NOTICE TO THE PUBLIC

1. Pursuant to Government Code §84308, and the Regulations of the Fair Political Practices Commission (FPPC), §18438, no LAFCO commissioner shall accept, solicit, or direct a contribution of more than $250 from any party, or his/her agent; or any participant or his/her agent, while a LAFCO proceeding is pending, and for three months following the date a final decision is rendered by LAFCO. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than $250 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days of knowing about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than $250 within the preceding 12 months by the party, or his or her agent, to a LAFCO commissioner. For forms, visit the LAFCO website at www.santaclara.lafco.ca.gov. No party, or his or her agent and no participant, or his or her agent, shall make a contribution of more than $250 to any LAFCO commissioner during the proceeding or for 3 months following the date a final decision is rendered by LAFCO.

2. Pursuant to Government Code Sections 56100.1, 56300, 56700.1, 57009 and 81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of $1,000 or more or expend(s) a total of $1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act (See also, Section 84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC’s advice line at 1-866-ASK-FPPC (1-866-275-3772).

3. Pursuant to Government Code §56300(c), LAFCO adopted lobbying disclosure requirements which require that any person or entity lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. Additionally every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. For forms, visit the LAFCO website at www.santaclara.lafco.ca.gov.

4. Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commissioners less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office, 70 W. Hedding Street, 11th Floor, San Jose, California, during normal business hours. (Government Code § 54957.5.)

5. 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.
1. ROLL CALL

2. PUBLIC COMMENTS
   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 DECEMBER 4, 2013 LAFCO MEETING

4. CERTIFICATES OF APPRECIATION FOR OUTSTANDING SERVICE TO LAFCO OF SANTA CLARA COUNTY
   Recommended Action: Approve and present certificates of appreciation for outstanding service to LAFCO of Santa Clara County
   - Valerie Altham, Graphic Designer II, Office of the County Executive
   - Greg Bazhaw, GIS Analyst, Santa Clara County Planning Office
   - Steve Borgstrom, GIS Technician II, Santa Clara County Planning Office

CONSENT ITEM

5. CUPERTINO SANITARY DISTRICT (PROSPECT-BLUE HILLS)
   A petition from the property owner for annexation to the Cupertino Sanitary District of four parcels (APNs 366-06-011, 012, 025, 043) in the vicinity of Prospect Road and Blue Hills Lane.
   Recommended Action: Approve annexation to the Cupertino Sanitary District and waive protest proceedings.

ITEMS FOR ACTION / DISCUSSION

6. UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS FROM LAFCO’S SPECIAL DISTRICTS SERVICE REVIEW: PHASE 2 REPORT
   Recommended Action: Accept report and provide direction as necessary.

7. PERFORMANCE EVALUATIONS OF THE LAFCO EXECUTIVE OFFICER AND LAFCO STAFF
   Recommended Action: Approve proposed procedure for LAFCO Executive Officer performance evaluation.

8. EXECUTIVE OFFICER’S REPORT
   8.1 FINANCE COMMITTEE FOR FISCAL YEAR 2014-2015 LAFCO BUDGET
   Recommended Action: Establish a committee composed of three commissioners to work with staff to develop and recommend the proposed FY 2014-2015 LAFCO budget for consideration by the full Commission.
8.2 UPDATE ON SARATOGA FIRE PROTECTION DISTRICT SPECIAL STUDY
For information only.

8.3 2014 CALAFCO STAFF WORKSHOP
Recommended Action: Authorize staff to attend the 2014 CALAFCO Staff Workshop and authorize travel expenses funded by LAFCO budget.

9. SB 751: NEW LAW REQUIRES AGENCIES TO PUBLICLY ANNOUNCE VOTES
For information only.

10. PENDING APPLICATIONS / UPCOMING PROJECTS

11. COMMISSIONER REPORTS

12. NEWSPAPER ARTICLES / NEWSLETTERS

13. WRITTEN CORRESPONDENCE

14. ADJOURN
Adjourn to the regular LAFCO meeting on Wednesday, April 2, 2014, at 1:15 PM in the Board Meeting Chambers, 70 West Hedding Street, San Jose.
CALL TO ORDER

Chairperson Mike Wasserman called the meeting to order at 1:15 p.m.

1. ROLL CALL

The following commissioners were present:
- Chairperson Mike Wasserman
- Commissioner Cindy Chavez
- Commissioner Sequoia Hall
- Commissioner Margaret Abe-Koga
- Commissioner Linda J. LeZotte
- Commissioner Susan Vicklund Wilson
- Alternate Commissioner Johnny Khamis (voted in place of Commissioner Pete Constant, who was absent)
- Alternate Commissioner Yoriko Kishimoto
- Alternate Commissioner Terry Trumbull (left at 1:45 p.m.)
- Alternate Commissioner Cat Tucker

The following staff members were present:
- LAFCO Executive Officer Neelima Palacherla
- LAFCO Assistant Executive Officer Dunia Noel
- LAFCO Counsel Mala Subramaniam

2. PUBLIC COMMENTS

There were no public comments.

3. APPROVE MINUTES OF OCTOBER 2, 2013 LAFCO MEETING

The Commission approved the minutes of October 2, 2013 LAFCO meeting.

Motion: Khamis   Second: Hall
AYES: Chavez, Hall, Khamis, Abe-Koga, LeZotte, Wasserman, Wilson
NOES: None        ABSTAIN: None      ABSENT: None

MOTION PASSED
4. REQUEST FOR RECONSIDERATION OF OCTOBER 2, 2013 LAFCO ACTION TO DENY CITY OF MORGAN HILL URBAN SERVICE AREA (USA) AMENDMENT 2012

Neelima Palacherla, Executive Officer, presented the staff report.

Commissioner LeZotte noted that information on agricultural mitigation was available at the October 2, 2013 hearing. In response to an inquiry by Commissioner LeZotte, Ms. Subramanian advised that if the Commission chooses to reconsider its October action, the Commission may discuss the USA extension in its entirety, adopt a new resolution or amend any portion of the resolution. Commissioner LeZotte expressed concern that by approving the applicant’s request for reconsideration the Commission will reopen discussion on the entire USA application even though a full discussion took place at the last meeting. Upon the advice of Ms. Subramanian, all commissioners indicated that they were either present at the October 2, 2013 meeting or have listened to the item’s full audio transcript. In response to an inquiry by Commissioner Chavez, Ms. Subramanian informed that any person or affected agency may request reconsideration within 30 days of the Commission’s action.

This being the time and place for the public hearing, Chairperson Wasserman declared the public hearing open.

Andrew Crabtree, Community Development Director, City of Morgan Hill, expressed support for the reconsideration request and informed that Morgan Hill is working on a draft agricultural mitigation program which may be considered by the City Council next year. He directed attention to a letter from the City indicating that the Royal Oaks Mushroom parcels will be subject to the City’s future mitigation program.

In response to an inquiry by Commissioner Wilson, Mr. Crabtree indicated that a draft agricultural mitigation program is yet to be released for public comment. Commissioner Wilson informed that LAFCO has requested Morgan Hill to adopt a mitigation program and is following its progress.

Julie Hutcheson, Committee for Green Foothills, directed attention to her letter dated December 4, 2013, and advised the Commission to deny the request for reconsideration since there is no new information to consider. She noted that the property owner’s intent to provide mitigation was known at the October public hearing. She stated that if the Commission chooses to reconsider the application, then it should deny the application since its decision should not be based solely on mitigation but on consistency with the LAFCO policies.

Don Hordness, Royal Oaks Mushrooms, observed that his intention to provide agricultural mitigation was not very clear to the Commission at the public hearing in October; hence, he requested reconsideration. He informed that Morgan Hill staff had indicated to him prior to the October hearing that mitigation would not be an issue since mitigation is between the property owner and the City. He directed attention to his letter clarifying his intention to provide mitigation under LAFCO policies and the mitigation program that the City would adopt.
Gloria Ballard, MH Engineering, stated that the application was filed with Morgan Hill six years ago and that the applicant has spent a substantial amount of money. She explained that the applicant’s intent is to follow LAFCO policy for agricultural mitigation.

**Chairperson Wasserman** determined that there are no members of the public who wished to speak on the item and ordered the public hearing closed.

**Commissioner Chavez** moved to approve the request for reconsideration and **Alternate Commissioner Khamis** seconded the motion.

**Commissioner Wilson** expressed her opposition to the motion since Morgan Hill has had sufficient time to address the mitigation requirement as the public hearing was continued twice since April 2013, and noted that the City has been working on mitigation policies for many years. She warned that approving the request for reconsideration would set a precedent. She noted that the information was available at the October meeting and that the offer for mitigation should have been more specific. She stated that there is no need for the USA expansion given Morgan Hill’s supply of vacant land. She informed that as the public member and a resident of Morgan Hill, she interacts with the local residents and knows how they love open space, agricultural lands and local produce. She directed attention to a map of Morgan Hill and discussed how this application could trigger future leap-frog USA expansions. She noted that a UC Davis study recommended that two to four acres are necessary to mitigate the loss of each acre. **Commissioner LeZotte** expressed opposition to the motion and informed that regardless of agricultural mitigation, the inclusion of Royal Oaks Mushrooms parcels in the City’s USA was originally denied because it is a premature expansion. She informed that a flood control project will begin in 2014 on the parcel owned by the Santa Clara Valley Water District (SCVWD). She also noted that the October public hearing was well-attended and the action taken by the Commission was fair. **Commissioner Hall** announced his opposition to the motion since the intent to provide mitigation does not include any specifics. **Commissioner Abe-Koga** expressed agreement with Commissioner Hall and observed that there is no new information to consider.

**Chairperson Wasserman** expressed support for the motion and stated that Morgan Hill’s work on its agricultural mitigation program and the applicant’s letter stating that he is willing to provide mitigation are new information. **Commissioner Chavez** indicated that LAFCO should have meaningful relationships with other local agencies. In response to an inquiry by **Commissioner Chavez**, Ms. Palacherla informed that notices were sent to the SCVWD regarding the application for USA expansion, and **Commissioner LeZotte** confirmed that SCVWD was contacted.

A motion to grant the request for reconsideration of the October 2, 2013 LAFCO action.

Motion: Chavez Second: Khamis

AYES: Chavez, Khamis, Wasserman NOES: Hall, Abe-Koga, LeZotte, Wilson

ABSTAIN: None ABSENT: None

MOTION FAILED
5. **OUT OF ORDER**

6. **SPECIAL DISTRICTS SERVICE REVIEW DRAFT REPORT: PHASE 2**

Dunia Noel, LAFCO Analyst, presented the staff report.

Commissioner Chavez proposed that issues relating to transparency and governance be resolved quickly. Ms. Noel informed that after the approval of the Report, staff will work with the agencies to review the recommendations, create a timeline, implement the recommendations, and follow-up on the status of implementation. She informed that more specific deadlines will be set for agencies with serious transparency and governance issues. Commissioner Chavez requested periodic reports on these issues. In response to a follow-up inquiry by Commissioner Chavez, Ms. Noel advised that the Report recommends that Midpeninsula Regional Open Space District (MROSD), as a courtesy, provide copies of its FPPC Form-700 filings to each of the counties in which it has territory even though it is not legally required to do so.

In response to an inquiry by Alternate Commissioner Khamis, Ms. Noel advised that tributary agencies have raised concerns about the master agreement between them and the City of San Jose. She further stated that staff has encouraged the tributary agencies and San Jose to resolve the issue. Commissioner Khamis requested the tributary agencies to discuss the issue with Kerrie Romanow, Director of Environmental Services Department, City of San Jose. He proposed that the Report include a statement indicating that while existing agreements have not expired, tributary agencies may explore renegotiating their existing contract with the City of San Jose.

This being the time and place for the public hearing, Chairperson Wasserman declared the public hearing open.

John Newby, General Manager, West Valley Sanitation District, informed that tributary agencies regularly meet with Ms. Romanow and have repeatedly raised the need to update the 30-year old master agreement since many of its provisions are no longer applicable. He stated that letters listing the items that need to be updated have been sent to Ms. Romanow and San Jose Mayor Chuck Reed. He further stated that the master agreement must also reflect the changes made to the master plan and indicate how to finance the plan’s implementation.

Chairperson Wasserman determined that there are no members of the public who wished to speak on the item and ordered the public hearing closed.

Alternate Commissioner Tucker inquired about LAFCO’s role in regulating MROSD’s boundaries. Ms. Palacherla informed that Santa Clara LAFCO, the principal LAFCO for MROSD, has jurisdiction over its boundary expansions. Alternate Commissioner Tucker noted that it was unclear if any agency had jurisdiction over whether or not MROSD was following the intent of the voter initiative.

Commissioner Hall requested a spelling correction to Santa Clara County Open Space Authority board member’s name. Alternate Commissioner Kishimoto expressed willingness to meet with Alternate Commissioner Tucker to discuss her concerns on MROSD. She informed that MROSD is willing to make its FPPC Form-700 filings
available to each of the counties in which it has territory. She also recommended that
LAFCO, in the next round, conduct a countywide service review on wastewater services.

At the request of Chairperson Wasserman, Ms. Noel summarized the staff
recommended actions. In response to an inquiry by Alternate Commissioner Khamis,
Ms. Subramanian advised that a statement relating to the master agreement between
San Jose and the tributary agencies will be included in the Report’s determinations
section.

The Commission adopted Resolution No 2013-06 adopting the Special Districts Service
Review: Phase 2 Report, adopting service review determinations, and adopting Sphere
of Influence updates and determinations for Burbank Sanitary District, County
Sanitation District 2-3, Lake Canyon Community Services District, Lion’s Gate
Community Services District, Midpeninsula Regional Open Space District, Santa Clara
County Open Space Authority, Cupertino Sanitary District, and West Valley Sanitation
District.

The Commission directed staff to (1) prepare the Final Report for the Special Districts
Service Review: Phase 2 and to distribute the Final Report to all the affected agencies; (2)
contact each affected agency and request a written response on how and when the
agency plans to address the findings and/or implement the recommendations presented
in the Final Report and to provide an explanation if the agency disagrees with a finding
or does not plan to implement a recommendation; and, (3) include in the Report’s
determinations a statement that the tributary agencies may wish to renegotiate the
existing master agreement.

Motion: Chavez   Second: Abe-Koga
AYES: Chavez, Hall, Abe-Koga, Khamis, LeZotte, Wasserman, Wilson   NOES: None
ABSTAIN: None      ABSENT: None
MOTION PASSED

*5.  TAKEN OUT OF ORDER – MONTE SERENO URBAN SERVICE AREA (USA)
AMENDMENT AND SPHERE OF INFLUENCE (SOI) AMENDMENT 2013 (LUCKY
ROAD)

Ms. Palacherla presented the staff report.

This being the time and place for the public hearing, Chairperson Wasserman declared
the public hearing open.

Erin Ventura, Associate Planner, City of Monte Sereno, informed that the proposed USA
expansion is not growth inducing and has no negative impact to City services. In
response to an inquiry by Commissioner LeZotte, Ms. Ventura informed that lot line
adjustment and sewer connection are required in order to develop the property.

Alex Rubashevski, property owner, provided copies of a map, briefly described the USA
amendment area, indicated that he wanted to develop his property and preserve an old
house. He stated that there will be more usable land if the property is connected to a
sewer system.
Nick Petridis, Petridis Law Offices, informed that island annexation is an issue that is separate from this application. He described the property as adjacent to the city boundary and services. He stated that approval of the project will also benefit other neighbors who are planning to tap into the property’s sewer line. He informed that USA amendment will make Monte Sereno’s boundary more orderly.

Burton Craig, Mayor, Monte Sereno, requested the Commission to approve the request for USA expansion. He stated that he visited the property and met with the property owners and their neighbors, and observed that the residents are excited to connect to sewer and improve their roads.

Omar Billawala, resident of Monte Sereno, stated that adding the parcels into Monte Sereno’s USA is an example of orderly growth since Monte Sereno surrounds 80 percent of the subject area. He noted that it is a good policy to connect these parcels to a sewer line since leach fields could contaminate the soil for a long time.

Chairperson Wasserman determined that there are no members of the public who wished to speak on the item and ordered the public hearing closed.

In response to an inquiry by Alternate Commissioner Khamis, Mr. Craig informed that residents in the islands previously opposed annexation; however, the City still intends to annex these islands if at least half of the residents favor annexation. He noted that informing the public about the benefits of living in a city increases public support for annexation. In response to a follow-up inquiry by Commissioner Khamis, Mr. Craig informed that the residents think that it is easier to develop their property in the county and therefore oppose annexation. In response to an inquiry by Commissioner Wilson, Mr. Craig indicated that the area for the USA expansion is outside Monte Sereno’s sphere of influence. In response to an inquiry by Chairperson Wasserman, Mr. Craig indicated that Monte Sereno will not annex islands if the residents are opposed. In response to the inquiry by Commissioner Wilson, Mr. Craig informed that prior city councils have not taken advantage of the streamlined annexation process and that his administration is yet to address the issue. Chairperson Wasserman suggested that residents be informed that similar rules apply to adjacent incorporated and unincorporated areas.

In response to an inquiry by Commissioner Abe-Koga, Ms. Palacherla advised that annexation of the islands could be a condition of approval for the USA expansion; however, Monte Sereno City Council would have to decide whether or not to annex the islands. Commissioner Abe-Koga noted that this application could be an impetus to annex the remaining Monte Sereno islands. Ms. Palacherla informed that these islands are less than 150 acres and qualify for streamlined annexation process which will not require the consent of property owners. In response to an inquiry by Commissioner Wilson, Commissioner Abe-Koga recommended that the approval be conditioned on completion of island annexations. In response to an inquiry by Commissioner Hall, Ms. Palacherla clarified that the condition for the recent Saratoga USA expansion was to complete the annexation of the islands that are smaller than 150 acres and to provide a timeline and plan for annexation of the island that is larger than 150 acres. She informed that this was consistent with LAFCO policies. In response to a further inquiry by
Commissioner Hall, Ms. Palacherla informed that she recalled that the approval was conditioned on completion of the island annexations. In response to an inquiry by Commissioner Wilson, Ms. Palacherla informed that the SOI boundaries were established in 1983. Commissioner Wilson observed that conditional approval of the USA expansion request is in line with the Commission’s advocacy for island annexations as a way to promote orderly growth. She also noted that LAFCO loses control once territory is included in the city’s USA boundary.

Commissioner Wilson made a motion to approve Monte Sereno’s USA expansion conditioned upon the annexation of its three islands. Commissioner Abe-Koga seconded. Upon the advice of Ms. Subramanian, Commissioners Wilson and Abe-Koga amended the motion to state that the annexation of the three islands must be completed within one year.

Commissioner Chavez informed that the application will make the jagged boundary more orderly. In response to an inquiry by Commissioner Chavez, Ms. Palacherla advised that much of the surrounding area is developed with single family homes. Commissioner Chavez indicated her support for the concept of encouraging the City to annex islands because it is more efficient; however, she expressed her opposition to the motion since the one-year time frame is unrealistic given the amount of time required for public outreach.

Commissioner Wasserman expressed opposition to the motion. He stated that the proposal stands on its own merits and must not be tied to island annexations. He noted that annexation of islands makes it more efficient for the County. However, as a former mayor of Los Gatos, he recalled the difficulties in annexing islands and noted how the cities incur more financial burden than savings. Commissioner LeZotte expressed support for the motion and stated that the reason for the USA amendment is to be able to develop the property. She noted that San Jose has been progressive in annexing islands that are less than 150 acres. She stressed the importance of public outreach since the opposition to annexation is due to misinformation and lack of understanding.

Commissioner Hall expressed support for the motion and stated that Saratoga has successfully annexed its islands to satisfy the conditions for its USA amendment. He expressed concern that Monte Sereno no longer considers the Urban Growth Boundary (UGB) in its General Plan.

Alternate Commissioner Khamis called on the Commission not to penalize the applicants since the City is responsible for not annexing its islands. In response to an inquiry by Alternate Commissioner Khamis, Commissioner Wilson clarified that the motion is for the USA expansion to take effect only after Monte Sereno completes the annexation of its islands within one year. She indicated that the streamlined process allows island annexations to be completed quickly. In response to a follow up inquiry by Alternate Commissioner Khamis, Ms. Palacherla informed that there is no urgency for the sewer connection as the existing septic system poses no public health and safety threat, and that the sewer connection is only needed to subdivide the property into smaller lots. Chairperson Wasserman observed that the condition is unrealistic and noted the difficulty of pursuing island annexations when voters are against it.
**Commissioner Abe-Koga** stated that as an elected official, while she is understands local control, as a LAFCO member, she is looking to balance LAFCO’s mission and the City’s interest. Citing the example of Morgan Hill and its tentacles of growth, she noted that the City has grown as landowners come forward and opportunities arise. She noted that as some cities are trying to build density and concentrate growth, it does not make sense for extensions to occur without thought to logical boundaries. She proposed that as a balance, the best approach is to tie the expansion to annexation of the three islands.

Mr. Petridis clarified that the condition for approval of Saratoga USA application was that no further expansions would be approved until the islands are annexed. He suggested that the Commission consider a similar approach for Monte Sereno.

The Commission adopted **Resolution No. 2013-07** approving the expansion of the USA and SOI of the City of Monte Sereno to include APNs: 510-31-023, 065, and 066, conditioned on the City annexing its three unincorporated islands within one year.

**Motion:** Wilson  
**Second:** Abe-Koga  
**AYES:** Hall, Abe-Koga, LeZotte, Wilson  
**NOES:** Chavez, Khamis, Wasserman  
**ABSTAIN:** None  
**ABSENT:** None  
**MOTION PASSED**

### 7. 2014 SCHEDULE OF LAFCO MEETINGS

The Commission adopted the schedule of LAFCO meetings and application filing deadlines for 2014.

**Motion:** Hall  
**Second:** Abe-Koga  
**AYES:** Chavez, Hall, Abe-Koga, Khamis, LeZotte, Wasserman, Wilson  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None  
**MOTION PASSED**

### 8. APPOINTMENT OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2014

The Commission appointed Commissioner Susan Vicklund Wilson as Chairperson for 2014 and Commissioner Linda LeZotte as Vice-Chairperson.

**Motion:** Abe-Koga  
**Second:** LeZotte  
**AYES:** Chavez, Hall, Abe-Koga, Khamis, LeZotte, Wasserman, Wilson  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None  
**MOTION PASSED**

### 9. PENDING APPLICATIONS

The Commission noted the pending applications.
10. COMMISSIONER REPORTS

Commissioner LeZotte congratulated Commissioner Wilson for receiving the CALAFCO Lifetime Achievement Award.

11. NEWSPAPER ARTICLES / NEWSLETTERS

The Commission noted the CALAFCO Quarterly (November 2013).

12. WRITTEN CORRESPONDENCE

There was none.

13. CONFERENCE WITH THE LEGAL COUNSEL

The Commission adjourned to Closed Session at 3:10 p.m., and reconvened the meeting at 3:16 p.m. Chairperson Wasserman announced that the Commission has no report from the Closed Session.

14. ADJOURN

The meeting was adjourned at 3:17 p.m. to the next meeting on Wednesday, February 5, 2014 in the Board Meeting Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

Approved:

____________________________________
Mike Wasserman, Chairperson
Local Agency Formation Commission of Santa Clara County

By: __________________________________
Emmanuel Abello, LAFCO Clerk
AGENDA ITEM #4

LAFCO MEETING: February 5, 2014
TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
      Dunia Noel, Analyst
SUBJECT: CERTIFICATES OF APPRECIATION FOR OUTSTANDING SERVICE TO LAFCO OF SANTA CLARA COUNTY

STAFF RECOMMENDATION

1. Approve Certificates of Appreciation for Outstanding Service to LAFCO of Santa Clara County for:
   a. Valerie Altham, Graphic Designer II, Office of the County Executive.
   b. Greg Bazhaw, GIS Analyst, Santa Clara County Planning Office.
   c. Steve Borgstrom, GIS Technician II, Santa Clara County Planning Office.

BACKGROUND

Recognition of Outstanding Service to LAFCO of Santa Clara County

LAFCO of Santa Clara County is a small local agency with limited staff resources. While the responsibilities of LAFCO have grown over the years through changes in State law, LAFCO’s staffing level has remained substantially the same over the last decade. The LAFCO Office has been very fortunate to receive technical assistance from other County professionals over these many years. LAFCO would like to recognize and thank these individuals for their outstanding service to LAFCO of Santa Clara County.

Valerie Altham, Graphic Designer for the Office of the County Executive, has used her artistic skills to design logos, letterheads, special resolutions (e.g. 50th Anniversary of LAFCOs), and various graphics for LAFCO over the past several years. Ms. Altham has also been LAFCO’s unofficial photographer for many special events.

Greg Bazhaw, GIS Analyst for the Santa Clara County Planning Office, manages and maintains over 100 LAFCO GIS layers, including the official LAFCO boundaries of cities (city limits, urban service area, and sphere of influence) and special districts (district boundary and district spheres of influence). Mr. Bazhaw regularly updates these layers to reflect the various boundary changes and provides these layers to local agencies and the public upon request. Mr. Bazhaw also conducts GIS analysis for special LAFCO
projects as needed. He also was a presenter on a CALAFCO Staff Workshop session on GIS Analysis and LAFCOs. The LAFCO Office has greatly benefitted from Mr. Bazhaw’s ability to plan, troubleshoot, and provide efficient solutions to address LAFCO’s GIS data and analysis needs.

Steve Borgstrom, GIS Technician for the Santa Clara County Planning Office, is the creator of the informative and visually pleasing maps that are regularly included in LAFCO’s service review reports and special projects and the poster size versions of these maps that line the walls of the LAFCO office. Mr. Borgstrom also uses his extensive GIS skills to quickly and accurately conduct GIS analysis of various data for LAFCO including census, land and improvements values, farmlands, fire districts, water districts, unincorporated islands, etc.

In addition to their considerable technical skills, Valerie, Greg, and Steve are all a pleasure to work with and have made a substantial contribution to LAFCO through their service.
REPORT OF THE EXECUTIVE OFFICER

Type of Application: Annexation to the Cupertino Sanitary District
Designation: CUPERTINO SANITARY DISTRICT 2014-01 (Prospect-Blue Hills)
Filed By: Landowner Petition (100% Consent)
Support By: Cupertino Sanitary District, per Resolution No. 1248 Dated 12/18/2013
LAFCO Meeting: February 5, 2014

1. REVIEW OF PROPOSAL:
   a. Acreage and Location of Proposal:
      The proposal consists of two areas located in the City of Saratoga in the vicinity of Prospect Road and Blue Hills Lane. Area 1 contains approximately 5.102 acres consisting of Assessor Parcel Numbers: 366-06-011, 366-06-012, and 366-06-043. Area 2 contains approximately 0.799 acres consisting of Assessor Parcel Number 366-06-025.
   b. Proposal is: □ Inhabitated ■ Uninhabited
   c. Are boundaries definite and certain? ■ Yes □ No
   d. Does project conform to Sphere of Influence? ■ Yes □ No
   e. Does project create an island, corridor or strip? □ Yes ■ No
   f. Does project conform to road annexation policy? ■ Yes □ No
   g. Does project conform to lines of assessment? ■ Yes □ No
      If no, explain ___________________________
   h. Present land use: Single Family Residential
   i. Proposed land use: No Change
   j. Involves prime agricultural land or Williamson Act land? No

2. ENVIRONMENTAL REVIEW:
   The proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15319(a) & (b) (i.e. Class 19) and Section 15303(d) (i.e. Class 3).

3. SUGGESTED CONDITIONS OR OTHER COMMENTS:
   See Exhibit C.

4. PROTESTS:
   None

5. RECOMMENDATIONS:
   1. Take CEQA action as recommended in the LAFCO Analyst Report (Attachment A).
2. Approve annexation to the Cupertino Sanitary District of Area 1 and Area 2 described and depicted in Exhibits A & B and subject to terms and conditions as described in Exhibit C.


By: ________________________________            Date: _______________________

Neelima Palacherla, Executive Officer
LAFCO MEETING: February 5, 2014
TO: LAFCO
FROM: Dunia Noel, Analyst
SUBJECT: Cupertino Sanitary District 2014-01 (Prospect-Blue Hills)

RECOMMENDED ENVIRONMENTAL ACTION

Approve Categorical Exemption. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA).

REASONS FOR RECOMMENDATION

The project is exempt under State CEQA Guidelines Section 15319(a) & (b) and Section 15303(d) that state:

Section 15319: Class 19 consists of only the following annexations:

(a) Annexation to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing governmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities.

(b) Annexation of individual small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small Structures.

Section 15303: Class 3 consists of construction and location of limited numbers of new, small facilities or structures, installation of small new equipment and facilities in small structures…The number of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include but are not limited to:

(d) Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction.

BACKGROUND

The Cupertino Sanitary District (CSD) proposes to annex four parcels (i.e. Assessor Parcel Numbers 366-06-011, 366-06-012, 366-06-025, and 366-06-043) that total approximately 5.901 acres in order to provide sewer service. The four parcels are located in the vicinity of Prospect Road and Blue Hills Lane in the City of Saratoga. The four affected parcels are each developed with a single-family residence. Annexation of the four parcels is proposed in order to provide sewer service to the single-family residences and in order to allow the property owners to abandon their existing septic systems. The
affected parcels are located within the Cupertino Sanitary District’s Sphere of Influence Boundary and abut the District’s service boundary on at least two sides.

According to the District, sewer service to Assessor Parcel Number 366-06-025 will be provided by installing a new 6-inch lateral line within the subjected parcel to connect to the District’s existing 6-inch line leading to the District’s sewer main on Blue Hills Lane. The owner of subject parcel will be responsible for maintaining the newly installed lateral line and the District will continue to be responsible for maintaining the existing sewer main line that is located within the public right-of-way.

According to the District, sewer service to Assessor Parcel Numbers 366-06-011, 366-06-012, and 366-063-043 will be provided by installing a new 6-inch sanitary sewer line per Cupertino Sanitary District standards at an approximate length of 650 feet to connect to the District’s existing sewer main located on Prospect Road at the intersection of Blue Hills Lane and Prospect Road. The owners of the subject parcels will each install a new 6-inch lateral line within the subject parcels and each lateral line will connect to the District’s new sewer line in Prospect Road. The owners of the subject parcels will be responsible for maintaining the newly installed laterals and the District will be responsible for the maintaining the newly installed sewer line that is located within public right-of-way. According to the District, there will be no new proposed private sewer easement required to implement the above actions.

The four affected parcels are currently zoned by the City of Saratoga as HR (Hillside Residential) with a 2-acre minimum lot size, based on the average slope of the property. The affected parcels are not eligible for further subdivision due to their size and slope. Further development of the affected parcels would be subject to the City of Saratoga’s development regulations. The affected parcels are located inside of the City of Saratoga’s Urban Service Area Boundary and Sphere of Influence Boundary and are also located within the Cupertino Sanitary District’s Sphere of Influence Boundary.

The proposed annexation to the Cupertino Sanitary District is thus exempt from CEQA because this annexation meets the requirements of the Class 19 and Class 3 categorical exemptions.
EXHIBIT ‘A’

ANNEXATION OF TWO AREAS TO THE CUPERTINO SANITARY DISTRICT
PROSPECT-BLUE HILLS
GEOGRAPHIC DESCRIPTION

Area 1

All that certain property situate in the City of Saratoga, County of Santa Clara, State of California, being all of that certain parcel described in the Grant Deed from Andrea C. Kristovich and Nedjelko Kristovich, wife and husband, as joint tenants to Nedjelko Kristovich and Andrea C. Kristovich, husband and wife as joint tenants, recorded on July 15, 2003 as Document No. 17182538 of Official Records, Santa Clara County records, all of Parcel 1 as described in the Interspousal Transfer Deed from Andrew J. Nevitt, a married man to Andrew J. Nevitt and Monica C. Nevitt, husband and wife as joint tenants, recorded on March 6, 2013 as Document No. 22122019 of Official Records, said Santa Clara County records and all of Parcel B, as shown on the Parcel Map filed on October 19, 1972 in Book 310 of Maps at Page 49, said Santa Clara County records, being a part of the southeast quarter of Section 26, Township 7 South, Range 2 West, Mount Diablo Meridian, more particularly described as follows:

BEGINNING at the most westerly corner of that certain annexation entitled “PROSPECT-HANSEN” annexation to the Cupertino Sanitary District, said point being the most northerly corner of said Kristovich parcel;

Thence along the southwesterly line of said “PROSPECT-HANSEN” annexation, (1) South 60° 03’ 24” East, 518.98 feet to the centerline of Prospect Road (formerly Farr Road), 40.00 feet wide, as shown on the Record of Survey Map filed in Book 80 of Maps at Page 18, said Santa Clara County records, said point being the most southerly corner of said “PROSPECT-HANSEN” annexation, said point being on the general northwesterly line of that certain annexation entitled “PROSPECT NO. 1”, annexation to the Cupertino Sanitary District;

Thence (2), along the general northwesterly line of said “PROSPECT NO. 1” annexation, along the centerline of Prospect Road, South 46° 49’ 20” West, 35.14 feet;

Thence (3) South 40° 49’ 20” West, 174.90 feet;

Thence (4) South 81° 14’ 20” West, 133.76 feet;

Thence (5) South 00° 42’ 20” East, 86.90 feet to the northeast corner of that certain annexation entitled “PROSPECT NO. 4”, annexation to the Cupertino Sanitary District;

Thence (6) leaving said general northwesterly line of said “PROSPECT NO. 1” annexation, along the northerly line of said “PROSPECT NO. 4” annexation, North 80° 44’ 00” West, 233.61 feet;

Thence (7) North 26° 15’ 00” West, 60.04 feet;
Thence (8) North 89° 53' 00" West, 75.86 feet to the southeasterly corner of that certain annexation entitled “ARROWHEAD LANE” annexation to the Cupertino Sanitary District;

Thence (9) leaving said northerly line of “PROSPECT NO. 4” annexation, along the general easterly line of said “ARROWHEAD LANE” annexation, North 23° 29' 42" West, 174.67 feet;

Thence (10) North 89° 53' 00" West, 95.93 feet;

Thence (11) North 43° 00' 00" East, 189.19 feet;

Thence (12) North 20° 08' 00" East, 109.89 feet;

Thence (13) leaving said “ARROWHEAD LANE” annexation, along the northerly line of said Parcel B and said Kristovich parcel, South 87° 30' 00" East, 131.07 feet;

Thence (14) North 31° 30' 00" East, 41.72 feet to the POINT OF BEGINNING and containing 5.102 acres of land, more or less.

Area 2

All that certain property situate in the City of Saratoga, County of Santa Clara, State of California, being all of that certain parcel described in the Grant Deed from Stanley L. Pace and Bonnie B. Pace, husband and wife to Kadiresan Annamalai and Thamilarasi Annamalai, husband and wife as community property, recorded on January 3, 1996 as Document No. 13147914 of Official Records, Santa Clara County records, being a part of the southeast quarter of Section 26, Township 7 South, Range 2 West, Mount Diablo Meridian, more particularly described as follows:

BEGINNING at the southwesterly corner of that certain annexation entitled “BLUE HILLS NO. 2” annexation to the Cupertino Sanitary District, said point being the most southerly corner of said Annamalai property;

Thence (1) along the southwesterly line of said Annamalai property, North 32° 52' 00" West, 379.06 feet;

Thence (2) North 40° 20' 00" East, 135.96 feet;

Thence (3) North 67° 07' 00" East, 45.54 feet to an angle point of said “BLUE HILLS NO. 2” annexation;

Thence (4) along the general westerly line of said “BLUE HILLS NO. 2” annexation, South 20° 54' 00" West, 47.13 feet;

Thence (5) South 23° 54' 00" West, 44.22 feet;

Thence (6) South 32° 52' 00" East, 180.00 feet;
Thence (7) South 11° 15' 30" East, 149.22 feet;

Thence (8) South 15° 47' 30" West, 60.00 feet to the POINT OF BEGINNING and containing 0.799 acres of land, more or less.

Area 1 containing 5.102 acres, Area 2 containing 0.799 acres: Total computed acreage containing 5.901 acres, more or less.

END OF DESCRIPTION

For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.

Kristina D. Comerer, PLS 6766

Rev. Date: 12/20/13
AREA 2
BEING A PART OF THE SE 1/4,
S. 26, T. 7 S., R. 2 W., MDM

EXHIBIT B
PROPOSED ANNEXATION TO
CUPERTINO SANITARY DISTRICT
PROSPECT–BLUE HILLS
LYING WITHIN
CITY OF SARATOGA
SANTA CLARA COUNTY, CALIFORNIA
SCALE: 1" = 100’ NOVEMBER 2013

CROSS LAND SURVEYING, INC.
2210 MT. PLEASANT ROAD
SAN JOSE, CA 95148
(408) 274–7994
PROJECT NO. 13–92

APN: 366–06–002
APN: 366–06–010

LEGEND
BOUNDARY LINE OF
PROPOSED ANNEXATION
EXISTING CUPERTINO SANITARY
DISTRICT BOUNDARY

TOTAL AREA OF AREA 1 AND AREA 2 = 5.901 AC. +/-
EXHIBIT C

TERMS AND CONDITIONS FOR ANNEXATION
TO CUPERTINO SANITARY DISTRICT

The annexation shall be subject to the following terms and conditions:

1. In the event that pursuant to rules, regulations or ordinances of the District, as now or hereafter amended, the District shall require any payment of a fixed or determinable amount of money, either as a lump sum or in installments, for the acquisition, transfer, use or right of use of all or any part of the existing property, real or personal, of the District, such payment will be made to the District in the manner and at the time as provided by the rules, regulations or ordinances of the District as now or hereafter amended.

2. Upon and after the effective date of said annexation, the Property, all inhabitants within such Property, and all persons entitled to vote by reason of residing or owning land within the Property shall be subject to the jurisdiction of the District, shall have the same rights and duties as if the Property had been a part of the District upon its original formation, shall be liable for the payment of principal, interest and any other amounts which shall become due on account of any outstanding or then authorized but thereafter issued bonds, including revenue bonds, or other contracts or obligations of the District and shall be subject to the levying or fixing and collection of any and all taxes, assessments, service charges, rentals or rates as may be necessary to provide for such payment; and shall be subject to all of the rates, rules, regulations and ordinances of the District, as now or hereafter amended.
LAFCO MEETING: February 5, 2014

TO: LAFCO

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

SUBJECT: UPDATE ON IMPLEMENTATION OF RECOMMENDATIONS FROM LAFCO’S SPECIAL DISTRICTS SERVICE REVIEW: PHASE 2 REPORT

STAFF RECOMMENDATION

Accept report and provide direction as necessary.

BACKGROUND

LAFCO, at its December 4, 2013 meeting, directed staff to contact each of the affected special districts included in the service review and to request a written response from them on how each agency plans to implement the recommendation(s) presented in LAFCO’s Special Districts Service Review: Phase 2 Report, along with a time-frame for that implementation and to request an explanation if the agency does not plan to implement a recommendation. Attached for your information is a copy of the individual letters that LAFCO staff emailed to each special district on January 29, 2014. Per the letters, staff is requesting a written response from each agency no later than March 14, 2014. Staff will provide those responses to LAFCO at its April 2, 2014 meeting.

Additionally, LAFCO staff has provided copies of these letters to the County Controller’s Office and County Clerk of the Board for their information and has requested their assistance in facilitating the implementation of recommendations concerning filing annual budgets with the County Auditor, conducting and submitting audits to the County Auditor, and submitting Form 700s as required or as a courtesy in the case of the Midpeninsula Regional Open Space District.

ATTACHMENT

Attachment A: LAFCO’s Letters to Affected Special Districts and the County of Santa Clara Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2
January 29, 2014

Richard Tanaka
District Manager
Burbank Sanitary District
20863 Stevens Creek Blvd. #100
Cupertino, CA 95014

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Tanaka:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including the Burbank Sanitary District (BSD). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

The Commission also directed LAFCO staff to facilitate a meeting between BSD and the City of San Jose to discuss the service and governance structure alternatives identified in the Report, identify a preferred alternative, and outline how to proceed. LAFCO staff would like to arrange for such a meeting to occur in late February. Please let me know as soon as possible what your availability is and who at the District and the City should participate in this meeting.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that BSD:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and
2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and **no later than March 14, 2014**. If you have any questions or concerns or would like to meet to discuss the District’s plans, I can be reached at (408) 299-5127/ neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Assistant Executive Officer, at (408) 299-5148/dunia.noel@ceo.sccgov.org.

Lastly, I would like to thank you and the District for participating in LAFCO’s Special Districts Service Review: Phase 2 and for your consideration and timely response to this request.

Sincerely,

[Signature]

Neelima Palacherla  
LAFCO Executive Officer

Attachment:

   A. Recommendations for the Burbank Sanitary District (BSD)

Cc:  
Julie Chiu, Administrator / Project Manager, Mark Thomas & Company, Inc.  
Burbank Sanitary District Board of Directors  
Kerrie Romanow, Director, Environmental Services Dept., City of San Jose  
LAFCO Members
BURBANK SANITARY DISTRICT (BSD)

The following are recommendations that the BSD should implement in order to improve the accountability and transparency of the District:

- Include budget and audited financial statement on its website.
- Adopt a policy on expense reimbursements.
- As a best management practice, adopt policies specific to Brown Act compliance, public requests for information, and code of ethics.
- Work with the Cities of San Jose and Santa Clara to update the master agreement with regard to the treatment plant in the near future to describe in detail the extent of the District’s capital obligations with regard to master plan improvements. The District would also like the agreement to address District’s debt payments when capacity is transferred to the City upon annexation.
- Negotiate a new joint-use agreement with the City of San Jose granting the District permission to discharge its sewage to the City’s outfall sewer system and granting the City permission to transport its sewage through the District’s collection system and outfall under rare occasions.
- Negotiate a new contract with Environmental Commercial Sweeping for the continuation of street sweeping services.

Recommendation on Governance Structure Options

The Commission has directed LAFCO staff to facilitate a meeting between BSD and the City of San Jose to discuss the service and governance structure alternatives identified in the Service Review Report, identify a preferred alternative, and outline how to proceed. The Commission also directed LAFCO staff to provide an update to the Commission on the outcome of this discussion. LAFCO will then consider next steps associated with the preferred alternative, as necessary.
January 29, 2014

Richard Tanaka
District Manager
County Sanitation District No. 2-3
20863 Stevens Creek Blvd. #100
Cupertino, CA 95014

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Tanaka:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including County Sanitation District No. 2-3 (CSD 2-3). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that CSD 2-3:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and

2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and no later than March 14, 2014. If you have any questions or concerns or would like to meet to discuss
the District’s plans, I can be reached at (408) 299-5127/
neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Assistant
Executive Officer, at (408) 299-5148/ dunia.noel@ceo.sccgov.org.

Lastly, I would like to thank you and the District for participating in LAFCO’s Special
Districts Service Review: Phase 2 and for your consideration and timely response to this
request.

Sincerely,

[Signature]

Neelima Palacherla
LAFCO Executive Officer

Attachment:

A. Recommendations for County Sanitation District No. 2-3 (CSD 2-3)

Cc:

Julie Chiu, Administrator / Project Manager, Mark Thomas & Company, Inc.
County Sanitation District No. 2-3 Board of Directors
Kerrie Romanow, Director, Environmental Services Dept., City of San Jose
LAFCO Members
COUNTY SANITATION DISTRICT NO. 2-3 (CSD 2-3)

The following are recommendations that the CSD 2-3 should implement in order to improve the services provided by the District and the accountability and transparency of the District:

- Address structural integrity issues that have resulted in a particularly high rate of sewer system overflows.
- Accelerate capital improvement schedule, based on settlement agreement with Northern California River Watch.
- Accelerate inspection plans in order to properly address the issues the system is facing.
- Include rates, budget and audited financial statement on website, as well as provide a link to the County Board of Supervisor’s website where constituents can access board meeting agendas and minutes pertaining to the District.
- File a copy of annual budget with the County Auditor.
- Work with the cities of San Jose and Santa Clara to update the agreement with regard to the treatment plant in the near future to describe in detail the extent of the District’s capital obligations with regard to master plan improvements at the plant.
- Expedite contract negotiations with the City of San Jose and adopt a new joint-use agreement with the City of San Jose defining how operations, maintenance and capital improvements will be funded, given that wastewater from both areas within CSD 2-3 is conveyed to the regional wastewater treatment facility through mains and interceptor lines shared with the City of San Jose.
January 29, 2014

Richard Tanaka
District Manager
Cupertino Sanitary District
20863 Stevens Creek Blvd. #100
Cupertino, CA 95014

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Tanaka:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including the Cupertino Sanitary District (CSD). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that CSD:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and

2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and no later than March 14, 2014. If you have any questions or concerns or would like to meet to discuss
the District’s plans, I can be reached at (408) 299-5127/
neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Assistant
Executive Officer, at (408) 299-5148/ dunia.noel@ceo.sccgov.org.

Lastly, I would like to thank you and the District for participating in LAFCO’s Special
Districts Service Review: Phase 2 and for your consideration and timely response to this
request.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Attachment:
   A. Recommendations for Cupertino Sanitary District (CSD)

Cc:
Julie Chiu, Administrator / Project Manager, Mark Thomas & Company, Inc.
Cupertino Sanitary District Board of Directors
Kerrie Romanow, Director, Environmental Services Dept., City of San Jose
LAFCO Members
CUPERTINO SANITARY DISTRICT (CSD)
The following are recommendations that the CSD should implement in order to improve the services provided by the District and the accountability and transparency of the District:

- File a copy of District’s annual budget with the County Auditor.
- Adopt a policy on expense reimbursements.
- As a best management practice, adopt policies specific to Brown Act compliance, public requests for information, and code of ethics.
- Assess the number of parcels that presently rely on private septic systems within the District’s bounds and in areas that are completely surrounded by CSD’s bounds, in order to better quantify potential future demand.
- Update District’s master plan to reflect the current conditions of the system, if District is utilizing master plan from 1964.
- Work with the cities of San Jose and Santa Clara to update the master agreement with regard to the treatment plant in the near future to describe in detail the extent of the District’s capital obligations with regard to master plan improvements at the plant.
- Expedite contract negotiations with the City of San Jose and adopt a new joint-use agreement with the City of San Jose defining how operations, maintenance and capital improvements will be funded and which agency will be considered lead in various circumstances, given that District and the City of San Jose share a portion of their sewer systems and lines that lead to the regional wastewater treatment facility.

Recommendation on Governance Structure Options
Collaborate further with the West Valley Sanitation District on issues of joint-concern, such as negotiations with the Cities of San Jose and Santa Clara, as well as identify any potential for resource sharing.

Recommendation for Jurisdictional Boundary Change
Apply to LAFCO to detach Area B (APNs 323-26-014, 323-26-033, 323-26-016, 323-26-034, and 323-26-077) from the CSD, as Area B is currently within the City of Sunnyvale, which provides wastewater collection services to the area and will continue to serve the area.
January 29, 2014

Stacey Johnson
General Manager
Lake Canyon Community Services District
P.O. Box 866
Los Gatos, CA 95031

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Johnson:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including the Lake Canyon Community Services District (LCCSD). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that LCCSD:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and

2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and no later than March 14, 2014. If you have any questions or concerns or would like to meet to discuss
the District’s plans, I can be reached at (408) 299-5127/
neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Assistant
Executive Officer, at (408) 299-5148/ dunia.noel@ceo.sccgov.org.
Lastly, I would like to thank you and the District for participating in LAFCO’s Special
Districts Service Review: Phase 2 and for your consideration and timely response to this
request.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Attachment:

A. Recommendations for the Lake Canyon Community Services District (LCCSD)

Cc:
Lake Canyon Community Services District Board of Directors
LAFCO Members
LAKE CANYON COMMUNITY SERVICES DISTRICT (LCCSD)

The following are recommendations that the LCCSD should implement in order to bring the District into legal compliance and to improve the accountability and transparency of the District:

- Ensure all board members submit Form 700s as required by law.
- Conduct biennial ethics training as required by law.
- Adopt and/or make available appropriate bylaws and policies.
- Prepare a budget prior to the beginning of the fiscal year.
- Submit the budget to the County Auditor’s Office within 60 days of the start of the new fiscal year.
- Conduct a five-year audit as required and submit the audit to the County Auditor’s Office.
- Prepare a capital improvement plan.
- Account for future capital improvement needs (i.e., depreciation) when determining rates.
- Monitor board terms and expiration dates, and fill the vacant board position.
- Make information and documents available to constituents through a website.
- Clearly define how public information requests are to be handled to ensure full and timely response.
- Evaluate its contract General Manager and the operations of the District as a whole.
January 29, 2014

Kurtis Shenefiel
Managing Agent, Compass Management Group
Lion’s Gate Community Services District
77 Las Colinas Lane
San Jose, CA 95119

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Shenefiel:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including the Lion’s Gate Community Services District (LGSCD). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that LGSCD:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and
2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and no later than March 14, 2014. If you have any questions or concerns or would like to meet to discuss
the District’s plans, I can be reached at (408) 299-5127/
neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Assistant Executive Officer, at (408) 299-5148/ dunia.noel@ceo.sccgov.org.

Lastly, I would like to thank you and the District for participating in LAFCO’s Special Districts Service Review: Phase 2 and for your consideration and timely response to this request.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Attachment:
   A. Recommendations for the Lion’s Gate Community Services District (LCCSD)

Cc:
Lion’s Gate Community Services District Board of Directors
LAFCO Members
LION’S GATE COMMUNITY SERVICES DISTRICT (LGCSD)

The following are recommendations that the LGCSD should implement in order to operate as a public agency, bring the District into legal compliance, and improve the accountability and transparency of the District:

- Ensure all board members submit Form 700s as required by law.
- Conduct biennial ethics training as required by law.
- Unlock District website in order to allow it to be accessible to the general population.
- Make meetings open and accessible to participants other than subdivision residents and disseminate agendas and minutes to the broader public.
- Increase outreach to its residents to attract interested candidates for its Board of Directors to ensure the Board is selected through an election process as intended.
January 29, 2014

Steve Abbors  
General Manager  
Midpeninsula Regional Open Space District  
330 Distel Circle  
Los Altos, CA 94022

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Abbors:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including the Midpeninsula Regional Open Space District (MROSD). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that MROSD:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and
2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and no later than March 14, 2014. If you have any questions or concerns or would like to meet to discuss
Lastly, I would like to thank you and the District for participating in LAFCO’s Special Districts Service Review: Phase 2 and for your consideration and timely response to this request.

Sincerely,

[Signature]

Neelima Palacherla
LAFCO Executive Officer

Attachment:

A. Recommendations for the Midpeninsula Regional Open Space District (MROSD)

Cc:
Jennifer Woodworth, District Clerk, MROSD
Midpeninsula Regional Open Space District Board of Directors
LAFCO Members
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT (MROSD)

The following is a recommendation that the MROSD should implement in order to improve the accountability and transparency of the District:

- As a courtesy, MROSD should submit copies of its Form 700s with each of the counties in which it has territory.

Recommendation on Governance Structure Options

Apply to LAFCO of Santa Clara County for annexation of the portion of the Sierra Azul Open Space Preserve located outside of the District’s bounds and within its sphere of influence to align the District’s boundary with the SOI, as the District has initiated capital planning efforts within that portion of the preserve in the form of trails and amenities, is conducting regular maintenance, and offers park ranger services to the area.
January 29, 2014

Jon Newby
District Manager
West Valley Sanitation District
100 East Sunnyvale Ave.
Campbell, CA 95008

VIA EMAIL

Re: Implementation of the Recommendations of LAFCO’s Special Districts Service Review: Phase 2 and Sphere of Influence Updates

Dear Mr. Newby:

As you know, LAFCO recently adopted the Special Districts Service Review: Phase 2 Report for nine special districts in Santa Clara County, including the West Valley Sanitation District (WVSD). The Report is available on the LAFCO Website (www.santaclara.lafco.ca.gov) under “What’s New?” The Report identifies several opportunities and includes several recommendations for improving special district services in the county. Specifically, the Report provides recommendations for improving the accountability and transparency of districts through changes in their operations, management, and administration, and recommendations on potential governance structure alternatives, where applicable.

District’s Response is Requested

In an effort to follow-up on these recommendations, LAFCO is requesting that WVSD:

1. Review the chapter of the Service Review Report pertaining to the District and provide a written response to LAFCO on how the District plans to implement the recommendation(s) presented in the Report and summarized in Attachment A, along with a time-frame for that implementation, and

2. Provide an explanation if the agency does not plan to implement a recommendation.

Response Due No Later Than March 14, 2014

Please provide a written response to LAFCO as soon as possible and no later than March 14, 2014. If you have any questions or concerns or would like to meet to discuss
the District’s plans, I can be reached at (408) 299-5127/
neelima.palacherla@ceo.sccgov.org or you may contact Dunia Noel, LAFCO Assistant
Executive Officer, at (408) 299-5148/ dunia.noel@ceo.sccgov.org.

Lastly, I would like to thank you and the District for participating in LAFCO’s Special
Districts Service Review: Phase 2 and for your consideration and timely response to this
request.

Sincerely,

Neelima Palacherla
LAFCO Executive Officer

Attachment:

A. Recommendations for the West Valley Sanitation District (WVSD)

Cc:
West Valley Sanitation District Board of Directors
Kerrie Romanow, Director, Environmental Services Dept., City of San Jose
LAFCO Members
WEST VALLEY SANITATION DISTRICT (WVSD)

The following are recommendations that the WVSD should implement in order to improve the services provided by the District and the accountability and transparency of the District:

- Assess the number of parcels that presently rely on private septic systems within the District’s bounds, in order to better quantify potential future demand.

- Work with the cities of San Jose and Santa Clara to update the master agreement with regard to the treatment plant in the near future. The District has indicated that it would like to address the following issues: 1) define how debt payments related to the treatment plant are addressed as areas are annexed by the City of San Jose and detached from WVSD, 2) define how treatment capacity should be transferred if areas are reversely annexed into WVSD and detached from the cities, and 3) describe in detail the extent of the District’s capital obligations with regard to master plan improvements at the plant.

**Recommendation on Governance Structure Options**

Collaborate further with the Cupertino Sanitary District on issues of joint-concern, such as negotiations with the Cities of San Jose and Santa Clara, as well as identify any potential for resource sharing.

**Recommendation for Jurisdictional Boundary Change**

Apply to LAFCO to annex Area K (APN 393-17-002), as Area K is currently receiving services from the WVSD.
LAFCO MEETING: February 5, 2014

TO: LAFCO

FROM: Mala Subramanian, LAFCO Counsel

SUBJECT: PERFORMANCE EVALUATIONS OF THE LAFCO EXECUTIVE OFFICER AND LAFCO STAFF

STAFF RECOMMENDATION

Approve proposed procedure for LAFCO Executive Officer performance evaluation.

DISCUSSION

Revisions to the Memorandum of Understanding between LAFCO and the County of Santa Clara (MOU), were recently approved by LAFCO on October 2, 2013 and the County on November 5, 2013. The MOU was revised to include provisions for 1) establishing a process for conducting a performance evaluation for the LAFCO Executive Officer and, 2) for establishing appropriate salary ranges for all LAFCO staff. The Commission, at its October 2013 meeting, directed LAFCO staff to coordinate with the County Executive’s Office and prepare a process and timeline for conducting a performance evaluation for the LAFCO Executive Officer.

LAFCO Counsel worked closely with the County (County Executive’s Office, County Counsel’s Office and Employee Services Agency) and reached agreement on the following procedure and criteria to be used for the evaluation:

Performance Evaluation Process

1. Performance evaluations of the LAFCO Executive Officer shall occur annually, typically in February.

2. The process for the performance evaluation shall include the following steps:
   a. The LAFCO Executive Officer shall prepare a narrative self-assessment of his/her performance.
b. The County Executive’s Office shall forward the LAFCO Executive Officer’s self-assessment to each LAFCO commissioner.

c. The Commission shall discuss the LAFCO Executive Officer’s self-assessment at a closed session. LAFCO Counsel shall summarize the Commission’s consensus. The Commission shall discuss the assessment with the LAFCO Executive Officer.

d. The County Executive’s Office shall conduct a performance evaluation of the LAFCO Executive Officer, including the consensus input from the Commission.

e. The County Executive’s Office shall share the LAFCO Executive Officer Performance Evaluation with the full Commission, at a closed session.

3. The LAFCO Executive Officer shall conduct annual performance evaluations for other LAFCO staff members.

Criteria for the Performance Evaluation

The LAFCO Executive Officer shall use the “County Employees Management Association (CEMA) Employee Appraisal and Development Form” to prepare the narrative self-assessment. The CEMA Form (See Attachment A) consists of four sections including Employee Self-Assessment, Review of Prior Year Goals, Development of Future Year Goals and Manager Performance Assessment. To make the evaluation more applicable to the LAFCO program, the following criteria may be considered:

1. Program Knowledge / Responsibilities
   • Carries out direction from Commission in a timely and effective manner
   • Develops objective analysis and recommendations to reflect professional expertise and LAFCO policies/practices
   • Demonstrates commitment to meeting legal responsibilities and mandates

2. Leadership
   • Demonstrates integrity, honesty, transparency
   • Works independently and strategically and demonstrates ability to manage conflict
   • Works to achieve LAFCO’s goals

3. Communication
   • Prepares accurate and thorough written and oral reports and addresses information needs of commission
   • Demonstrates commitment to customer service
   • Maintains open lines of communication with other agencies, community groups and various stakeholders
4. Administration

- Plans, prioritizes and delegates work effectively
- Manages fiscal resources responsibly
- Demonstrates commitment to continuous improvements

NEXT STEPS

The LAFCO Executive Officer will begin the performance evaluation process as outlined in the staff report.

ATTACHMENT

Attachment A: CEMA Employee Appraisal and Development Form
**County of Santa Clara’s Vision, Mission and Core Values** are the principles that guide the actions of its employees and provide a framework within which its employees operate. These principles are designed to improve the quality and efficiency of the County’s services. In addition, there are Department-specific guiding principles that further focus County employees’ performance.

*Keeping in mind the Vision, Mission, and Core Values of the County, employees and managers should use the following skill sets to annually evaluate current performance and to establish future goals.* These skill sets should be used as a guide for the employee and manager, but not all points may be relevant and/or need to be addressed.

The **Vision** of the County of Santa Clara is comprised of the following elements: (1) Customer Focus (2) Performance Measurement and Results (3) Mid-Level Manager Empowerment and Engagement (4) Use of Latent Resources (5) Reducing the Cost of Services (6) Consolidation Where Needed (7) Building Bench Strength.

The **Mission** of the County of Santa Clara is to *plan* for the needs of a dynamic community, *provide* quality services, and *promote* a healthy, safe and prosperous community for all.

The **Core Values** for the County of Santa Clara are to: (1) Demonstrate ethical conduct reflecting honesty and integrity; (2) Commit to efficient, effective, quality service; (3) Value the community; (4) Uphold our fiscal responsibility; (5) Exhibit mutual respect; and (6) Encourage innovation and flexibility.

### Skill Sets

**Purpose and Performance Areas**
- Strategic Thinking and Planning
- Managing Change
- Ethics and Transparency
- Accountability
- Project and Program Management
- Planning and Time Management
- Organization Performance Management
- Adaptability
- Innovation

**Communication**
- Customer Service
- Interpersonal Communications
- Facilitation and Meeting Management
- Presentations; Public Speaking
- Influence
- Oral and Written Communication Skills

**Operational Competence**
- County Business Processes
- Problem Solving
- Fiscal Responsibility
- Measuring and Reporting Outcomes
- Continuous Improvement
- Use of Technology

**People Management**
- Collaboration
- Supervisory Skills
- Leadership Transition
- Coaching/Mentoring
- Conflict Management
- Teambuilding
- Staff Development
- Employee Recognition
- Fostering a Positive Work Environment

**Department-Specific Performance Areas**
- *Insert Here (Optional)*
**Section I: Employee Self-Assessment**
The employee is to prepare a narrative assessment on their performance focusing on the skill sets listed above that are most relevant to their job assignment.

Employee Self-Assessment Narrative

---

**Section 2: Review of Prior-Year Goals**
The employee is to list the goals established for this review period and summarize if and how the goals were achieved. Employee can include additional accomplishments. (A required goal for supervisors is the completion of Employee Appraisal and Development Forms for their direct reports.)

Employee Review of Prior-Year Goals

---
Section 3: Development of Future-Year Goals
The employee and manager should jointly develop a set of goals and a work plan for the upcoming year. The future year goals should support the County's Vision, Mission, and Core Values as well as Departmental-Specific Performance Areas identified on page 1. Additionally, professional development goals should be established.

Joint Development of Future-Year Goals

Section 4: Manager Performance Assessment
Manager should provide an assessment of the employee’s professional strengths, opportunities for further development, and any areas needing improvement. To be completed after Sections 1 and 2.

Manager Performance Assessment

Signature of Employee _______________________________ Date___________

Signature of Supervisor/Manager _______________________________ Date___________

Signature of Reviewer (optional when requested by employee) __________________ Date___________

Distribution:
Employee
Manager
Signed Original to ESA (70 West) Personnel File
Dept. Service Center File PeopleSoft updated within 30 days of signing.
The goal of the annual appraisal is for the manager and the employee to have a conversation that supports the goals of the individual, the manager, the Department and the County.

YEARLY REVIEW
Every twelve (12) months the manager and employee will meet to complete the Employee Appraisal and Development Form.

EMPLOYEE SELF ASSESSMENT
The employee shall prepare the employee assessment narrative prior to meeting with the supervisor.

SCHEDULE AND TRACKING
- Each Agency / Department will determine how the annual date will be set (by anniversary date, all employees on one date, window of time, or any existing practice.)
- Absent an established departmental completion date, the performance appraisal must be completed by September 30th.
- Completion of appraisals will be tracked by departmental service center staff using PeopleSoft.

NEW HIRES, PROMOTIONS AND ASSIGNMENTS
When an employee assumes a new position covered by the CEMA appraisal process, the departmental schedule will determine the time frame for the initial appraisal. The manager will inform the employee of this schedule within 30 days of assuming the position. Use the ‘from’ and ‘to section on the form to reflect the actual time reviewed. Every opportunity should be made to allow the employee to attend County-sponsored training on performance appraisals prior to going through the appraisal process.

ADMINISTRATIVE REVIEW
An employee who is dissatisfied with their appraisal may request and receive a review from the next highest level manager. This request must be received in writing within 20 working days of the receipt of the completed appraisal. If still dissatisfied, they may request a further review with the Department/Agency Head. In the event the employee reports directly to the Department Head, the employee may request a further review with the next highest level person. Changes made as a result of the review process will be included in the appraisal document.

USE OF PERFORMANCE APPRAISALS
- The performance appraisal document may be used by either party in the transfer and promotion process.
- The performance appraisal document may NOT be used in the disciplinary process, the oral board (qualifying exam) process, or in probationary release.
LAFCO MEETING: February 5, 2014

TO: LAFCO

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

SUBJECT: EXECUTIVE OFFICER’S REPORT

8.1 FINANCE COMMITTEE FOR FISCAL YEAR 2014-2015 LAFCO BUDGET

Recommendation
Establish a committee composed of three commissioners to work with staff to develop and recommend the proposed FY 2014-2015 LAFCO budget for consideration by the full Commission.

Discussion
Commissioners Wasserman, Constant and Hall served on LAFCO’s Finance Committee for Fiscal Year 2013-2014. The time commitment for commissioners serving on this committee would be limited to 2-3 meetings, between the months of February and May.

8.2 UPDATE ON SARATOGA FIRE PROTECTION DISTRICT SPECIAL STUDY

For Information Only
Economic Planning Systems (EPS), LAFCO’s consultant for the Saratoga Fire Protection District Special Study, continues to collect additional data in order to complete the Study. It is anticipated that within the next few weeks, the Saratoga Fire Protection District and the Santa Clara County Central Fire Protection District will each receive an administrative draft of the report (excluding the findings section) for their internal review and comment. The purpose of this step is to ensure that the two districts have an opportunity to review the report and identify any factual inaccuracies prior to release of the Final Report. Any comments provided by the districts should be in writing and accompanied by supporting documentation. Further revisions to the report may be made prior to release of the Final Report. The Final Report will be available for public review and comment in March. It is anticipated that LAFCO will hold a public hearing on the Report on April 2, 2014.
8.3 2014 CALAFCO STAFF WORKSHOP

Recommendation

Authorize staff to attend the 2014 CALAFCO Staff Workshop and authorize travel expenses funded by the LAFCO budget.

Discussion

The CALAFCO Annual Staff Workshop is scheduled for April 23-25 at the DoubleTree Hotel in the City of Berkeley. The Bay Area LAFCOs are hosting the Workshop. Santa Clara LAFCO staff is volunteering on the Workshop Planning Committee. The workshop provides an opportunity for staff to gain and share knowledge about some of the best practices used by LAFCOs to address various issues facing local agencies across the state. The LAFCO Budget for Fiscal Year 2014 includes funds for staff to attend the Workshop.
To: LAFCO of Santa Clara County
From: Best Best & Krieger LLP
Date: December 23, 2013
Re: SB 751: New Law Requires Agencies to Publicly Announce Votes

BACKGROUND

The Legislature recently adopted Senate Bill 751, and this new law will take effect on January 1st. SB 751 requires all agencies to publicly report the vote of all Commissioners. While this does not require LAFCO to conduct a roll-call vote for all matters, agencies must ensure that it is clear how each Commissioner voted on each matter. If the vote is unanimous, this will be very easy. However, if there are dissenting votes, the Chairperson or Clerk may need to publicly announce the dissenting votes and clarify which member dissented if it is unclear. In addition, all votes should be reflected in the meeting minutes.

ANALYSIS

S.B. 751 amends Government Code section 54953 to require that “[t]he legislative body of a local agency shall publicly report any action taken and the vote or abstention of that action of each member present for the action.” The legislative history of S.B. 731 indicates that the Legislature was concerned that it had become difficult for members of the public to accurately track the votes of individual members, especially for larger boards and councils. The intent of this bill was to avoid this confusion so it was clear how each member voted. (See Senate Floor Analysis of S.B. 731 (August 13, 2013), p. 2.)

Some have questioned whether S.B. 751 will require agencies to conduct all votes by roll call. Roll call votes are most likely not required for two reasons. First, section 54953 requires that agencies simply “publicly report” votes. By contrast, the section explicitly requires a “roll call” vote for actions taken during a teleconference meeting. The use of these different terms is most likely intentional, and a formal roll call vote is not required for all votes. Second, nothing in the legislative history indicates an intent to require a formal roll call vote. Rather, the Legislature was simply concerned with ensuring the public could accurately track votes.

In light of this, LAFCO will need to ensure that beginning January 1st the vote of each Commissioner is accurately recorded. Theses votes should be recorded in the meeting minutes. If a vote is unanimous, this will be easy to report as unanimously approved. However, if there are dissenting votes, LAFCO will need to ensure it is clear who dissented. This can be difficult with simultaneous “ay” or “nay” votes, and the Chairperson or Clerk may need to clarify after votes how each person voted or at least who dissented. If there is a split vote, the Chairperson should first ensure he or she knows who dissented and then report the action. For example, a 3-2 vote could be reported as “Motion passes 3-2, Commissioners Smith and Jones dissenting.”
We hope this has been helpful in explaining the new requirements of S.B. 751. Please let me know if you have any questions.

MALA SUBRAMANIAN