OF MORGAN HILL
"JORGENSEN SPRINGS NO. 2"
2.01 ACRES ±

City Of San Jose

N68°24'00"W

APN 728-35-005

374.00'

N84°25'34"W 233.86'
City Of Morgan Hill - 0.567 ac. parcel
5357 O.R. 627

"JORGENSEN SPRINGS ANNEXATION"
RESOLUTION NO. 557
APN 728-35-004
City Of Morgan Hill

T.P.O.B. - Exception

Unincorporated
Santa Clara County

APN 728-35-003

469.64' To C/L 10' Easement
359.89'
275.80'
374.00'

"COCHRANE ROAD ANNEXATION NO. 2"
RESOLUTION NO. 291
APN 728-35-002
City Of Morgan Hill
377 Deeds 298

APN 728-35-001

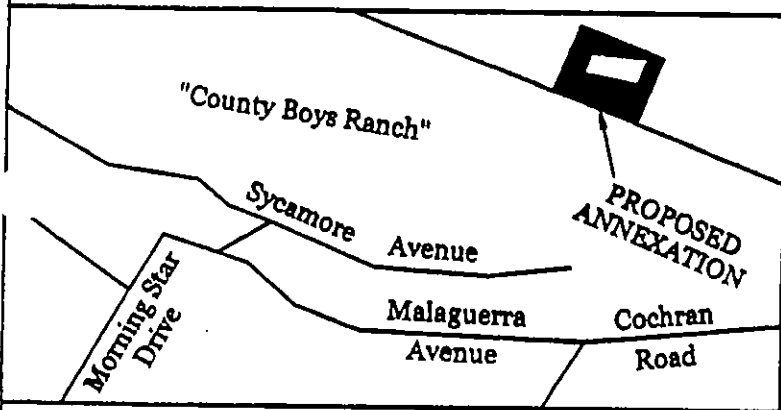
City Of San Jose

SCALE 1" = 80'

P.O.C. - Exception

Lot 5 - 32 Maps 29
APN 728-35-001

VICINITY MAP



LEGEND

- EXISTING CITY LIMITS LINE
- BOUNDARY LINE OF PROPOSED ANNEXATION
- APN
- P.O.C.
- T.P.O.B.
- P.O.B.
- ASSESSOR'S PARCEL NUMBER
- POINT OF COMMENCEMENT
- TRUE POINT OF BEGINNING
- POINT OF BEGINNING



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Job No. 03038bk

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EXHIBIT 'A'

JORGENSEN SPRINGS ANNEXATION TO THE
SANTA CLARA COUNTY LIBRARY SERVICES AREA

All that real property situated in the County of Santa Clara, State of California, being more particularly described as follows:

BEGINNING at the northwest corner of that certain 0.567 acre parcel of land conveyed to the City of Morgan Hill by deed recorded in Book 5357, at Page 627, Official Records of Santa Clara County, California, said corner also being an angle point of that certain annexation to the City of San Jose by Resolution No. 24830 "Riverside No. 17 - C", as adopted November 12, 1963; thence along the limit line of the City of San Jose as described in said "Riverside No. 17 - C" annexation South 84° 25' 34" East 233.86 feet to an angle point thereof; thence South 20° 26' 26" West 122.00 feet to an angle point thereof; thence North 78° 25' 54" West 16.92 feet (16.99 feet) to an angle point thereof; thence South 11° 55' 54" East 135.94 feet (136.31 feet) to an angle point thereof; thence South 30° 34' 06" West 37.90 feet (37.89 feet) to an angle point thereof; thence South 68° 24' 00" East 9.05 feet (South 68° 30' East) to a point being South 68° 24' 00" East 67.00 feet from the most easterly corner of that certain 1.00 acre parcel of land conveyed to the City of Morgan Hill by deed recorded December 11, 1911 in Book 377 of Deeds, at Page 298, Santa Clara County Records; thence leaving said City limit line North 21° 36' 00" East 300.00 feet; thence North 68° 24' 00" West 374.00 feet; thence South 21° 36' 00" West 300.00 feet to a point on said City limit line; thence along said City limit line South 68° 24' 00" East 91.32 to an angle point thereof; thence North 19° 56' 03" East 211.20 feet (233.05 feet) to the **POINT OF BEGINNING**.

Containing 1.22 acres, more or less.

() Denotes data per "Riverside No. 17 - C" Annexation

SEE EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HEREOF.

Description prepared by me or under my direction in conformance with the requirements of the Land Surveyor's Act.

John K. King Date 9/30/03
John K. King
P.L.S. 6809
Expires: 9/30/04

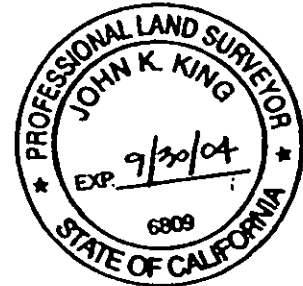


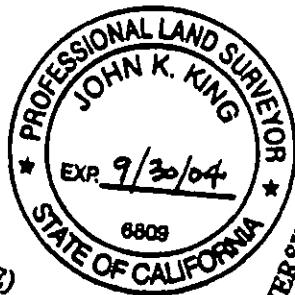
EXHIBIT 'B'

APN 729-48-005

"JORGENSEN SPRINGS ANNEXATION TO THE SANTA CLARA COUNTY LIBRARY SERVICES AREA" RESOLUTION NO. _____

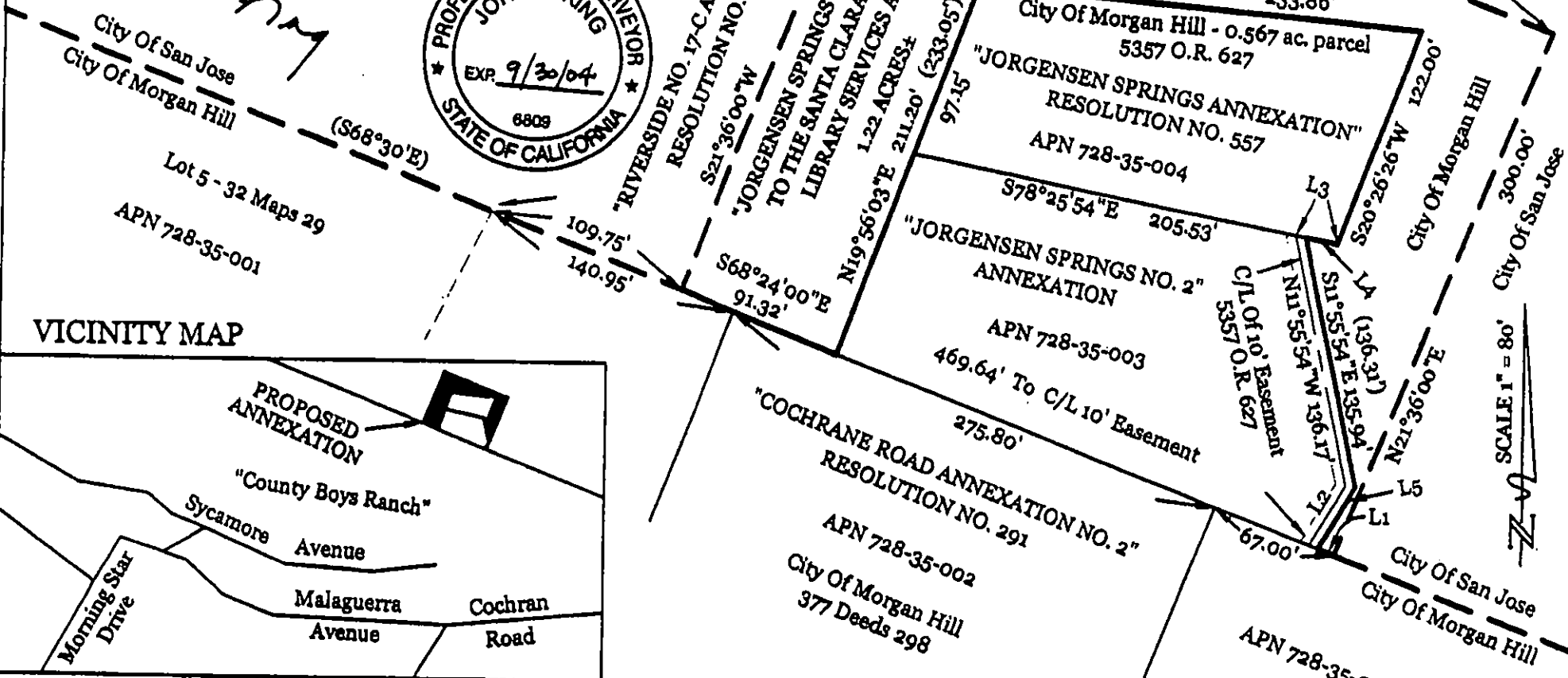
SEPTEMBER, 2003

John K. King



LINE DATA

- L1 S68°24'00"E 9.05'
- L2 N30°34'06"E 36.74'
- L3 S78°25'54"E 22.37'
- L4 N78°25'54"W 16.92' (16.99')
- L5 S30°34'06"W 37.90' (37.89')



VICINITY MAP

LEGEND

- EXISTING CITY LIMITS LINE
- ==== BOUNDARY LINE OF PROPOSED DETACHMENT
- APN ASSESSOR'S PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- () DENOTES DATA PER "RIVERSIDE NO. 17-C"



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 Job No. 03038bk

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RESOLUTION NO. 71760

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JOSE INDICATING SUPPORT FOR THE PROPOSED AMENDMENT OF THE SPHERE OF INFLUENCE BOUNDARY BETWEEN THE CITIES OF MORGAN HILL AND SAN JOSE AND THE DETACHMENT OF CERTAIN UNINHABITATED TERRITORY FROM THE CITY OF SAN JOSE AND DIRECTING AND AUTHORIZING THE CITY CLERK TO EXECUTE A RELATED CONSENT TO WAIVER OF PROTEST PROCEEDINGS AND TO FORWARD THIS RESOLUTION TO THE LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY.

WHEREAS, those certain real properties located on the northerly side of Malaguerra Avenue, above the Santa Clara County James Boys Ranch Correctional Facility (Assessor's Parcel Nos. 728-35-003, -004, and -005), comprising 2.59 acres, more fully described on Exhibit "A," entitled "Legal Description," and more particularly shown upon Exhibit "B," entitled "Subject Property Map," both of which exhibits are attached hereto and incorporated herein by this reference (the "Subject Property"), currently are located within the City of San Jose sphere of influence; and

WHEREAS, the City of Morgan Hill owns the Subject Property and proposes to construct a one million gallon water tank for the Morgan Hill water service to provide adequate water service during peak usage periods and for emergency situations (the "Proposal") and, as a part of the Proposal, desires the sphere of influence of the City of San Jose and the sphere of influence of the City of Morgan Hill to be amended so that the Subject Property is entirely contained within the sphere of influence of the City of Morgan Hill and also desires to have Assessor's Parcel No. 728-35-005 detached from the City of San Jose municipal boundary; and

WHEREAS, the Subject Property is not subject to a farmland security zone contract as described in California Government Code Section 56426 nor a California Land Conservation Act of 1965 contract as described in California Government Code Section 56426.5; and

WHEREAS, in this action on the Proposal the City of San Jose is acting as a responsible agency under the California Environmental Quality Act of 1970 in connection with the Proposal and recognizes that a Mitigated Negative Declaration for the Proposal has been adopted by the City of Morgan Hill under their File No, EA02-03 and considers this Mitigated Negative Declaration prior to any action; and

WHEREAS, the City of San Jose does not oppose the Proposal, the related proposed amendments to the spheres of influence of the City of San Jose and City of Morgan Hill,

respectively, nor the proposed detachment of Assessor's Parcel No. 728-35-005 from the City of San Jose municipal boundary;

WHEREAS, on September 23, 2003, the City Council held a noticed public hearing on whether the City shall approve the amendments to the sphere of influence and the proposed reorganization related to the Proposal, at which hearing all interested person were afforded an opportunity to speak and be heard in connection with this matter.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN JOSE AS FOLLOWS:

SECTION 1. The Council hereby determines that the proposed sphere of influence boundary amendment and detachment of Assessor's Parcel No.728-35-005 from the City of San Jose municipal boundary will not have a detrimental effect on City of San Jose, based upon the following:

- A. The subject property is located at the extreme fringe of San Jose's sphere of influence, well beyond the Urban Service Area and Urban Growth Boundaries and consists primarily of steep hillsides, and
- B. The San Jose 2020 General Plan Land Use Designation for the subject property and surrounding area is Non-Urban Hillside; and
- C. There are no City of San Jose urban services currently provided or planned in the future to serve the subject property; and
- D. The Subject Property has no population and minimal tax base.

SECTION 2. Based upon the foregoing, the City hereby indicates its support for the Proposal.

SECTION 3. The City Clerk is hereby directed and authorized to do all of the following in connection with the Proposal:

- A. To execute a related "Consent To Waiver of Protest Proceedings" in a form substantially similar to that form attached hereto as Exhibit "C," and
- B. To forward a copy of this Resolution after adoption and the executed "Consent To Waiver of Protest Proceedings" to the Local Agency Formation Commission (LAFCO) of the County of Santa Clara.


ADOPTED this 23rd day of September, 2003, by the following vote:

AYES: CAMPOS, CHAVEZ, CHIRCO; CORTESE, GREGORY,
LeZOTTE, REED, WILLIAMS, YEAGER, DANDO

NOES: NONE


ABSENT: GONZALES

DISQUALIFIED: NONE



RON GONZALES
Mayor
By: PAT DANDO, Vice Mayor

ATTEST:



PATRICIA L. O' HEARN
City Clerk

The foregoing instrument is
a correct copy of the original
on file in this office.

Attest:

PATRICIA L. O'HEARN
City Clerk
City Clerk of the city of San Jose,
County of Santa Clara, State of California.

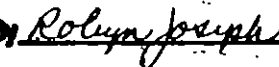
By , Deputy

EXHIBIT 'A'

AMENDMENT OF THE SPHERE OF INFLUENCE BOUNDARY BETWEEN THE
CITIES OF SAN JOSE AND MORGAN HILL.

All that real property situated in the County of Santa Clara, State of California, being more particularly described as follows:

BEGINNING at a point lying on the existing northeasterly city limits line of the City of Morgan Hill as established by Resolution No. 291 "Cochrane Road Annexation No. 2", as adopted May 9, 1960, said point being South 68° 24' 00" East 67.00 feet from the most easterly corner of that certain 1.00 acre parcel of land conveyed to the Town of Morgan Hill by deed recorded December 11, 1911 in Book 377 of Deeds, at Page 298, Santa Clara County Records; thence leaving said City limits line North 21° 36' 00" East 300.00 feet; thence along a line parallel to said City limits line North 68° 24' 00" West 374.00 feet; thence South 21° 36' 00" West 300.00 feet to said City limits line; thence along said City limits line South 68° 24' 00" East 374.00 feet to the POINT OF BEGINNING.

Containing 2.59 acres, more or less.

SEE EXHIBIT 'B' ATTACHED HERETO AND MADE A PART HEREOF.

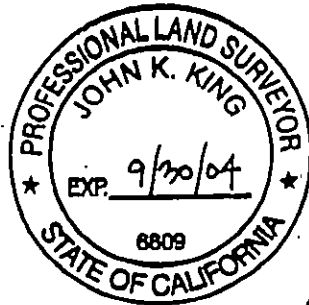
EXHIBIT 'B'

LINE DATA

L1 S68°24'00"E 14.11'
 L2 N30°34'06"E 36.74'
 L3 S78°25'54"E 22.37'

71760

John K. King



City Of San Jose
 City Of Morgan Hill

P.O.C. - Exception

Lot 5 - 32 Maps 29

APN 728-35-001

S21°36'00"W

Parcel to be Detached from
 the City of San Jose

City Of San Jose
 Unincorporated
 Santa Clara County

City Of San Jose
 City Of Morgan Hill

APN 728-35-004
 City Of Morgan Hill

APN 728-35-003

S68°24'00"E

"COCHRANE ROAD ANNEXATION NO. 2"
 RESOLUTION NO. 291

APN 728-35-002
 City Of Morgan Hill
 377 Deeds 298

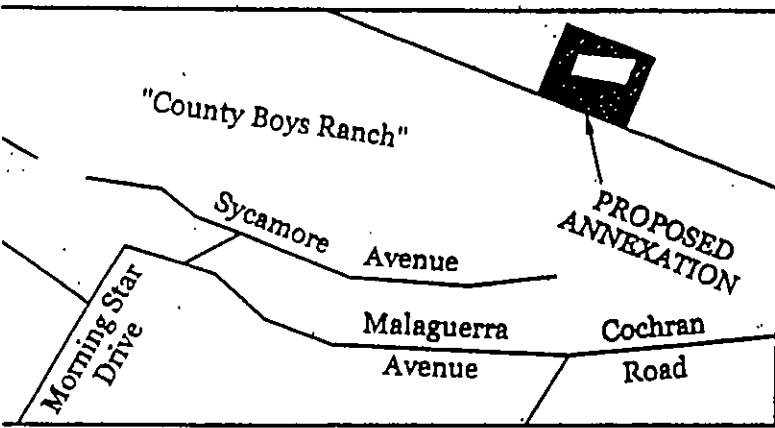
City Of San Jose
 Unincorporated
 Santa Clara County

City Of San Jose
 City Of Morgan Hill

APN 728-35-001

SCALE 1" = 80'

VICINITY MAP



LEGEND

- EXISTING CITY LIMITS LINE
- APN ASSESSOR'S PARCEL NUMBER
- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- P.O.B. POINT OF BEGINNING

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 TEL (408) 847 0233 FAX (408) 847 9933
 Job No. 02028hk



EXHIBIT "C"

LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY
 County Government Center, 11th Floor, East Wing
 70 West Hedding Street, San Jose, California 95110
 (408) 299-5127 (408) 295-1613 Fax1

CONSENT TO WAIVER OF PROTEST PROCEEDING

This form must be completed by agencies losing or gaining territory if they desire that protest proceedings following a LAFCO hearing be waived.

DESIGNATED TITLE OF PROPOSAL: _____

Brief Description of Proposal:

The City/ District of _____ gaining / losing
 territory as a result of this proposal does hereby consent to the waiver of protest
 proceedings following the LAFCO hearing in accordance with Government Code
 Section 56663 (c) & (d)

 Signature of Authorized Representative Date

 Title of Representative

In the case of inhabited (12 or more registered voters) or uninhabited city or district annexations or detachments or both, § 56663 (c) & (d) of Government Code allows for waiver of protest proceedings if:

- 1. All landowners in area agree in writing to proposal and*
- 2. All agencies losing or gaining territory have consented in writing to a waiver of protest proceedings and*
- 3. The commission has provided written notice to all registered voters and property owners in the affected area and no opposition is received from them prior to or during the commission meeting.*

If at the public hearing there is opposition expressed regarding the proposal or the Commission's intent to waive protest proceedings, then protest proceedings will be required.

LOCAL AGENCY FORMATION COMMISSION OF SANTA CLARA COUNTY
County Government Center, 11th Floor, East Wing
70 West Hedding Street, San Jose, California 95110
(408) 299-5127 (408) 295-1613 Fax1

CONSENT TO WAIVER OF PROTEST PROCEEDING

This form must be completed by agencies losing or gaining territory if they desire that protest proceedings following a LAFCO hearing be waived.

DESIGNATED TITLE OF PROPOSAL: Proposed Amendment of the Sphere of Influence Boundary Between the Cities of Morgan Hill and San Jose and the Detachment of Certain Uninhabited Territory from the City of San Jose.

Brief Description of Proposal: The proposed boundary amendment and detachment are requested in order to facilitate a proposed new one million gallon water tank for the Morgan Hill municipal water service to be located adjacent to an existing tank on a portion of the site. The purpose of the new water tank is to provide adequate water service during peak usage periods and for emergency situations.

The City of San Jose losing territory as a result of this proposal does hereby consent to the waiver of protest proceedings following the LAFCO hearing in accordance with Government Code Section 56663 (c) & (d).

Patricia L. O'Hearn
Signature of Authorized Representative

9/24/03
Date

Patricia L. O'Hearn
City Clerk, City of San Jose
Title of Representative

In the case of inhabited (12 or more registered voters) or uninhabited city or district annexations or detachments or both, § 56663 (c) & (d) of Government Code allows for waiver of protest proceedings if:

- 1. All landowners in area agree in writing to proposal and*
- 2. All agencies losing or gaining territory have consented in writing to a waiver of protest proceedings and*
- 3. The commission has provided written notice to all registered voters and property owners in the affected area and no opposition is received from them prior to or during the commission meeting.*

If at the public hearing there is opposition expressed regarding the proposal or the Commission's intent to waive protest proceedings, then protest proceedings will be required.

Date prepared: September 19, 2003

Hearing date: October 8, 2003

To: The Santa Clara County Local Agency Formation Commission
From: Dunia Noel, LAFCO Analyst
Subject: **2003 MORGAN HILL URBAN SERVICE AREA EXPANSION,
SPHERE OF INFLUENCE EXPANSION AND REORGANIZATION
– Boys Ranch Water Tank**

Recommended CEQA Action and Required Findings:

As a Responsible Agency under CEQA, LAFCO must take the following actions regarding the Negative Declaration for any project approved by the Commission:

1. Find that [a] the *Initial Study and Mitigated Negative Declaration* approved by the City of Morgan Hill was completed in compliance with CEQA and is an adequate discussion of the environmental impacts of the project, [b] prior to making a decision on this project, LAFCO reviewed and considered the environmental effects of the project as shown in the *Initial Study and Mitigated Negative Declaration*.

Purpose:

The City of Morgan Hill is requesting to reorganize the City of Morgan Hill and City of San Jose boundaries to include three parcels (APNs 728-35-003, 004, and 005) into the City of Morgan Hill totaling 2.59 acres located on the northerly boundary of the Boys Ranch Correctional facility, on the north side of Malaguerra Avenue. The access road to the site is a dirt road off of Sycamore Avenue, within the Boys Ranch Correctional Facility property. The reorganization will consist of a Sphere of Influence (SOI) amendment, Urban Service Area (USA) amendment, detachment and annexation of one or more of the three parcels, as necessary. The City of San Jose supports the City of Morgan Hill's request and has consented to waive LAFCO protest proceedings.

The requested boundary changes and reorganization are needed in order for the City of Morgan Hill to complete the Boys Ranch Water tank expansion project that is required for the provision of adequate water service during peak usage periods and for emergency situations within Morgan Hill. Specifically, the proposed project would provide for increased water pressure for fire emergencies and allow the pumping of groundwater wells during non-peak electrical demand periods. The tank would provide water to existing and planned development within the north Morgan Hill area. The construction of

a second water tank cannot be completed over the existing property lines that traverse the 2.59-acre water tank site. The City owns all three parcels that make-up the 2.59-acre site but cannot merge the parcels together until all of the parcels are within the same jurisdiction. Specifically, the City of Morgan Hill requests a reorganization consisting of the following:

1. A Sphere of Influence (SOI) amendment to remove APNs 728-35-003, 004 & 005 from San Jose SOI and include in Morgan Hill's SOI,
2. An Urban Service Area (USA) amendment to include APNs 728-35-003, 004 & 005 in Morgan Hill USA
3. A reorganization including detachment of APN 728-35-005 from the City of San Jose, annexation of APNs 728-35-005 & 003 to the City of Morgan Hill, detachment of APN 728-35-003 from the South Santa Clara County Fire Protection District and annexation of APN 728-35-005 to Santa Clara County Library Service Area

Background:

Existing and Proposed Use of the Property

The project area is rural in nature and is located on the western slope of the hills on the eastern side of the Santa Clara Valley. The water tank site is at an elevation of approximately 531 feet above sea level. The site also includes an existing half-million gallon tank and an abandoned wooden water tank. There are no other structures nearby. The project site consists of three parcels that are currently located in three different jurisdictions (Unincorporated County, City of Morgan Hill, and City of San Jose). The City of Morgan Hill owns all three parcels, and is proposing to expand the City's SOI, and USA in order to annex two of the three parcels (one of the three parcels is already within the City of Morgan Hill, however it is outside of Morgan Hill's SOI and USA).

The proposed project is the construction of a million-gallon water tank on City of Morgan Hill owned site. The proposed tank would be adjacent to an existing 527,340-gallon water tank that is located in the hills above the Boys Ranch Correctional Facility. The proposed water tank would be located approximately 15 feet to the west of the existing water tank. The proposed water tank would be approximately 32.8 feet in height and 74 feet in diameter while the existing tank is approximately 32 feet in height and 54.25 feet in diameter. The proposed tank would have a finished roof elevation of 563.39 feet above sea level, which is the same elevation as the existing tank.

Applicable General Plan and Zoning Designations

As mentioned earlier, the three parcels are currently in different jurisdictions and therefore different General Plan and Zoning Designations are currently applied. Assessor Parcel No. 728-35-003 is unincorporated and under the jurisdiction of the County of Santa Clara. Assessor Parcel No. 728-35-004 is under the jurisdiction of the City of

Morgan Hill. Assessor Parcel No. 728-35-005 is under the jurisdiction of the City of San Jose.

Assessor Parcel Numbers	Parcel Size (acres)	Current Jurisdiction	Existing GP Designation	Existing Zoning Designation	Morgan Hill's Proposed Pre-Zoning / Zoning
728-35-003	0.8	Unincorporated	Hillsides	HS (Hillsides) (20-160 acres minimum)	Open Space (5 acre minimum)
728-35-004	0.57	Morgan Hill	Open Space	Open Space (5 acre minimum)	Open Space (5 acre minimum)
728-35-005	1.22	San Jose	Non-urban hillside	R-1-1 Residential (1 acre minimum)	Open Space (5 acre minimum)

In anticipation of the eventual annexation of APNs 728-35-003 and 005, the City of Morgan Hill has pre-zoned the two parcels as "Open Space," and under the City of Morgan Hill's General Plan, the three parcels have a General Plan designation of "Open Space." The "Open Space" designation and corresponding zoning designation would allow for the water tank as a conditional use.

Surrounding Land Uses

The project site is located in the hills of northeastern Morgan Hill, above the Boys Ranch Correctional Facility. Land uses within the facility include dormitories, administrative offices, basketball courts, playfields, and open space areas. Coyote Creek runs along the western boundary of the Boys Ranch. Land uses beyond the facility to the west of Coyote Creek are mainly single-family residential.

ENVIRONMENTAL ASSESSMENT:

Mitigated Negative Declaration

A Mitigated Negative Declaration was prepared for the site and adopted by the City of Morgan Hill on January 30, 2002. The City determined that "although the project, as proposed, could have had a significant effect on the environment, there will not be a significant effect in this case because mitigation measures have been added to the project." The City of Morgan Hill has adopted mitigation measures that address the erosion, seismic, hazards and hazardous materials impacts, and loss of habitat, loss of coyote ceanothus, and impacts to nesting raptors.

In March 2003, the City determined that the location for the Boys Ranch Reservoir #3 was situated on three separate parcels located with three different jurisdictions. In order to obtain the building permit for the project, the 1.22 acres parcel needs to be detached from the City of San Jose, all three parcels need to be included into the City of Morgan Hill sphere of influence and then parcels 003 and 005 annexed into the City of Morgan

Hill. Once the parcels are under a single jurisdiction, they can be merged into a single 2.50 acres parcel and a building permit for the reservoir project can be issued.

In accordance to Section 15164 of the California Environmental Quality Act, the lead agency (City of Morgan Hill) prepared an addendum to the *Initial Study* because some changes were necessary to the project's *Initial Study* and *Negative Declaration* due to the addition of resolving jurisdictional issues. However, the change of jurisdiction will not result in conditions specified in Section 15162 of CEQA that call for preparation of a subsequent negative declaration. The approval of the jurisdictional changes does not change the scope, impacts or mitigations proposed for the reservoir project. The City of Morgan Hill determined that the General Plan Open Space land use, Open Space zoning designation and annexation will not provide for additional development potential.

Environmental factors of specific concern to LAFCO are discussed below.

ENVIRONMENTAL FACTORS OF CONCERN TO LAFCO:

Premature Conversion of Agricultural and Open Space Lands

The Environmental Assessment prepared for the project did not identify the existence of prime agricultural soils on the project site. The proposed project is not in agricultural production. Its use as a water storage facility would not impact agricultural lands. Therefore, the project in and of itself would not result in the conversion of agricultural lands to non-agricultural uses. For these reasons, the project would have a less than significant impact to agricultural lands within the Morgan Hill area.

Growth Inducement and Precedent Setting Implications

According to the Environmental Assessment prepared for the project, the purpose of the proposed project is to provide increased water pressure for fire uses and to allow the pumping of groundwater wells during non-peak electrical demand periods. The tank would provide water to existing and planned development within the north Morgan Hill area. Therefore, the project would not induce substantial growth that is different than that which is already allowed and the impacts of which have been fully addressed in appropriate CEQA documents, including the Master Environmental Impact Report for the Morgan Hill General Plan (March 2001).

Traffic Impacts

According to the Environmental Assessment prepared for the project, the proposed project would include the removal of approximately 1,200 cubic yards of fill from the site. As a result, truck traffic would increase on streets within the project area during construction. This traffic would be temporary and would not significantly affect AM or PM peak hour traffic within the project area. All trucks and construction equipment would be parked within the Boys Ranch facility during project construction. For these reasons, the project would not result in significant traffic or circulation impacts.

Provision of Public Services

According to the Environmental Assessment, the proposed project would not result in the need for new public facilities and would not result any significant impacts on the physical environment as a result of an increased demand for public services.

Provision of Utilities and Service Systems

According to the Environmental Assessment, the proposed project would not result in significant impacts to utilities and service systems. The proposed project is the construction of a water tank on a site that is currently paved. The only additional paving would be for the access roadway, which is currently a dirt road. It is not anticipated that this roadway would result in a significant increase in storm water runoff. The project will include a new storm water system that will improve drainage conditions within the project area. Storm water from the site and hillside above the site will be collected in a pipe to be carried down within the access road to an outfall near Sycamore Avenue. Excess water will be collected along Sycamore Avenue where it will connect to the existing outfall to Coyote Creek.

ATTACHMENTS

- A. *Initial Study/Environmental Assessment for Boys Ranch Water Tank*
- B. *Mitigated Negative Declaration for Boys Ranch Water Tank*
- C. *Addendum to the Initial Study Completed for the Boys Ranch Reservoir #3*

ITEM NO. 4
ATTACHMENT 7A

DUE TO LIMITED COPIES, THE DOCUMENT FOR THIS ITEM

INITIAL STUDY/MITIGATED NEGATIVE DECLARATION
BOY'S RANCH WATER TANK

WILL BE PROVIDED TO LAFCO COMMISSIONERS ONLY

County of Santa Clara

Office of the County Clerk-Recorder

County Government Center, East Wing
70 West Hedding Street
San Jose, California 95110
(408) 299-2481

POSTED ON 2/19/02 THROUGH 3
IN THE OFFICE OF THE COUNTY CLERK-RECORDER

BRENDA DAVIS, COUNTY CLERK

BY [Signature] DEPUTY

LAURA RIVAS

ITEM No. 4

ATTACHMENT 7B



*ENVIRONMENTAL DECLARATION

FOR [Signature] **ENDORSED**

FEB 19 2002

BRENDA DAVIS, County Clerk-Recorder
Santa Clara County

By [Signature] Deputy
LAURA RIVAS

FILING NO.

E 9925

NAME OF LEAD AGENCY:

CITY OF MORGAN HILL

NAME OF APPLICANT:

CITY OF MORGAN HILL

EA-02-03: Malaguerra-Boy's Ranch Reservoir No. 3
CLASSIFICATION OF ENVIRONMENTAL DOCUMENT:

- 1. () NOTICE OF PREPARATION
—NO FEE—
- 2. () NOTICE OF EXEMPTION/STATEMENT OF EXEMPTION
—NO FEE—
- 3. NOTICE OF DETERMINATION
 - () A—NEGATIVE DECLARATION PURSUANT TO SECTION 21080(C) OF THE PUBLIC RESOURCES CODE
\$1,250.00 (Twelve Hundred Fifty Dollars)—STATE FILING FEE
\$25.00 (Twenty-Five Dollars)—CLERK FEE.
 - () B—CERTIFICATE OF EXEMPTION DE MINIMUS IMPACT FINDING
—NO FEE—
- 4. NOTICE OF DETERMINATION
 - () A—ENVIRONMENTAL IMPACT REPORT PURSUANT TO SECTION 21152 OF THE PUBLIC RESOURCES CODE
\$850.00 (Eight Hundred Fifty Dollars) —STATE FILING FEE
\$25.00 (Twenty-Five Dollars)—CLERK FEE
 - () B—CERTIFICATE OF EXEMPTION DE MINIMUS IMPACT FINDING
—NO FEE—

*THIS FORM MUST BE COMPLETED AND FILED WITH ALL ENVIRONMENTAL DOCUMENTS FILED WITH THE SANTA CLARA COUNTY CLERK-RECORDER'S OFFICE.

MAKE CHECKS PAYABLE TO: COUNTY CLERK-RECORDER



City of
Morgan Hill

17555 Peak Avenue • Morgan Hill • CA • 95037

E 9925



I. DESCRIPTION OF PROJECT:

Date: January 30, 2002

Application No.: EA-02-03 Malaguerra-Boy's
Ranch Reservoir No. 3

APN: 728-35-02, 03, 04 & 05

Address of Project: None, location just north of Santa Clara County Boy's Ranch, located east of northerly terminus of Malaguerra Avenue

Applicant: City of Morgan Hill

Project Description: The proposed project is the construction of a one million-gallon water tank on a City of Morgan Hill owned site. Approximately 3.8 acres of the 6.2-acre parcel would be used for the construction of the project. The proposed tank would be adjacent to an existing 527,340-gallon water tank, in the hills above the Boy's Ranch Correctional Facility. The proposed water tank would be located approximately 15 feet to the west of the existing water tank. The proposed water tank would be approximately 32.8 feet in height and 74 feet in diameter while the existing tank is approximately 32 feet in height and 54.25 feet in diameter. The proposed tank would have a finished roof elevation of 563.39 feet above sea level, which is the same elevation as the existing tank.

II. DETERMINATION

In accordance with the City of Morgan Hill procedures for compliance with the California Environmental Quality Act (CEQA), the City has conducted an Initial Study to determine whether the proposed project may have a significant adverse effect on the environment. On the basis of that study, the City makes the following determination:

- o The proposed project COULD NOT have a significant effect on the environment, and a **NEGATIVE DECLARATION** is hereby adopted.
- Although the project, as proposed, could have had a significant effect on the environment, there will not be a significant effect in this case because mitigation measures have been added to the project, and, therefore, a **MITIGATED DECLARATION** is hereby adopted.

NOTICE OF DETERMINATION
CITY OF MORGAN HILL

E 9925

TO: Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

FROM: City of Morgan Hill
Community Development Dept.
17555 Peak Avenue
Morgan Hill, CA 95037

■ County Clerk
County of Santa Clara
70 W. Hedding Street
E. Wing 1st Floor
San Jose, CA 95110

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

Project Title
Environmental Assessment, EA-02-03: Malaguerra-Boy's Ranch Reservoir No. 3

State Clearinghouse Number (If submitted to Clearinghouse)	Lead Agency Contact Person	Area Code/Telephone/Extension
N/A	David J. Bischoff	(408)779-7248/779-7249

Location (include county) Project
North of Santa Clara County Boy's Ranch, east of northerly terminus of Malaguerra Avenue, Morgan Hill, Santa Clara County (APN: 728-35-002, 003, 004 & 005)

Description Project
The proposed project is the construction of a one million-gallon water tank on a City of Morgan Hill owned site. Approximately 3.8 acres of the 6.2-acre parcel would be used for the construction of the project. The proposed tank would be adjacent to an existing 527,340-gallon water tank, in the hills above the Boy's Ranch Correctional Facility. The proposed water tank would be located approximately 15 feet to the west of the existing water tank. The proposed water tank would be approximately 32.8 feet in height and 74 feet in diameter while the existing tank is approximately 32 feet in height and 54.25 feet in diameter. The proposed tank would have a finished roof elevation of 563.39 feet above sea level, which is the same elevation as the existing tank.

This is to advise that the City of Morgan Hill has approved the above described project on February 6, 2002 and has made the following determinations regarding the above described project:

■ Lead Agency Responsible Agency (date)

1. The project [] will [] will not] have a significant effect on the environment.
2. An Environmental Impact Report (EIR) was prepared for this project pursuant to the provisions of CEQA.
■ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [were were not] made a condition of the approval of the project.
4. A statement of Overriding Considerations [was was not] adopted for this project.
5. Findings [were were not] made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses or Negative Declaration and record of project approval is available to the General Public at: City of Morgan Hill, 17555 Peak Avenue, Morgan Hill, CA 95037

Date: 2/12/02


DAVID J. BISCHOFF / ACP
Community Development Director

**CALIFORNIA DEPARTMENT OF FISH AND GAME
CERTIFICATE OF FEE EXEMPTION**

De Minimis Impact Finding

Project Title/Location (include county):

Environmental Assessment, EA-02-03: Malaguerra-Boy's Ranch Reservoir No. 3

North of Santa Clara County Boy's Ranch, east of northerly terminus of Malaguerra Avenue, Morgan Hill, Santa Clara County (APN: 728-35-002, 003, 004 & 005)

Project Description:


The proposed project is the construction of a one million-gallon water tank on a City of Morgan Hill owned site. Approximately 3.8 acres of the 6.2-acre parcel would be used for the construction of the project. The proposed tank would be adjacent to an existing 527,340-gallon water tank, in the hills above the Boy's Ranch Correctional Facility. The proposed water tank would be located approximately 15 feet to the west of the existing water tank. The proposed water tank would be approximately 32.8 feet in height and 74 feet in diameter while the existing tank is approximately 32 feet in height and 54.25 feet in diameter. The proposed tank would have a finished roof elevation of 563.39 feet above sea level, which is the same elevation as the existing tank.

Findings of Exemption (attach as necessary):

An Environmental Initial Study has been prepared for the Boy's Ranch Reservoir No. 3 and the City of Morgan Hill has determined that there is no evidence that the environmental assessment application will have any potential for adverse effect on wildlife.

Certification:

I hereby certify that the public agency has made the above finding and that the project will not individually or cumulatively have an adverse effect on wildlife resources, as defined in Section 711.2 of the Fish and Game Code.



 David J. Bisehoff (Chief Planning Official)
 Title: Community Development Director
 Lead Agency: City of Morgan Hill
 Date: 2/12/02

GEOLOGY AND SOILS

Mitigation for Erosion Impacts

While the project will not result in significant erosion impacts as a result of the tank construction, all slopes will be hydroseeded. Due to the granular nature of the near-surface soils, permanent erosion control measures be used wherever necessary on the project site, including erosion control blankets or mats.

Mitigation for Slope Instability/Settlement

The proposed project includes the installation of 33 additional stitch piers within the area below the tank site where there are 14 existing stitch piers that were installed in the 1970s (refer to Figure 5 in the initial study). These additional piers will further increase the resistance to landsliding at the project site. Installation of these piers will also cause less ground disturbance at the tank site during construction by shoring up the site from the hillside below. These piers will be installed as described in the geotechnical report for the project (Appendix B of the initial study).

Fill settlement on the project site may result in differential movements under static and seismic loading conditions. Therefore, the foundations for the water tank will be extended below the bottom of the fill at least 12 inches into undisturbed native soil. Engineered retaining walls will be constructed to stabilize the face of the fill. Debris flow catchment structures will also be used to mitigate the potential for occasional shallow debris flows, as described on page 29 of Appendix B of the initial study.

Mitigation for Seismic Impacts


The mitigation measures described above will also serve to mitigate seismic impacts on the site. To reduce the potential for damage from the buried water lines on the project site that cross the landslide area and potential thrust faults, all water lines, and the tank itself, will be equipped with an emergency shut-off valve at the connection with the tank. The City has established that there are alternative sources of water for use in an emergency, should the proposed tank be shut-off during a seismic event.

HAZARDS & HAZARDOUS MATERIALS

Mitigation: Implementation of the following mitigation measures would reduce impacts associated with asbestos released on the site and within the project area, to a less than significant impact:

- During grading operations, health and safety measures would be required per the OSHA guidelines including the following:
 - Preparation of a site-specific Health and Safety Plan for grading within asbestos-containing rock and soils and the reuse of these materials on the Boys Ranch Facility.
 - Train site workers on the safe handling of rock materials,
 - Require the contractor for the project be licensed in hazardous materials handling,
 - On-site air quality monitoring,

- Monitor workers for exposure,
 - A Proposition 65 warning, and
 - Implementation of dust control measures including, keeping soils wet during grading, halting grading during high winds, and covering the beds of all trucks removing fill from the site.
 - Soils reused on the Boys Ranch Facility will be capped according all applicable local and state laws.
- All asbestos-containing soils and rock removed from the site will be disposed of at an appropriate landfill or buried at an appropriate location.



David J. Bischoff, Community Development Director

Date: 2/12/02

III. FINDINGS

Based on the findings of the Initial Study, the proposed project will not have a significant effect on the environment for the following reasons:

1. The project does not have the potential to significantly degrade the quality of the environment, including effects on animals or plants, or to eliminate historic or prehistoric sites.
2. The project will not have any significant adverse impacts on traffic or land use.
3. The project will not generate significant adverse effects on the water, air quality, or increase noise levels substantially.
4. In addition, the project will not:
 - a. Create significant impacts which achieve short-term, to the disadvantage of long-term environmental goals.
 - b. Create impacts which are individually limited, but cumulatively considerable to a significant degree.
 - c. Create environmental effects which will cause significant adverse effects on human beings, either directly or indirectly.

IV. CONDITIONS

BIOLOGICAL RESOURCES

Mitigation for Impacts Associated with the Loss of Habitat

Implementation of the following mitigation measures would reduce potentially significant biological impacts associated with the loss of mixed-oak woodland habitat to a less than significant level:

- All construction disturbance areas within mixed-oak woodland habitat will be monitored for a period of five years to establish whether or not the trees within this habitat have been damaged during installation of the stitch piers. If monitoring determines that they have been damaged, trees would be replaced, as described below.
 - Protective construction fencing will be placed within the stitch pier area to protect vegetation. No soil disturbance will be permitted, and no excess soil, chemicals, debris, equipment, or other materials will be placed or stored within these fenced areas. The fencing will be four foot fluorescent and will remain in place until final grading.
 - A qualified biologist will be on site to monitor construction within this habitat area.
- Replacement of Lost Trees:

- Any tree removed or damaged during construction will be replaced at a ratio of 5:1 (replacement:loss) with trees of the same species, according to the City of Morgan Hill's Tree Ordinance.
- Planting will occur between November and January with locally collected plant stock.
- Planting areas would be graded as required to provide appropriate topography and hydrology for the plantings. Redwood retaining boxed/walls may be used to create this topography.
- Soils would be amended, as necessary.
- The planting holes would be dug as described on page 27 of the biology report.
- All mitigation plantings would be maintained for a minimum of five years, as described on page 28 of the biology report. In addition, the plantings will meet the success criteria requirements of the biology report.

Mitigation for Loss of Coyote Ceanothus

Implementation of the following mitigation measures would reduce potentially significant biological impacts associated with the loss of coyote ceanothus to a less than significant level:

- Construction techniques to minimize removal of the shrub and disturbance of their root systems will be utilized. This includes the use of the following:
 - Construction fencing would be placed at the limit of construction to clearly mark those areas to be impacted and to provide clear guidance as to those shrubs to be retained.
 - An on-site biologist would oversee the installation of this fencing. At the end of construction, the monitor will determine the final number of individual ceanothus disturbed or lost during construction.
- A Mitigation and Monitoring Plan will be developed by a qualified biologist that describes the selection of the mitigation sites, seed collection activities, nursery growing procedures, site preparation, establishment of the success criteria, and discussion of any remedial measures or contingency plans should the initial mitigation efforts fail.
- Ceanothus would be replaced at a 5:1 ratio, according to Fish and Game standards, using small nursery stock. All plantings would occur as described on page 23 of the biological report.

Mitigation for Impacts to Nesting Raptors

In order to ensure that no tree-nesting raptor nests or their contents are lost or disturbed due to project-related activities, the following mitigation measure will be implemented to reduce potential impacts to a less than significant level.

- In the Southern San Francisco Bay area, most raptors breed from February through August. A qualified ornithologist will conduct a pre-construction survey for nesting raptors within 30 days of the onset of construction, if construction is to occur during the nesting season. If an active raptor nest is found close enough to the construction area to be disturbed by construction activities, the ornithologist, in consultation with CDFG, will determine the extent of a construction-free buffer zone to be established around the nest.

**ADDENDUM TO THE INITIAL STUDY COMPLETED FOR
THE BOYS RANCH RESERVOIR #3**

In December 2001, the City of Morgan Hill completed an expanded initial study for the Boys Ranch Reservoir #3. A mitigated negative declaration was approved by the City Council on January 30, 2002.

In March 2003, the City determined that the location for the Boy's Ranch Reservoir #3 was situated on three separate parcels located with three different jurisdictions. Each of the three parcels is owned by the City of Morgan Hill. APN 728-35-03 (0.8 acres) is unincorporated and is under the jurisdiction of the County of Santa Clara. APN 728-35-04 (.57 acres) is incorporated into the City of Morgan Hill but is within the Sphere of Influence of the City of San Jose and APN 728-35-05 (1.22 acres) is within the incorporated area of the City of San Jose. In order to obtain the building permit for the project, the 1.22 acre parcel needs to be detached from the City of San Jose, all three parcels need to be included into the City of Morgan Hill sphere of influence and then parcels 3 & 5 annexed into the City of Morgan Hill. Once the parcels are under a single jurisdiction, they can be merged into a single 2.59 acre parcel and a building permit for the reservoir project can be issued.

Under Section 15164 of the California Environmental Quality Act, the lead agency shall prepare an addendum if some changes are necessary to a project's Initial Study and Negative Declaration. The changes to the project are the legislative actions necessary to resolve the jurisdictional issues. The change of jurisdiction will not result in conditions specified in Section 15162 of CEQA which call for preparation of a subsequent negative declaration. No physical changes are proposed for the Boy's Ranch Reservoir #3 project. The approval of a sphere of influence boundary adjustment, urban growth boundary adjustment, urban service area boundary adjustment and annexation to the city limits will not change the scope, impacts or mitigations proposed for the reservoir project. The general plan Open Space land use, Open Space zoning designation and annexation will not provide any additional development potential. The purpose of the actions is to resolve jurisdictional boundary issues which prevent the merger of the three parcels that define the water tank site.

The purpose of this addendum to the project's initial study is to record these prospective legislative and administrative actions planned to accomplish the project, and to note that these actions do not invoke the need to prepare a subsequent negative declaration.

ITEM No. 5

**THE DOCUMENT(S) FOR THIS ITEM
WILL BE DISTRIBUTED AT THE MEETING**