



**Local Agency  
Formation Commission  
of Santa Clara County**

777 North First Street  
Suite 410  
San Jose, CA 95112  
SantaClaraLAFCO.org

**Commissioners**

Susan Ellenberg  
Sequoia Hall  
Sergio Jimenez  
Linda J. LeZotte  
Rob Rennie  
Mike Wasserman  
Susan Vicklund Wilson

**Alternate Commissioners**

Cindy Chavez  
Maya Esparza  
Yoriko Kishimoto  
Russ Melton  
Terry Trumbull  
**Executive Officer**  
Neelima Palacherla

**AGENDA**

**February 6, 2019, 1:15 PM**

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

Vice-Chairperson: Susan Vicklund Wilson

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**NOTICE TO THE PUBLIC**

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1. Pursuant to Government Code §84308, 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 /or 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.santaclaralafco.org](http://www.santaclaralafco.org). 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](http://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.santaclaralafco.org](http://www.santaclaralafco.org).
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, 777 North First Street, Suite 410, 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) 993-4705.

1. **ROLL CALL**
2. **APPOINTMENT OF 2019 LAFCO CHAIRPERSON AND VICE CHAIRPERSON**  
**Recommended Action:** Appoint a commissioner to serve as the Chairperson for 2019 and appoint a commissioner to serve as the Vice-Chairperson for 2019.
3. **WELCOME NEW COMMISSIONERS**
4. **RESOLUTION OF COMMENDATION FOR OUTGOING COMMISSIONER JOHN VARELA**
5. **RESOLUTION OF COMMENDATION FOR OUTGOING COMMISSIONER KEN YEAGER**
6. **APPROVE MINUTES OF DECEMBER 5, 2018 LAFCO MEETING**
7. **PUBLIC COMMENTS**  
This portion of the meeting provides an opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off-agenda items unless authorized by law. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

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**CONSENT CALENDAR**

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8. **WEST BAY SANITARY DISTRICT 2018-01 (ARASTRADERO ROAD)**  
**Recommended Action**  
Forward the following recommendation to the San Mateo Local Agency Formation Commission, for its consideration:  
CEQA Action
  1. Determine that the proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines §15319 (a) & (b), and §15303(d).
Project Action
  2. Approve the annexation of approximately 5.44 acres of land (APN 182-34-061), located at 28 Arastradero Road in unincorporated Santa Clara County, to the West Bay Sanitary District.
  3. Waive protest proceedings pursuant to Government Code §56662(a).
9. **WEST VALLEY SANITATION DISTRICT 2018-01 (HIGH STREET)**  
**Recommended Action**  
CEQA Action
  1. As Lead Agency under CEQA, determine that the proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines §15319 (a)&(b), and §15303(d).

Project Action

2. Approve the annexation of approximately 1.16 acres of land (APNs 532-23-037 and 532-23-077), located within the Town of Los Gatos, to the West Valley Sanitation District.
3. Waive protest proceedings pursuant to Government Code §56662(a).

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**ITEMS FOR ACTION / INFORMATION**

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**10. PROCESS FOR APPOINTMENT OF LAFCO PUBLIC MEMBER AND ALTERNATE PUBLIC MEMBER**

**Recommended Action:** Determine process for appointment of public and alternate public member whose terms expire in May 2019. Appointment will be made at the April 2019 LAFCO meeting.

**11. FINANCE COMMITTEE FOR FISCAL YEAR 2019-2020**

**Recommended Action:** Establish a committee composed of three commissioners to work with staff to develop and recommend the proposed the FY 2019-2020 LAFCO work plan and budget for consideration by the full commission.

**12. EXECUTIVE OFFICER'S REPORT**

**12.1 Presentation to Morgan Hill City Councilmember on LAFCO**

For information only.

**12.2 Presentation to the County Executive's Office of Budget and Analysis**

For information only.

**12.3 Meeting on Santa Clara County's Audit of the Los Altos Hills County Fire Protection District**

For information only.

**12.4 Meeting on San Pedro Percolation Ponds**

For information only.

**12.5 Meeting on Groundwater Supply and Quality in South County**

For information only.

**12.6 Meeting with City of Saratoga Staff on Potential Annexation of Mountain Winery**

For information only.

**12.7 Conference Call with City of Gilroy Staff on Potential Urban Service Area Expansions**

For information only.

**12.8 Meeting on County's Proposed Agricultural Employee Housing Permit Streamlining Provisions**

For information only.

- 12.9 Meetings with Property Owners and Developers on Various Issues**  
For information only.
- 12.10 Quarterly Meeting with Santa Clara County Department Planning Staff**  
For information only.
- 12.11 Santa Clara County Special Districts Association Meeting**  
For information only.
- 12.12 Santa Clara County Association of Planning Officials Meetings**  
For information only.
- 12.13 Inter-Jurisdictional GIS Working Group Meeting**  
For information only.
- 13. CALAFCO RELATED ACTIVITIES**
  - 13.1 2019 CALAFCO Staff Workshop**  
**Recommended Action:** Authorize staff to attend the 2019 CALAFCO Staff Workshop and authorize travel expenses funded by the LAFCO budget.
  - 13.2 CALAFCO Board of Directors Meetings**  
For information only.
- 14. LEGISLATIVE REPORT**  
For information only.
- 15. PENDING APPLICATIONS / UPCOMING PROJECTS**
- 16. COMMISSIONER REPORTS**
- 17. NEWSPAPER ARTICLES / NEWSLETTERS**
- 18. WRITTEN CORRESPONDENCE**
  - 18.1 El Camino Hospital Corporation – Notice of Intent to Purchase of Real Property
  - 18.2 Notification of Nominations – SDRMA Board of Directors 2019 Election
- 19. ADJOURN**  
Adjourn to the regular LAFCO meeting on April 3, 2019 at 1:15 PM in the Board of Supervisors’ Chambers, 70 West Hedding Street, San Jose.



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Neelima Palacherla

**LAFCO MEETING: February 6, 2019**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Asst. Executive Officer**

**SUBJECT: APPOINTMENT OF 2019 LAFCO CHAIRPERSON AND  
VICE CHAIRPERSON**

### **STAFF RECOMMENDATION**

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Appoint a commissioner to serve as the Chairperson for 2019 and appoint a commissioner to serve as the Vice-Chairperson for 2019.

### **BACKGROUND**

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Appointment of the LAFCO Chairperson and Vice-Chairperson is typically made on a calendar year basis, usually at the December LAFCO Meeting. Pursuant to the LAFCO bylaws, the rotation schedule is as follows unless otherwise determined by the Commission:

- Cities member
- County member
- San Jose member
- Special Districts member
- County member
- Public member
- Special Districts member

Over the last few years, LAFCO has experienced frequent changes in its membership resulting in the need for deviation from the adopted chair rotation schedule in order to allow new commissioners adequate time to gain knowledge and experience on LAFCO matters, before serving as LAFCO Chairperson.

In February 2015, deviating from the rotation schedule, LAFCO appointed the County member (Mike Wasserman) as Chair for 2015; and the Cities member (Cat Tucker) as Vice-Chair, because the Cities member was newly appointed to LAFCO.

In December 2015, to evenly distribute the Chair responsibilities amongst the members, LAFCO appointed Cat Tucker, the Cities member, as Chair for 2016; and Mike Wasserman, County member, as Vice-Chair for 2016.

On May 31, 2016, Chair Tucker's term on LAFCO ended, resulting in the need for LAFCO to appoint a commissioner to serve as Chair for the remaining part of 2016. In June 2016, LAFCO once again appointed Mike Wasserman, the County member, as Chair for the remainder of 2016 and appointed Tara Martin-Milius, the newly appointed Cities member, as Vice-Chair for the remainder of 2016. On December 31, 2016, Vice-Chair Martin-Milius' term on LAFCO ended.

In early December 2016, recognizing that the incoming Cities member will need adequate time to become familiar with LAFCO, LAFCO appointed Special Districts member (Sequoia Hall) as Chair for 2017 and deferred the appointment of the Vice-Chairperson to the February LAFCO meeting because the San Jose member seat was vacant at that time. In February 2017, LAFCO appointed the County member (Ken Yeager) as Vice-Chair for 2017.

In December 2017, LAFCO appointed the County member (Ken Yeager) as Chair for 2018 and appointed the Public member (Susan Vicklund Wilson) as Vice-Chair for 2018.

If the Commission continues with the current rotation schedule, the Chair would be the Public member and the Vice-Chair would be the Special Districts member. However, as was noted above, the Commission skipped both the Cities member and San Jose member in the 2016/2017 rotation schedule in order to allow both incoming appointees adequate time to become familiar with LAFCO. Therefore, **it is recommended that the Chair be the Public member, and the Vice-Chair be either the Cities member or San Jose member, with the other then serving as Vice-Chair in 2020.**



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Neelima Palacherla

**LAFCO MEETING: February 6, 2019**  
**TO: LAFCO**  
**FROM: Neelima Palacherla, Executive Officer**  
**Dunia Noel, Asst. Executive Officer**  
**SUBJECT: WELCOME NEW COMMISSIONERS**

**FOR INFORMATION ONLY**

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**Susan Ellenberg**

In January 2018, the Santa Clara County Board of Supervisors appointed County Supervisor Susan Ellenberg to serve on LAFCO. Supervisor Ellenberg replaces Commissioner Ken Yeager, whose term on the County Board of Supervisors ended in December 2018. Commissioner Ellenberg will complete Commissioner Yeager's remaining four-year term on LAFCO which is set to expire in May 2022.

**Linda J. LeZotte**

Independent special districts have two designated seats on LAFCO. By agreement amongst the districts, one seat is held by a board member of the Santa Clara Valley Water District and the other seat is appointed by the Independent Special District Selection Committee. In January 2019, the Santa Clara Valley Water District appointed Linda J. LeZotte to serve as the regular member on LAFCO. Commissioner LeZotte will replace Commissioner Varela and complete his term on LAFCO that is set to expire in May 2019. Commissioner LeZotte will then begin a new four-year term on LAFCO that expires in May 2023.

**Maya Esparza**

In January 2019, the City of San Jose appointed Maya Esparza (Councilmember, City of San Jose) to serve as the alternate LAFCO member. Alternate Commissioner Esparza will replace and complete Alternate Commissioner Sylvia Arenas' term on LAFCO which expires in May 2020.





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**ITEM #6**

## LAFCO MEETING MINUTES WEDNESDAY, DECEMBER 5, 2018

### CALL TO ORDER

The meeting was called to order at 1:15 p.m.

### 1. ROLL CALL

**The following commissioners were present:**

- Chairperson Ken Yeager
- Vice Chairperson Susan Vicklund Wilson
- Commissioner Sequoia Hall
- Commissioner Sergio Jimenez
- Commissioner Rob Rennie
- Commissioner John L. Varela
- Commissioner Mike Wasserman
- Alternate Commissioner Russ Melton
- Alternate Commissioner Terry Trumbull

**The following commissioners were absent:**

- Alternate Commissioner Sylvia Arenas
- Alternate Commissioner Cindy Chavez
- Alternate Commissioner Yoriko Kishimoto

**The following staff members were present:**

- LAFCO Executive Officer Neelima Palacherla
- LAFCO Assistant Executive Officer Dunia Noel
- LAFCO Analyst Lakshmi Rajagopalan
- LAFCO Clerk Emmanuel Abello
- LAFCO Counsel Malathy Subramanian

### 2. PUBLIC COMMENTS

There were none.

### 3. MORGAN HILL URBAN SERVICE AREA AMENDMENT 2018

Ms. Palacherla presented the staff report and recommendation. She noted that all the information provided by the City is available on the LAFCO website and all the comment letters received have been provided to the Commission in supplemental packets.

Leslie Little, Assistant City Manager, and John Baty, Principal Planner, City of Morgan Hill, made a presentation explaining the City's rationale for seeking the urban service area (USA) amendment.

In response to a request for clarification by **Commissioner Rennie** regarding the City's urban growth boundary (UGB) and the school sites in the agricultural area, City staff informed that the City's General Plan includes two public school sites in the area at the request of the Morgan Hill Unified School District (MHUSD), and noted that while expansion into the area is theoretically possible, the area is unlikely to be developed since the USA amendment process is difficult. They also stated that the City Council would consider potentially retracting the City's UGB at an upcoming meeting.

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

Rob Eastwood, Planning Manager, Santa Clara County Department of Planning and Development, discussed the implementation of the Santa Clara Valley Agricultural Plan, including the resources committed by the State, the County and various agencies for agricultural preservation and for promotion of the agricultural economy in South County.

Steve Tate, Mayor, City of Morgan Hill, requested approval of the proposal because even though it converts some agricultural lands it would preserve other agricultural lands through mitigation and provide other benefits such as reducing traffic congestion. He assured LAFCO that the proposal would be the last expansion by the city into the southeast quadrant (SEQ).

**Chairperson Yeager** read a comment by Brenda Petroni, a representative of the South County Catholic High School, who expressed the need for schools in the area in order to alleviate traffic congestion and educate future workforce.

Scott Higgins, South County Catholic High School member, explained the value of Catholic education, the financial support that Catholic schools provide, and the difficulties of commuting to attend Catholic schools in other cities.

Fr. Steve Kim, a priest in the Diocese of San Jose, requested approval of the proposal so there would be fewer commuters and lesser traffic congestion. He explained the benefits of a Catholic education to the local community and why 40 acres is required for the school site.

Greg Fisher, a Morgan Hill resident, requested approval stating that he would not want his family to commute.

Rev. Angelo David, pastor at the Saint Julie Billiard Catholic Parish, expressed his parishioners' support for the proposal because of the benefits it brings to the community.

Ramiro Torres, resident of Morgan Hill, expressed support for the proposal and explained that Catholic education also benefits non-Catholics and that the proposed school site is not suitable for farming.

Ted Nordby requested denial of the proposal and noted that the City's EIR has determined that the proposal would have significant negative environmental impacts.

Steve Quon requested denial to prevent urban sprawl in the SEQ and in Coyote Valley.

Chuck Berghoff, resident of Morgan Hill and a volunteer for the Catholic High School project, discussed the high demand for Catholic education, the lack of schools in South County, and the difficulties and negative environmental impacts of commuting long distances.

Mark Sochan, Gilroy resident and a representative of the South County Catholic High School, requested approval since growth in the schools has not kept up with growth in jobs and businesses in the area, and there is a need and demand for a Catholic high school in Morgan Hill.

Bill Chiala, Fountain Oaks Ranch, expressed support for the proposal as there is need for such a school in the community and stated that the location has easy freeway access. He also explained that the site is not suitable for farming.

In response to an inquiry by **Commissioner Rennie**, Mr. Chiala indicated that they farm around a school and many houses, and they abide by the regulations and that it is his experience that schools and residences do not limit farm operations.

Tim Chiala, George Chiala Farms, stated that he is currently farming the property and noted that contrary to the staff report, the area is not prime agricultural land as it is now fallow because it is prone to diseases and some of the lands are developed with residences.

In response to inquiries by **Commissioner Varela**, Mr. Chiala informed that the proposal area and the mitigation land will be lost to development if the proposal is denied. He described how the land rather than being farmed, would be subdivided into small lots for rural ranchettes.

**Alternate Commissioner Trumbull** disclosed his ex parte communications related to the proposal and stated that he received emails from the League of Women Voters (LWV) and Committee for Green Foothills (CGF) against the proposal and 20 other emails that were also sent to other members. He expressed his support for the staff recommendation to deny the proposed USA expansion as the proposal violates State law. He noted that LAFCO may not survive a lawsuit if somebody chooses to fight its approval. He noted that he had to leave the meeting at that point.

Sal Akhter, a Gilroy resident, expressed his support for the proposal and stated that there are stronger reasons to support a Catholic high school than the various County facilities built in San Martin, and he requested LAFCO to balance its responsibility for conservation against the needs of the community.

Monsignor Gene O'Donnell, a representative of the South County Catholic High School, informed that the Catholic high school would reduce the need to commute and provides a gift to the people of South County.

Manou Mobedshahi, a San Martin resident, stated that the Catholic school is for the benefit of children and provided an example of how Catholic education benefitted his child.

Andrew Mariani, Andy's Orchard, informed that he has farmed 60 acres near Live Oak High School and coexisted for over 40 years. He urged approval as the environmental impact of a school would be lower than a use such as a strip mall. He stated that new regulations have made it more difficult for his orchard, but also explained that there are many types of farming and other crops such as growing hap could be more compatible with a school.

Eli Zigas, representative of the San Francisco Bay Area Planning and Urban Research Association (SPUR), urged denial as the proposal is not about the school but about a larger issue of where growth is directed and stated that a vote against this is a vote to focus growth in existing urban areas. He noted that the City made zoning changes and it has proposed multiple expansions without working to limit growth.

Doug Muirhead, resident of Morgan Hill, expressed opposition to the proposal due to its long-term impact on agricultural sustainability and referenced the last Agricultural Task Force Meeting noting that farm size does not determine profitability of a farm.

Erin Gil, Grass Farm, stated that he has farmed in Coyote Valley for 50 years and expressed support for the project. He informed that the proposal area is not farmed because it is not sustainable or profitable.

John Telfer, a resident and a realtor in Morgan Hill, informed that the staff report is misleading and explained that there are no suitable sites for the Catholic high school in the city. He explained that as a community member, he wants his grandchildren to have the opportunity to study at a high quality high school.

In response to an inquiry by **Commissioner Varela**, Mr. Telfer informed that the staff report discusses the available land inventory but does not state that it is not possible to assemble them into a 40-acre school campus.

Andy Pashby, member of the Catholic high school committee, indicated that the proposed school will be a compact two-story building. He explained that the Diocese has funds for site improvements and would not rely on public funds.

Jan Guglielmo, representing the Emilio Guglielmo Winery in Morgan Hill, expressed her support for the proposal and stated that the high school would be a benefit to the community. She explained that the farmers cannot support themselves on the land, and she stated that the school site is not good farmland.

Fran Lauridsen Chiala, Fountain Oaks Ranch, expressed her support for the proposal and stated that the school would allow families the freedom to choose the type of education for their children.

Nadi Akhter, a parent and Gilroy resident, stated her support for the Catholic School and for the opportunity for choice in education and explained that Catholic education teaches spirituality and good values.

Liz Devargas-Almeida, a parent, educator, and representative of the South County Catholic High School, asked LAFCO not to have South County make up for the loss of agricultural lands in the past and she urged approval of the school and to find other lands to preserve.

Amulya Dhulipada, intern at the Greenbelt Alliance, read a statement on behalf of Kiyomi Honda Yamamoto, South Bay representative, Greenbelt Alliance, who urged denial of the proposal as it does not conform to policies and it conflicts with the Valley Agricultural Plan.

Gloria Chun Hoo, representative of the LWV, requested denial as this proposal is in violation of LAFCO's goals of promoting compact growth, protecting natural resources and promoting social and economic equity.

Bernard Vogel, San Jose resident, expressed support for the proposal as there is no school site available within the city, the proposal area is not prime farmland and it would eliminate the need to commute.

Christi Chiala Vecera, George Chiala's daughter, and a representative of the South County Catholic High School, expressed support for the proposal and informed that if it is not approved, mini mansions will be built as that land is unsuitable for farming. She stated that the school is the best use for that land.

Virginia Holtz, board member, Santa Clara Valley Open Space Authority (OSA), indicated that her agency has sent a letter to LAFCO requesting denial of the proposal. She noted that the proposal conflicts with the County General Plan, LAFCO policies and the Agricultural Plan.

Greg DelCarlo, San Martin resident, expressed support for the project as the lands will be used for education and not for commercial purposes.

Arlene Sison Handa, Morgan Hill resident and representative of St. Catherine School, urged approval of the proposal. She noted that four years of commuting to Catholic schools in San Jose or Watsonville generates 80 tons of dangerous carbon dioxide and it is a waste of time and money.

Julie Hutchinson, Morgan Hill resident and Director for External Affairs and Advocacy at the Committee for Green Foothills, stated that many organizations including the County, OSA, American Farmland Trust, LWV, San Martin Neighborhood Alliance, Greenbelt Alliance, Sierra Club and Audubon Society concur with the staff's recommendation for denial. She urged the City to work with its regional partners to modify its plan for the SEQ.

Donald Larkin, Morgan Hill City Attorney, urged LAFCO to disregard the statement made by Alternate Commissioner Trumbull that it would be illegal for the Commission to approve the project and noted that LAFCO has broad discretion to make its findings based on the evidence presented. He stated that LAFCO staff has not indicated to the City that approval would be illegal. He also noted that the City has provided evidence to support each of the findings.

Toni Bowle, Hollister resident and a representative of St. Mary School, indicated that she is representing the interests of the entire second grade at Saint Mary's and

expressed support for the proposal so she would have a choice where to send her children as she noted that Hollister high school is over-crowded.

Dave Poeschel, Open Space Chair of the Sierra Club Loma Prieta Chapter, expressed support for smart growth and LAFCO policies and urged denial of the project as there are available infill sites within the city, and the proposal conflicts with LAFCO policies and the County General Plan. He noted the need to implement the Valley Agricultural Plan.

Trina Hineser, representative of the San Martin Neighborhood Alliance, requested the denial of the proposal as she expressed concern that the MHUSD cannot keep up with Morgan Hill's growth, which also negatively impacts the San Martin community.

**Chairperson Yeager** read a comment by Shelly Paiva, a representative of the South County Catholic High School, who requested approval as it brings economic development, and because there is no available school site in the city.

**Chairperson Yeager** read a comment from Thomas Conrad, a SEQ resident, who indicated that a previously approved school site was sold to a housing developer.

Michael Blomquist, a Los Gatos resident, expressed support as the proposal would ease traffic congestion on US 101 and requested another meeting.

Jennifer Smith, Morgan Hill resident and parent, urged LAFCO to look at the big picture and allow the use of agricultural land for a school which would have a positive impact on the children.

George Chiala Jr., CEO of the George Chiala Farms, indicated that all data show that the property is unsuitable for farming and that he lost two crops. He offered his expertise if the commission has any questions.

The public hearing was closed on Commission consensus.

**Commissioner Wasserman** disclosed his ex parte communications related to the application and indicated that he received a few emails opposed to the project, dozens in favor, and noted that copies of these emails have been distributed to the commissioners. He also reported that he met with Morgan Hill Mayor Steve Tate and Assistant City Manager Leslie Little on November 27th. He explained that this is about the school and agricultural land and urged approval since studies indicate that good schools reduce domestic violence and gang activity, and there is a need for more schools in the area due to population growth. He expressed concern that 120 acres of farmland would be lost if the proposal is denied since both the proposal area and mitigation lands would be subdivided into smaller lots for ranchettes.

**Commissioner Rennie** disclosed his ex parte communications related to the proposal and indicated that he had a meeting with Julie Hutchinson, Morgan Hill resident and Committee for Green Foothills (CGF) representative, Leslie Rodriguez of California Strategies, Father Kim, Mayor Tate, Assistant Town Manager Leslie Little and Senior Planner John Baty; he received text messages from Los Gatos residents about the San Jose Mercury News article on the proposal and from Megan Medeiros, CGF Executive Director, and numerous emails that he forwarded to staff. He also reported that Bill Chiala gave him a tour of the area.

In response to **Commissioner Rennie's** inquiry as to how the City would show that this is the last boundary expansion, Mr. Baty indicated that the difficulty of the USA amendment process turns applicants away and that the City Council would be discussing retraction of the city's UGB. Ms. Little indicated that the City is listening and would be reevaluating its plans and policies in January. In response to further inquiries by **Commissioner Rennie** regarding the school site inconsistencies, Ms. Little indicated that the City wants to collaborate with MHUSD on public school sites. In response to **Commissioner Rennie's** inquiry about who would pay for the infrastructure and if the proposed development justifies the cost of bringing services to the area, Mr. Eulo stated that the proponent is responsible for connecting to existing sewer and water services and the City would collect development impact fees; and Mr. Pashby explained that the Diocese has allocated \$5 million for preconstruction costs, and that fund raising would begin after this approval.

**Commissioner Varela** indicated he and his family are good Catholics, discussed the value of Catholic schools and explained that Morgan Hill is not responsible for sprawl. He explained that landowners are forced to develop and sell their lands because farming is difficult and new generations do not want to farm, and the proposal area is unsuitable for farming based on public testimony. He noted that those who have spoken in support of the USA expansion outnumber those opposed, and that the City has thoroughly explained the benefits of the proposal. For these reasons, he urged approval. He disclosed his ex parte communications related to the application and reported that he has received emails that are also in the packet, that he met with Leslie Rodriguez of California Strategies, Mayor Tate and members of the Chiala family, and had a telephone call from former Morgan Hill Mayor John Sorci.

**Commissioner Wilson** expressed concern that the proposal would have a negative impact on public schools and city services. In response to **Commissioner Wilson's** inquiries, Steve Betando, MHUSD Superintendent, informed that the Sobrato High School has had a water problem since it was built. He indicated that the MHUSD has projected a need for a public high school on the east side based on city growth. He explained that there may be suitable school sites within the city, but they have been zoned for industrial and commercial uses. He informed that even though MHUSD has the ability to acquire property, they would like to follow the City's policies. He acknowledged receipt of LAFCO's letter requesting MHUSD to consider lands within the city's boundaries. He stated that he has discussed the impacts of the proposal but was not involved in discussions on the SEQ. In response to a follow-up inquiry by **Commissioner Wilson**, Mr. Betando indicated that the proposal's impacts on public schools is not fully known at this time. He noted initial discussions with the City on joint stadium facility but stated that there is uncertainty on the usability of SEQ lands. He reported that MHUSD has been moving classes around the city to adjust to unplanned, new housing developments, as the City is rezoning lands to residential uses.

**Commissioner Wilson** disclosed her ex parte communications related to the application and indicated that all her emails have been provided to staff and are included in the packet, except one that has not made it into the packet. In response to an inquiry by **Commissioner Wilson**, Mr. Eulo reported that the City has sewer and

water plans for a full build-out, that sewer spills occur only during storm events and pipeline upsizing is planned, that the Diocese will retain storm water onsite, and that the City does not ration water but has irrigation schedule to save water.

**Commissioner Wilson** expressed her appreciation for both public and private education. She indicated that as a LAFCO commissioner she balances competing interests but looks at CKH Act to make the decision. She informed that as a public member it is her duty to look at proposals from the public's perspective and that she voted to approve a proposal for a Catholic high school between Hale and Monterey years ago, but the school was not built and that land is now a subdivision. She explained that the proposal is a premature conversion of agricultural land and stated that the Agricultural Task Force has just begun its work and the City Council is set to discuss the retraction of the UGB at a retreat in January. She informed that it is her duty to follow the law and that she is unable to support approval.

**Commissioner Hall** disclosed his ex parte communications and meetings related to the proposal and indicated that he met with Mayor Tate and Morgan Hill staff and has received emails that are included in the packet. He noted that a majority of the support letters are from San Jose residents and those against are from Morgan Hill. He observed there is infill happening throughout the county. He commended Morgan Hill for their efforts at building housing and noted that Morgan Hill should plan for schools within the city. He noted that schools have a growth inducing effect and recalled his support for annexation of a mushroom farm because of complaints from a nearby school. He also noted LAFCO's approval of a Catholic high school that was never built. He acknowledged the issue of rural ranchettes on small lots which would be addressed through the Valley Agricultural Plan by acquiring development rights and providing financial benefits to landowners. He observed that there were large vacant parcels within the city and he stated that the City and school advocates might find a school site within the city that could be efficient to serve and have no impact on important farmlands. He acknowledged the parents' desire for a local school and urged the City to find alternate sites for private and public schools as the current proposal involves agricultural land conversion and is against LAFCO policies for logical and orderly boundaries.

**Commissioner Jimenez** also acknowledged the community's desire for a local school and expressed his understanding for the benefits of a Catholic education. He disclosed his ex parte communications relating to the application and indicated that he met with Leslie Rodriquez of California Strategies, Morgan Hill Mayor Tate, Ms. Little and Mr. Baty, spoke on the phone with Julie Hutcheson, Committee for Green Foothills; and his staff had phone communications with Alberto Velasco, a former San Jose Parks and Recreation staff; and received text messages from Megan Medeiros, CGF, and Andrea McKenzie of Santa Clara County Open Space Authority. He expressed understanding that he does not represent the City of San Jose on LAFCO but the interest of the public as a whole.

In response to an inquiry by **Commissioner Jimenez**, Ms. Subramanian informed that LAFCO and the City had reached a settlement agreement on another City EIR and agreed that the City could utilize its EIR certified prior to the General Plan EIR. She

advised that LAFCO use the findings in the staff report if it chooses to approve the proposal. In response to another inquiry, Ms. Palacherla informed that the City did not address concerns conveyed by LAFCO prior to EIR certification. In response to **Commissioner Jimenez's** inquiries, Donald Larkin, Morgan Hill City Attorney, indicated that the City responded to LAFCO's concerns on the prior EIR and noted that LAFCO cannot deny the application based on dissatisfaction with the EIR because LAFCO did not contest the EIR.

**Commissioner Jimenez** observed that both LAFCO staff and the City agree that the USA expansion converts prime agricultural land or adversely impacts agricultural lands. In response to **Commissioner Jimenez's** inquiry regarding considering a smaller site within the city, Ms. Little informed that there are no willing sellers and the City does not want to take back housing development allocation rights it awarded. **Commissioner Jimenez** observed that 20-25 acres might be easier to find but Fr. Kim informed that he looked and that the California Department of Education requires 44.5 acres for a full-sized high school. **Commissioner Jimenez** informed that the State requirement does not apply to private schools and Fr. Kim responded that he does not want the school to be "land-locked" like Bellarmine or St. Francis and noted that schools in Southern California are larger than 40 acres.

**Commissioner Jimenez** acknowledged the desires and challenges of the community and inquired if they looked for smaller sites in the city and Fr. Kim responded that they did their due diligence. Further, Mr. Baty provided a report on vacant parcels in the city and concluded that it was not feasible to find a suitable site.

In response to an inquiry from **Commissioner Jimenez**, Ms. Little stated that the City has an agricultural easement for grant application for high speed rail and has an easement managed by another county's agricultural trust. She indicated that the school has provided letters of commitment for 1:1 mitigation with the exception of roads since they are existing. Ms. Palacherla informed that LAFCO's mitigation policies call for a plan for mitigation including a draft agreement between the property owner and easement holder, and specific easement terms, which was not included in the application.

In response to **Commissioner Jimenez's** inquiry, Ms. Palacherla indicated that the proposal is in conflict with the Valley Agricultural Plan's vision for the SEQ and explained the County's policies for the area designated in the County General Plan as Medium Scale Agriculture. Ms. Little indicated that the City is interested in continuing discussions with the County on the Valley Agricultural Plan. Ms. Hutcheson explained the Agricultural Task Force's discussion to scale back non-agricultural uses and consideration of options to use the least amount of lands for ranchettes in order to keep the rest farmed. She noted that the biggest issue for small scale farmers is access to land. Mr. Chiala informed that he has farmland adjacent to the proposal area that he is unable to rent and stated that these ideas have unproven results while the proposal guarantees agricultural lands preservation.

**Commissioner Rennie** informed that he had many conversations with Mr. Eulo on the proposal and would like to disclose that for the record. He acknowledged that a high school inside the city could cause parking and traffic issues and informed that

city concerns should be balanced with LAFCO's mandate. He noted that the SEQ is the last remaining farmland and stated that the City must clarify that the proposal would be its last expansion in the area. He noted some of his concerns with the City's plans including the location of the UGB, location of school sites outside the UGB, and plans for extending water pipes into the SEQ. He discussed how schools conflict with farming operations and how more schools would make it more difficult to farm, leading to urban sprawl. Since school fundraising and construction is expected to take 5-6 years, he suggested that LAFCO continue the item to allow Morgan Hill to revise its plans. He suggested that the City work on amending its UGB, amending its General Plan to remove school sites in the area, and modifying its water capital plan, to show the City's intent that this is the last annexation into the area. He stated that the City should provide at least a full 1:1 mitigation for the high school and adjacent lands, and work with an organization that could hold their easements. He also stated that this would allow the Agricultural Task Force more time to do more regional planning.

**Alternate Commissioner Melton** disclosed his ex parte communications related to the proposal and reported that he met with Jim Cunneen of California Strategies and received numerous emails that are included in the staff report. He acknowledged the challenges that parents face. He thanked staff for a diligent staff report and expressed his agreement with the staff report. He informed that it is his experience that cities can resolve difficult issues and find creative solutions through public-private collaboration. He indicated that he represents the entire county as a LAFCO Commissioner and finds that the proper course of action is to deny the proposal.

**Chairperson Yeager** disclosed his ex parte communications related to the proposal and indicated that he met with Leslie Rodriquez of California Strategies, received a text message from Jim Cunneen, and that his staff met with Mayor Tate, Leslie Little and Julie Hutcheson. He expressed his frustration as this is the second time that the Commission is considering this proposal and there is not much difference. Citing the inconsistency of the proposal with various evaluation factors that LAFCO must consider, he expressed his inability to support the proposal.

A motion for approval of the proposal, conditioned upon Morgan Hill securing the easements as mitigation.

Motion: Wasserman

Second: Varela

AYES: Varela, Wasserman

NOES: Yeager, Hall, Jimenez, Rennie, Vicklund Wilson

ABSTAIN: None

ABSENT: None

MOTION FAILED







**Local Agency  
Formation Commission  
of Santa Clara County**  
777 North First Street  
Suite 410  
San Jose, CA 95112  
SantaClaraLAFCO.org

**Commissioners**  
Susan Ellenberg  
Sequoia Hall  
Sergio Jimenez  
Linda J. LeZotte  
Rob Rennie  
Mike Wasserman  
Susan Vicklund Wilson

**Alternate Commissioners**  
Cindy Chavez  
Maya Esparza  
Yoriko Kishimoto  
Russ Melton  
Terry Trumbull  
**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: February 6, 2019**  
**TO: LAFCO**  
**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Asst. Executive Officer  
Lakshmi Rajagopalan, Analyst**  
**SUBJECT: WEST BAY SANITARY DISTRICT 2018-01  
(Arastradero Road)**

### **STAFF RECOMMENDATION**

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Forward the following recommendation to the San Mateo Local Agency Formation Commission, for its consideration:

#### **CEQA Action**

1. Determine that the proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines §15319 (a) & (b), and §15303(d).

#### **Project Action**

2. Approve the annexation of approximately 5.44 acres of land (APN 182-34-061), located at 28 Arastradero Road in unincorporated Santa Clara County, to the West Bay Sanitary District, as described and depicted in **Attachment B (Exhibits “A” and “B”)**.
3. Waive protest proceedings pursuant to Government Code §56662(a).

### **PROJECT DESCRIPTION**

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Santa Clara LAFCO received a referral from San Mateo LAFCO for an annexation application to the West Bay Sanitary District (WBSD). The proposal is for annexation of a privately owned parcel (APN 182-34-061) into the West Bay Sanitary District (WBSD) in order to allow the District to provide sanitary sewer services. Please see **Attachment A** for an overview map depicting the current WBSD boundaries in relationship to the annexation proposal.

The annexation proposal includes one parcel (APN 182-34-061) of approximately 5.44 acres in area, located at 28 Arastradero Road in unincorporated Santa Clara County, between Portola Valley and Palo Alto. The parcel is located in WBSD’s Sphere of Influence (SOI). The subject parcel is currently developed with a single-

family residence that is served by an onsite septic system. The property owners desire to start construction on a secondary dwelling unit and would like to abandon their onsite septic system and receive sewer service from WBSD.

**Attachment B** includes the legal description (Exhibit “A”) and map (Exhibit “B”) describing and depicting the boundaries of the proposed annexation.

### **1998 Sphere of Influence Amendment (Approved by LAFCO in February 1999)**

In 1999, WBSD’s Sphere of Influence was amended to include 27 parcels along Los Trancos Wood adjacent to Los Trancos Creek in order to address an environmental health problem for existing residences along Los Trancos Creek. The County of Santa Clara’s Environmental Health Department conducted surveys of the area in 1998 and identified parcels that were likely to be underlain with high ground water and/or where available septic leachfield or leachfield expansion potential was limited due to parcel setback requirements from the creek. The current proposal seeks to annex one parcel to the District which was among the 27 parcels that LAFCO added to the District’s Sphere of Influence in February 1999.

### **Procedure for Processing a Change of Organization Application when Santa Clara LAFCO is not Principal LAFCO**

WBSD is located primarily within San Mateo County and has minimal territory in Santa Clara County. Pursuant to Government Code §56066, San Mateo LAFCO is considered the principal LAFCO for the WBSD as San Mateo County has the greater portion of the assessed value, out of all taxable property within the district.

Santa Clara and San Mateo LAFCOs jointly adopted policies and procedures for processing proposals affecting more than one county. These policies, consistent with Government Code §56123, require the principal LAFCO to notify and forward such applications to the LAFCO where the affected territory is located. Upon receipt of the application referral, the LAFCO may consider the application and its staff report / recommendation; and forward a recommendation to the principal LAFCO, which will then take the final action at its own hearing. In the case of this annexation proposal, Santa Clara LAFCO’s action is therefore only advisory; the final action on this matter will be taken by San Mateo LAFCO.

### **WAIVER OF PROTEST PROCEEDINGS**

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The annexation territory is uninhabited, i.e., fewer than 12 registered voters reside within the territory. The annexation proposal has consent from all landowners of the property proposed for annexation. LAFCO has not received a request from the WBSD or from any other affected local agency, for notice, hearing or protest proceeding on the proposal. Therefore, pursuant to GC §56662(a), LAFCO is considering this proposal without notice or hearing and may waive protest proceedings.

## **ENVIRONMENTAL ASSESSMENT**

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The proposed annexation is exempt under State CEQA Guidelines §15319(a) & (b) and §15303(d).

*§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 §15303, New Construction or Conversion of Small Structures.*

*§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.*

## **CONSISTENCY WITH LAFCO POLICIES**

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### **Impacts to Agricultural and Open Space Lands**

The subject parcel is not under a Williamson Act Contract and does not contain open space or agricultural lands as defined in the Cortese Knox Hertzberg Act. Therefore, the proposed annexation does not impact agricultural or open space lands.

### **Logical & Orderly Boundaries**

The subject parcel is within the WBSD's SOI and is contiguous to the District's boundary. The subject parcel is located in unincorporated Santa Clara County and is not within a city's urban service area. County General Plan policies state that urban services such as water and sewer service should not be provided outside of city urban service areas. Exceptions to these policies are limited to resolving situations where there is an existing threat to public health and safety.

As discussed earlier, the County's Environmental Health Department conducted surveys of the area in 1998 and identified parcels along Los Trancos Creek that were likely to be underlain with high groundwater and/or where available septic leachfield or leachfield expansion potential was limited due to parcel setback requirements. The purpose of these surveys was to identify areas where the use of septic systems, particularly long-term, may be inappropriate. The current proposal

seeks to annex one parcel, located directly along Los Trancos Creek and was part of the 1998 surveys, to the WBSD in order to receive sewer service from the District.

The County Surveyor has reviewed the annexation map and has found that the boundaries are definite and certain. The Surveyor has also determined that the project conforms to LAFCO's road annexation policies. The proposal will not create an island, corridor, or strip. The County Assessor has reviewed the proposal and found that the proposal conforms to lines of assessment.

### **Public Health and Safety Issues**

The County's Department of Environmental Health (DEH) issues septic system permits and oversees system installations and repairs for properties in Santa Clara County. DEH staff indicated that they are not aware of any existing public health or safety issues associated with APN: 182-34-061 beyond the results of the Department's 1998 surveys. County DEH has required the owners of APN 182-34-061 to consult with them regarding the abandonment of the existing on-site septic tank.

### **Growth Inducing Impacts**

The subject parcel 182-34-061 is approximately 5.44 acres in size and is located in unincorporated Santa Clara County. The site is currently developed with a single-family residence with onsite septic and the property owners desire to start construction of a secondary dwelling unit. They would like to abandon their existing septic system and receive sanitary sewer services from the WBSD.

The parcel has a Santa Clara County General Plan land use designation of Hillside and a zoning designation of HS-Hillside with a minimum lot size of 20-160 acres land area per dwelling unit, based on a slope-density formula. The parcel is not eligible for further subdivision due to its size.

Properties directly to the north of the subject parcel are located in unincorporated Santa Clara County and are either currently served by the District and/or within the District's SOI. The District currently serves the property to the south of the subject parcel.

Directly east of the subject parcels are lands located outside of the District and the District's Sphere of Influence. These lands consist of the Pearson-Arastradero Preserve and a few unincorporated rural estates served by septic systems. In order to receive sanitary sewer services from the District, these parcels would first need to be included in the District's SOI and then annexed into the District. An amendment of the District's SOI and annexation to the District would require LAFCO's approval and LAFCO would conduct the required environmental analysis, including the consideration of the potential growth-inducing impacts of such a proposal.

### **Ability of District to Provide Services**

Per the WBSD's letter dated 8/8/2018 and supplemental information dated 1/2/2019 (**Attachment C**), the District has adequate sewer capacity to provide sanitary sewer services to the subject parcel without detracting from the existing service levels within the District. The WBSD letter also outlines the process to establish sanitary sewer service to the property, including the property owner's responsibility to construct onsite infrastructure and to obtain the necessary permits from the responsible local agencies.

### **Property Tax Exchange**

The WBSD is an enterprise district and is not requesting any portion of property taxes following annexation of APN 182-34-061. Therefore, upon annexation, no property tax revenue will be transferred from Santa Clara County to the WBSD.

### **CONCLUSION AND NEXT STEPS**

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The owners of APN 182-34-061 would like to construct a secondary dwelling unit and would like to abandon an existing septic system and connect to the District's nearby sanitary sewer system. The subject parcel proposed for annexation is located in the District's SOI.

The District has the capacity to provide sanitary sewer services to the subject parcel without detracting from the existing service levels within the District. The owners of the subject parcel have agreed to construct a new sewer lateral which will connect the property to the District's existing sewer main. The subject parcel is located in unincorporated Santa Clara County and cannot be subdivided due to its zoning designation and size. The project has no significant growth inducing impacts or adverse impacts on agricultural or open space lands in the area. Therefore, staff recommends annexation of the subject parcel to the District.

If directed by LAFCO, staff will forward this recommendation to San Mateo LAFCO for its consideration and final action.

### **ATTACHMENTS**

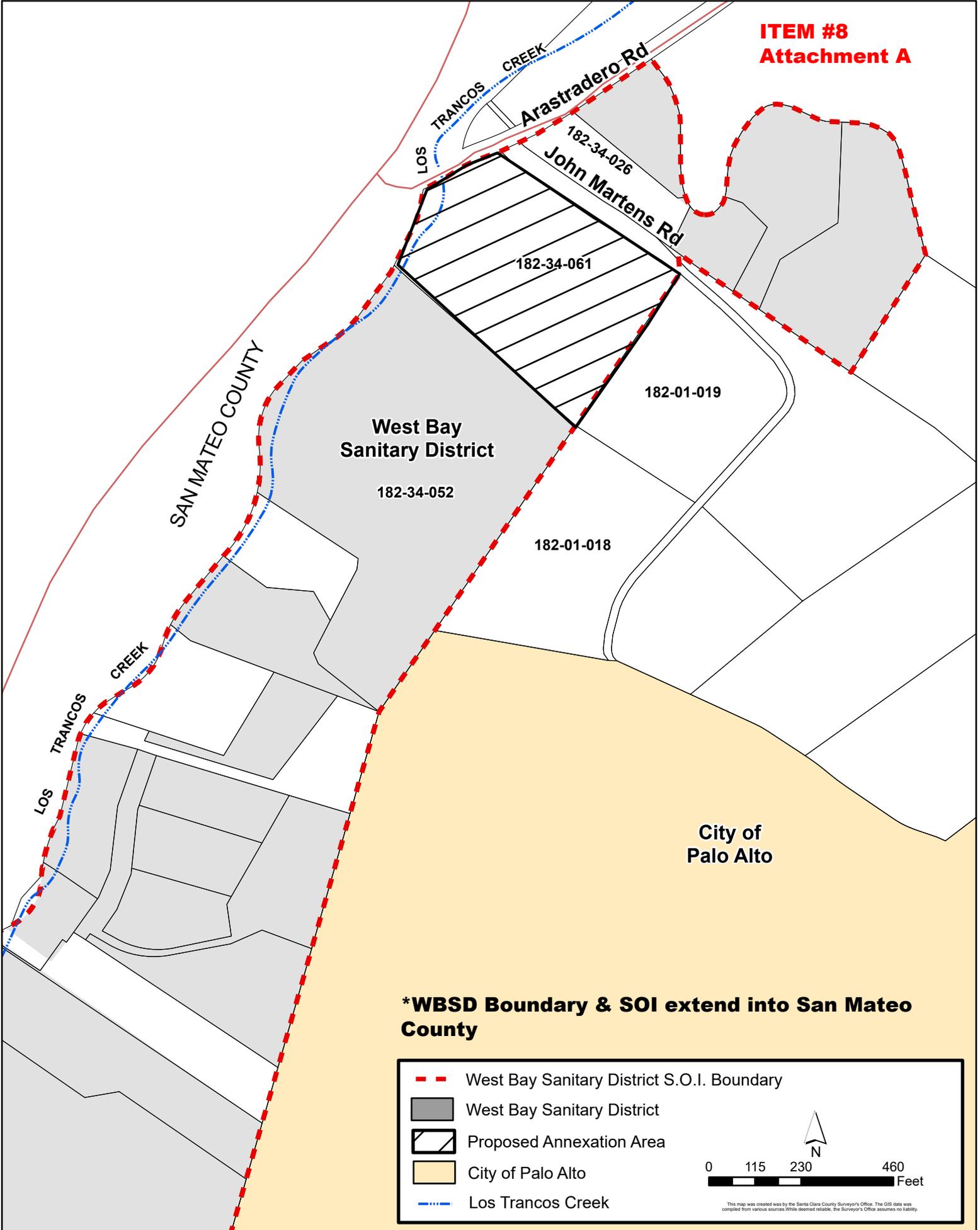
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- |               |   |
|---------------|---|
| Attachment A: | Overview Map depicting the proposed annexation in relation to the West Bay Sanitary District and Santa Clara County boundaries. |
| Attachment B: | Legal Description (Exhibit "A") and Map (Exhibit "B") of Proposed Annexation to the West Bay Sanitary District                  |
| Attachment C: | WBSD letter dated 8/8/2018 and supplemental information dated 1/2/2019  |



West Bay Sanitary District 2018-01 (Arastradero Road)

**ITEM #8  
Attachment A**



**\*WBSD Boundary & SOI extend into San Mateo County**

	West Bay Sanitary District S.O.I. Boundary
	West Bay Sanitary District
	Proposed Annexation Area
	City of Palo Alto
	Los Trancos Creek

0 115 230 460 Feet

This map was created by the Santa Clara County Surveyor's Office. The GIS data was compiled from various sources. While deemed reliable, the Surveyor's Office assumes no liability.



"EXHIBIT A"

**ITEM #8  
Attachment B**

Date: January 24, 2019

Annexed to: West Bay Sanitary District

Name of Annexation: West Bay Sanitary District 2018-01 (Arastradero Road)

**Geographic Description**

All that certain real property, situate in the Unincorporated Area of Santa Clara County, State of California, being all of the Lands of Jalil as described in that certain Grant Deed Recorded February 8, 2016 as Document No. 23215801, Santa Clara County Records, more particularly described as follows:

**Beginning** at the most westerly corner in the centerline of Los Trancos Creek, also being a point on the existing West Bay Sanitary District Sphere of Influence (S.O.I.) Boundary as established by "2002 Sphere of Influence Amendment and Annexation":

Thence, along said creek centerline and the existing West Bay Sanitary District S.O.I. Boundary the following three (3) courses:

Thence (1), N 24°29'07" E, 77.57 feet;

Thence (2) N 49°10'16" E, 74.87 feet;

Thence (3) N 01°49'20" W, 108.65 feet to the westerly line of Arastradero Road;

Thence (4) leaving said centerline of Los Trancos Creek and the existing West Bay Sanitary District S.O.I. Boundary and along the westerly line of Arastradero Road, N 58°52'14" E, 102.82 feet;

Thence (5) N 78°00'00" E, 42.33 feet to the westerly line of John Marthen's Lane;

Thence (6) S 58°00'00" E, 540.94 feet to the most Easterly corner of said lands and to a point on the existing West Bay Sanitary District S.O.I. Boundary;

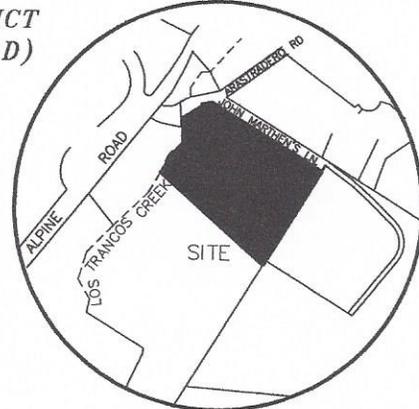
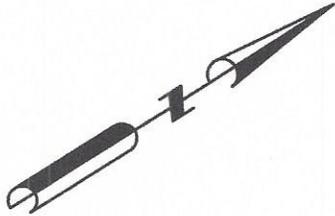
Thence (7) along the Southeasterly line of said lands and along the existing West Bay Sanitary District S.O.I. Boundary, S 32°13'13" W, 460.00 feet to the Southerly corner of said lands and the most easterly line of the lands as described in West Bay Sanitary annexation recorded as Document Number 22830080, Santa Clara County Records;

Thence (8) along Northeasterly line of said lands, N 48°00'27" W, 576.29 feet to the **Point of Beginning** and containing 5.44 acres of land, more or less.

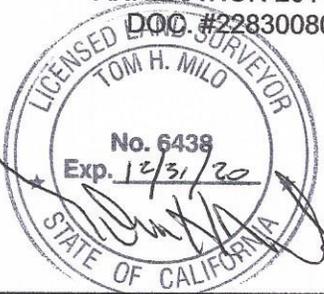
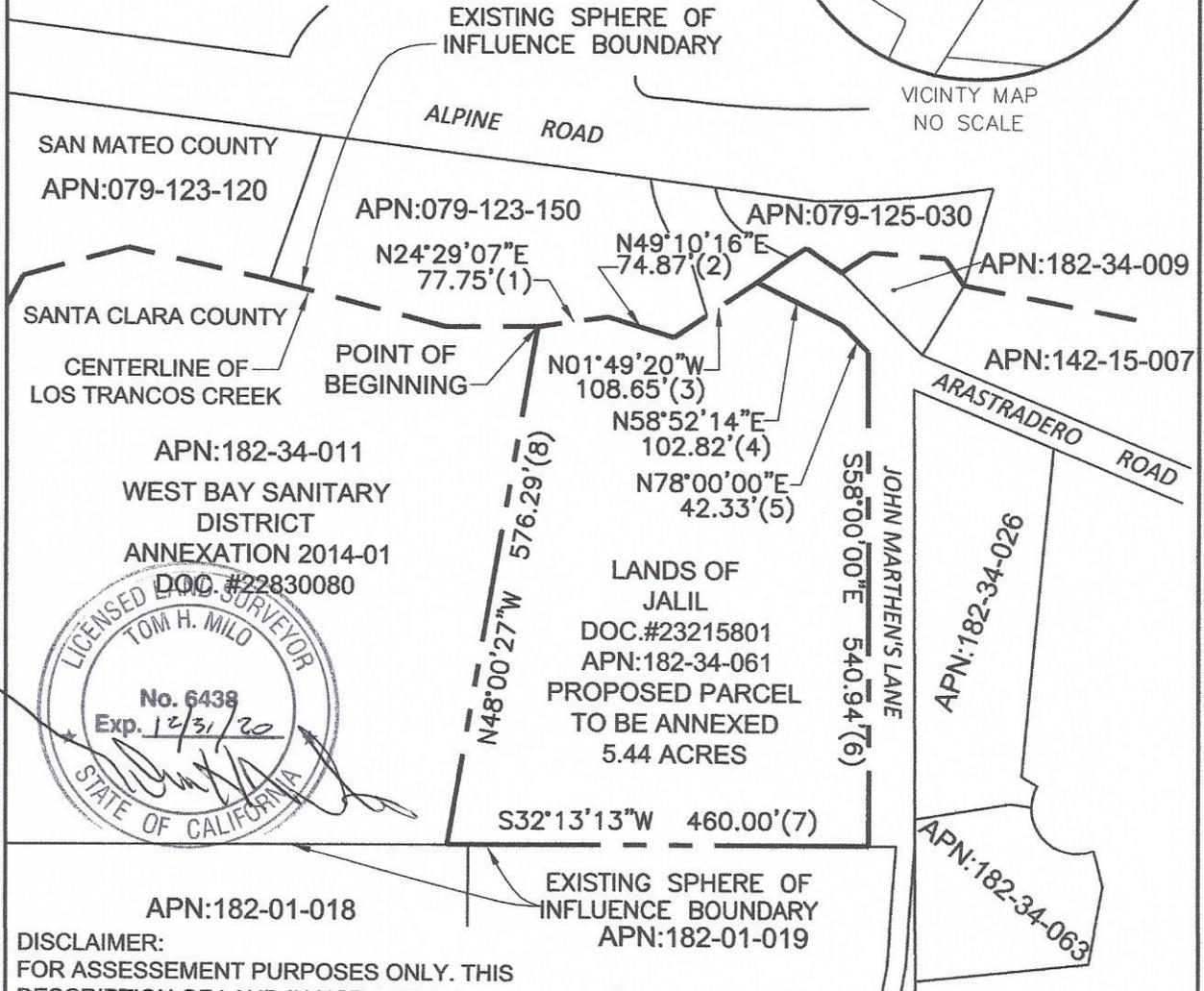
For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.



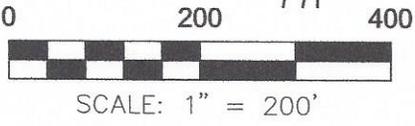
WEST BAY SANITARY DISTRICT  
2018-01(ARASTRADERO ROAD)



VICINITY MAP  
NO SCALE



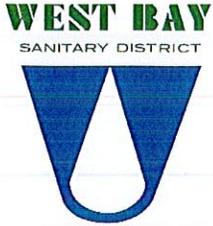
DISCLAIMER:  
FOR ASSESSEMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IN NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED



**EXHIBIT "B"**  
PROPOSED SEWER ANNEXATION OF THE  
LANDS OF JALIL  
TO WEST BAY SANITARY DISTRICT  
UNICORPORATED  
SANTA CLARA COUNTY, CALIFORNIA

**T · K · M**  
Land Surveyors

2250 Bohannon Drive  
Santa Clara, CA 95050  
408.615.8855 phone  
408.615.1556 fax



*Serving Our Community Since 1902*

500 Laurel Street, Menlo Park, California 94025-3486 (650) 321-0384 (650)321-4265 FAX

**ITEM #8**  
**Attachment C**

PHIL SCOTT  
District Manager

In reply, please refer to our

File No. 182-34-061

August 8, 2018

VIA EMAIL: [mariam2@gmail.com](mailto:mariam2@gmail.com)

**RE: ANNEXATION INQUIRY**  
**28 ARASTRADERO ROAD, PORTOLA VALLEY, CA 94028**  
**APN: 182-34-061**

Dear Mariam:

This letter is in response to the inquiry you made to the District regarding the process and costs of establishing sanitary sewer service for the referenced parcel. The following will need to occur before sanitary sewer service to the property can be established.

The parcel will need to be annexed into the West Bay Sanitary District (WBSD). As part of the application, the applicant will need to provide a detailed map and legal description of the parcel as prescribed by State Board of Equalization requirements. The applicant will need to hire a civil engineer to prepare the map and legal description, and to design the sewer system.

For the annexation processes to begin, the applicant or the property owner would have to annex the property into the WBSD through both San Mateo and Santa Clara County Local Agency Formation Commissions (LAFCo) because your property is in Santa Clara County. There is a requirement for an environmental review per the California Environmental Quality Act (CEQA) regulations and a processing fee for the annexation set by LAFCo. This is usually a two to three month process. Please contact Ms. Martha Poyatos of San Mateo County LAFCo at (650) 363-4224 and Ms. Neelima Palacherla of Santa Clara County LAFCo at (408) 993-4713. The District cannot guarantee when both LAFCos will approve the annexation request. A \$545 processing fee is to be paid to WBSD (see attached fee schedule). Refer to Ms. Poyatos and Ms. Palacherla for fees to be collected by the specified LAFCos.

Currently, there is a WBSD force main located on Old Alpine Road. The parcel in question will need to be annexed into the District's On-Site Wastewater Disposal Zone (OWDZ), which requires public notice; written approval from both LAFCos, the Counties of San Mateo and Santa Clara Health Officers, and the California Regional Water Quality Control Board; a public hearing; as well as publication of a resolution of intent to annex the parcel into the OWDZ, which will be administered by the District. This is a three to four month process and is dependent upon annexation by the LAFCos, a completed application to the OWDZ and a complete, preliminary engineered design accepted by the District. District staff will review the application and California Environmental Quality Act (CEQA) requirements for the proposed project. The resolution of intent to annex into the zone also requires publication. A \$2,200 deposit for this cost must be paid with a \$545 zone annexation fee at the time the application for annexation into the OWDZ is submitted. If the publication costs

are less than \$2,200, the District will credit the difference to the cost associated with the required Class 3 Sewer Permit for the construction of the Septic Tank Effluent Pumping (STEP) system. If the publication costs are greater than \$2,200, the District will invoice the balance.

Upon satisfactory completion of this part of the process, you or your agent will need to apply at the District's office for a Class 3 Sewer Permit to construct the STEP system. The applicant will need to have a STEP system installed on the property to be served, as well as a force main system that would eventually connect to the mentioned existing force main. The construction of the pumping system (STEP); force main system/connection; and the building sewer are the applicant's responsibility. The applicant will need their registered Civil Engineer to design the pumping system (STEP), which will need to be reviewed and approved by District staff. District staff will review the design, a plan and profile of the proposed systems, specifications, and the engineering calculations submitted by the applicant's engineer. Construction of the system may not be started until the District accepts the engineering design, and the Class 3 Sewer Permit is issued. The District Board must approve the application for the Class 3 Sewer Permit and accept the work done under the permit before connection of the parcel is made. Note that prior to the District Board accepting the completed work done under the permit, a one-year guarantee of the work in the form of a maintenance bond or cash deposit is required. The Class 3 Sewer Permit fee is \$545, and a deposit of \$2,000 is required for administration, plan review and inspection costs. If actual costs exceed the deposit, the District will invoice the applicant for the difference. If the actual costs are less than the deposit, a credit will be made toward the Class 1 Sewer Permit and connection fees.

As a condition for the installation of the STEP system, the applicant will be required to enter into an "Agreement Creating Covenants Running with the Land". All property owners will need to sign and date the Covenants, present it before a Notary Public, and return a completed document to the District. This document will need to be recorded with the County Recorder's Office which will be processed by the District. The applicant will also need to provide the District with an easement for access on the parcel to the pumping system (STEP) for routine maintenance. This easement must meet the requirements of the District's Code of General Regulations and be recorded in the official records of the Counties of San Mateo and Santa Clara. The District must have full vehicular all weather access to the pumping system. The location of the wastewater discharge system will require special consideration, so the applicant and the District should determine the location jointly in the early stages of the design.

The applicant shall transfer and convey to the District the full right, title, and interest in and to the constructed sanitary sewer force main within the public right of way.

Upon District Board acceptance of the work done under the Class 3 Sewer Permit, the applicant or their agent will need to apply for a Class 1 Sewer Permit for the connection of a single-family residence to the District's main facilities. The permit fee is currently \$270.00 each and the connection fee for a single-family residence is currently \$8,501.00 each. There will also be a reimbursement (Winchell Reimbursement Agreement) fee associated with this annexation. Currently, the Winchell reimbursement fee is approximately \$21,000.00. As these fees must be paid at the time of application for the Class 3 Sewer Permit, the property owners should call the District's offices immediately prior to obtain the exact amount due. In addition to the aforementioned costs, the applicant is again responsible for the construction of the force main system to the District's facilities. It will also be the property owner's responsibility to pay annual sewer service charges.

The applicant will need to consult with Santa Clara County Environmental Health as to the requirements for abandonment of the existing septic tanks. The District will not sign off on the Class 1 Sewer Permits until the applicant provides the District with a copy of the finalized septic tank abandonment permits. The applicant will also need to obtain building and street opening permits from the Town of Portola Valley.

Please call me at (650) 321-0384, if you have any technical questions about the specifications for construction of the wastewater facilities or if you have questions regarding the annexation application or processes.

Very truly yours,

**WEST BAY SANITARY DISTRICT**



Jonathan Werness  
Engineering Technician

Attachments: Annexation and On-Site Wastewater Disposal Zone Application Packet including the Agreement Creating Covenants Running with the Land and WBSD Fee Schedule

cc: BHK, SXR, TMR, CJN, PYD  
Martha Poyatos, San Mateo County LAFCo  
Neelima Palacherla, Santa Clara County LAFCo

San Mateo Local Agency Formation Commission  
PLEASE RETURN TO [rbartoli@smcgov.org](mailto:rbartoli@smcgov.org) OR LAF 124

**REQUEST FOR SPECIAL DISTRICT STAFF COMMENT**

LAFCo File 18-10:

Proposed Annexation of 28 Arastradero Road, Unincorporated Santa Clara County (APN 182-34-061) to West Bay Sanitary District

Tentative Hearing Date: TBD Please Return By: 12/17/2018

1. How will the district serve the proposal area (for example, location of the nearest fire station or sewer line etc., Please note whether annexation to the ZONE will be required)?

Annexation to the Zone will be required and the proponent will be required to construct a Septic Tank Effluent Pump (STEP) System on the property to be served and connect to the corresponding force main. All costs will be paid by Proponent.

2. Is the proposal compatible with adopted plans for extending services, including capital improvements projects?

Yes.

3. Would the proposal have any effect on existing or potential service problems (limited treatment or transmission capacity, etc.)?

No.

4. Comment on the request for services by other special districts, if applicable:

N/A

5. Will the affected territory be taxed for any existing bonded indebtedness, contractual obligation or special taxes/standby charges? If yes, please give specifics:

No.

6. Other relevant information:

A fee of \$545 for annexation and \$545 for the annexation into the On-site Wastewater Disposal Zone (OWDZ) with a \$2,200 publication deposit. Also a District Class 3 permit (\$545 application fee and \$2,000 deposit for plan checking and inspections) and Class 1 permit (\$270 applications fee and connection fees of \$8,501.00 per residential unit currently, and annual sewer service charges will be required. Currently, there are also Reimbursement Agreement fees of approximately \$20,392.29 associated with the force mains.

7. Recommendation to LAFCo: District recommends approval.

Prepared by: Jonathan Werness      Date: 01/02/19



Local Agency  
Formation Commission  
of Santa Clara County  
777 North First Street  
Suite 410  
San Jose, CA 95112  
SantaClaraLAFCO.org

**Commissioners**  
Susan Ellenberg  
Sequoia Hall  
Sergio Jimenez  
Linda J. LeZotte  
Rob Rennie  
Mike Wasserman  
Susan Vicklund Wilson

**Alternate Commissioners**  
Cindy Chavez  
Maya Esparza  
Yoriko Kishimoto  
Russ Melton  
Terry Trumbull  
**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: February 6, 2019**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Asst. Executive Officer  
Lakshmi Rajagopalan, Analyst**

**SUBJECT: WEST VALLEY SANITATION DISTRICT 2018-01  
(High Street)**

## **STAFF RECOMMENDATION**

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### **CEQA Action**

1. As Lead Agency under CEQA, determine that the proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines §15319 (a)&(b), and §15303(d).

### **Project Action**

2. Approve the annexation of approximately 1.16 acres of land (APNs 532-23-037 and 532-23-077), located within the Town of Los Gatos, to the West Valley Sanitation District, as described and depicted in **Attachment B (Exhibits "A" and "B")**.
3. Waive protest proceedings pursuant to Government Code §56662(a).

## **PROJECT DESCRIPTION**

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LAFCO of Santa Clara County received an application, by landowner petition, to annex two privately owned parcels (APNs 532-23-037 and 532-23-077) into the West Valley Sanitation District (WVSD) in order to allow the District to provide sanitary sewer services. Please see **Attachment A** for an overview map depicting the current WVSD and the Town of Los Gatos boundaries in relationship to the annexation proposal.

The annexation proposal includes two parcels (APNs 532-23-037 and 532-23-077) of approximately 1.16 acres in area, located at 17505 High Street and 17512 High Street in the Town of Los Gatos and within Los Gatos's Urban Service Area (USA). APN: 532-23-037 is currently developed with a single-family residence that is served by an onsite septic system and is scheduled to start construction of a home remodel and expansion. The property owner would like to abandon their onsite

septic system and receive sewer service from WVSD. The neighboring APN: 532-23-077 is owned by San Jose Water Company and has water storage infrastructure (i.e. water storage tank).

In order to receive sewer service from WVSD, the property must first be annexed to the District. Annexation of APN: 532-23-037 only would cause APN: 532-23-077 to be completely surrounded by the District's Service Area, thereby creating an "island." To avoid creating the island and to maintain a contiguous border, the owner of APN: 532-23-037 has obtained the consent of San Jose Water Company, the owner of APN: 532-23-077 to simultaneously annex both parcels under a single application. According to WVSD, APN: 532-23-037 will connect to the public sewer system immediately following the annexation process and APN: 532-23-077 does not have a foreseeable need to connect to the sanitary sewer system.

On September 12, 2018, WVSD adopted Resolution No. 18.09.18 indicating that the District supports the requested annexation for APNs 532-23-037 and 532-23-077 and has the ability to provide sewer service to APN 532-23-037 which is currently developed with a single family residence.

**Attachment B** (Exhibits "A" and "B") describes and depicts the boundaries of the proposed annexation.

## **WAIVER OF PROTEST PROCEEDINGS**

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The annexation territory is uninhabited, i.e., fewer than 12 registered voters reside within the territory. The annexation proposal has consent from all landowners of the property proposed for annexation. LAFCO has not received a request from the WVSD or from any other affected local agency, for notice, hearing or protest proceeding on the proposal. Therefore, pursuant to GC §56662(a), LAFCO is considering this proposal without notice or hearing and may waive protest proceedings.

## **ENVIRONMENTAL ASSESSMENT**

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### **Categorical Exemption**

LAFCO of Santa Clara County is the Lead Agency under the California Environmental Quality Act (CEQA) for the proposed annexation of APN: 532-23-037 and APN: 532-23-077 to the West Valley Sanitation District. The proposed annexation is exempt under State CEQA Guidelines §15319(a) & (b) and §15303(d).

*§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 §15303, New Construction or Conversion of Small Structures.*

*§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.*

## **CONSISTENCY WITH LAFCO FACTORS AND POLICIES**

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### **Impacts to Agricultural Lands and Open Space**

The subject parcels are not under a Williamson Act Contract and do not contain open space or agricultural lands as defined in the Cortese Knox Hertzberg Act. Therefore, the proposed annexation will not impact agricultural or open space lands.

### **Logical & Orderly Boundaries**

The subject parcels are within the WVSD's Sphere of Influence and are contiguous to the District's boundary. The subject parcels are located in the Town of Los Gatos and within the Town's USA.

The County Surveyor has reviewed the application and has found that the boundaries are definite and certain. The Surveyor has also determined that the project conforms to LAFCO's policies regarding the annexation of roads. The proposal will not create an island, corridor, or strip. The County Assessor has reviewed the proposal and found that the proposal conforms to lines of assessment.

### **Growth Inducing Impacts**

APN: 532-23-037 is currently developed with a single-family residence and is scheduled to start construction of a home remodel and expansion. The neighboring APN: 532-23-077 is owned by San Jose Water Company and has water storage infrastructure. No further development is proposed.

A sanitary district provides an urban service which promotes urban development. WVSD has a policy to promote cooperation with the land use policies of local municipalities, by requiring annexation to the respective city prior to annexation to the District. WVSD's policy to generally restrict District's annexation of lands outside a city's USA and boundary, is consistent with the Countywide Urban Development

Policies that urban development and urban services occur within cities and not in unincorporated areas, outside cities' Urban Service Areas.

The subject parcels and all of the properties within their immediate vicinity are located within the Town of Los Gatos and the Town's USA. As such, both the Town and LAFCO have anticipated that the subject parcels and the surrounding parcels will eventually be provided with urban services and developed consistent with the Town's rules and regulations

Annexation of any additional lands to the WVSD would require LAFCO's approval and LAFCO would conduct the required environmental analysis, including the consideration of the growth inducing impacts of such a proposal at that time.

### **Ability of District to Provide Services**

WVSD has indicated that it has adequate sewer capacity to provide sanitary sewer services to the single family home located on the APN: 532-23-037 without detracting from the existing service levels within the District. APN: 532-23-077 does not have a foreseeable need to connect to the sanitary sewer system.

According to WVSD staff, there is an existing 8-inch WVSD sanitary sewer on the property to the north of APN: 532-23-037. The property owner of APN: 532-23-037 has made arrangements with the owner of the property to the north (APN: 532-23-115) to obtain a private sanitary sewer easement in order to install a 4-inch private sanitary sewer lateral to the existing sewer. The existing 8-inch sewer has adequate capacity to accommodate the flow from the proposed annexation.

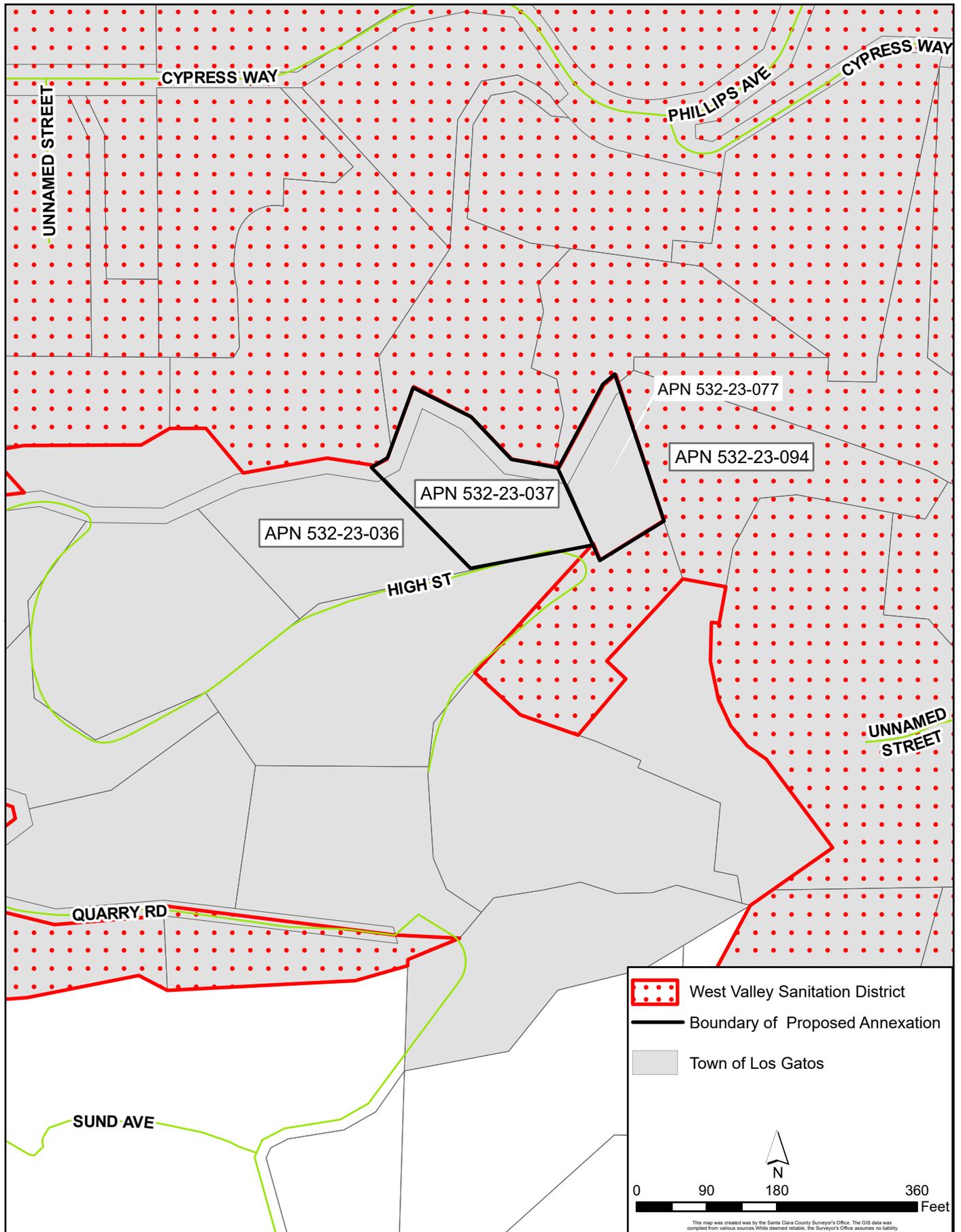
### **ATTACHMENTS**

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- |               |   |
|---------------|---|
| Attachment A: | Overview Map depicting the proposed annexation in relation to the West Valley Sanitation District and Town of Los Gatos boundaries. |
| Attachment B: | Legal Description (Exhibit "A") and Map (Exhibit "B") of Proposed Annexation to the West Valley Sanitation District                 |

# West Valley Sanitation District 2018-01 (High Street)

**ITEM #9**  
**Attachment A**





**EXHIBIT A**  
**“WEST VALLEY SANITATION DISTRICT 2018-01, (HIGH STREET)”**  
**ANNEXATION TO WEST VALLEY SANITATION DISTRICT**  
**GEOGRAPHIC DESCRIPTION**

Situate in Section 22, Township 8 South, Range 1 West, Town of Los Gatos, County of Santa Clara, State of California.

Being all of the lands as described in Book 6045 of Official Records, at Page 484, and all of the lands as described in Document Number 23050385, Official Records of Santa Clara County, and being more particularly described as follows;

BEGINNING AT A POINT on the centerline of High Street (20 feet wide), said point being a point on the northerly line of “Annexation 2001-3, High Street”, recorded December 21, 2001, as Document No. 16024709, in the Office of the County Recorder of Santa Clara County, and said point being the northeasterly terminus of the course listed as “North 43 Degrees 53 Minutes East a distance of 224.75 feet “.

1. Thence, from said POINT OF BEGINNING, leaving said northerly line, along said centerline of High Street, South 79°00'00" West 183.48 feet to the most southerly corner of the lands shown as “Gross Area= .795 Ac.” On that certain Record of Survey for E.K. & W.F. Swinyer, filed for record January 13, 1959, in Book 101 of Maps at Page 23, in said Office of the County Recorder, said point also being the most southerly corner of the lands as described in said Document Number 23050385 County of Santa Clara Records;
2. Thence, leaving said centerline of High Street, North 33°04'00" West 172.24 feet, along the southwesterly line of said Document Number 23050385, as said line is shown on said Record of Survey (101 m 23), to the centerline of North Quarry Road (20 feet wide) and the southerly boundary line of the West Valley Sanitation District Annexation Number 1960-2 (County Sanitation District No. 4);

Thence, along said southerly boundary line, the following five (5) courses;

3. Thence, North 62°58'00" East 14.43 feet;
4. Thence, North 21°09'00" East 91.50 feet;
5. Thence, South 61°46'00" East 69.50 feet;
6. Thence, South 42°54'00" East 78.12 feet;
7. Thence, South 79°49'00" East 57.00 feet to the southerly terminus of the course listed as “N 83°11' W 15.44 feet” ANNEXATION 1980-6 TO SANITATION DISTRICT NO. 4;

Thence, along the general southerly boundary of said ANNEXATION 1980-6, the following three (3) courses:

8. Thence along last said course, South 79°49'00" East 15.43 feet;
9. Thence, North 29°00'00" East 124.45 feet;
10. Thence, North 51°53'00" East 14.74 feet, to a point on a course listed as "S 16° 57' 40" E 264.72 feet" as described in "COUNTY SANITATION DISTRICT NO. 4 OF SANTA CLARA COUNTY, CALIFORNIA ANNEXATION 1969-3";
11. Thence along last said line, South 16°59'00" East 185.90 feet, to the northerly terminus of the course listed as "North 51 Degrees 55 Minutes East a distance of 95.86 feet" in said Document Number 16024709, Santa Clara County Records;

Thence, along the general northerly line of last said Document Number 16024709, Santa Clara County Records the following two (2) courses:

12. Thence from said northerly terminus, along last said listed course, South 51°55'00" West 95.70 feet, to the southerly terminus of the course listed as "South 23 Degrees 11 Minutes East a distance of 22.80 feet" in said Document Number 16024709;
13. Thence, along last said listed course, North 23°11'00" West 22.80 feet to said POINT OF BEGINNING.

Containing 50,641 square feet or 1.16 acres of land, more or less.

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

**END OF DESCRIPTION**



Joel Garcia, P.L.S..

L.S. No.. 5285

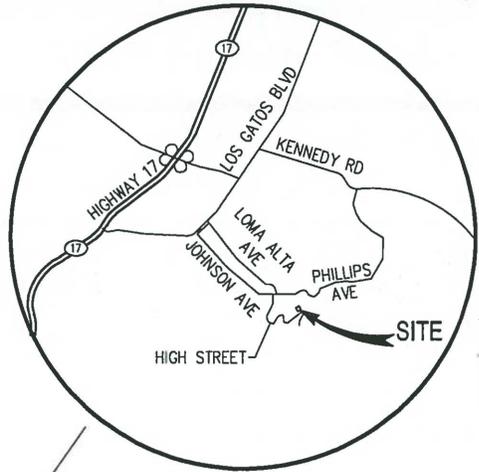
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Revised-01/10/2019, 01/24/2019



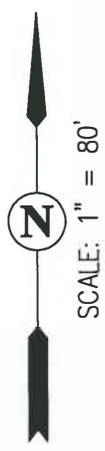
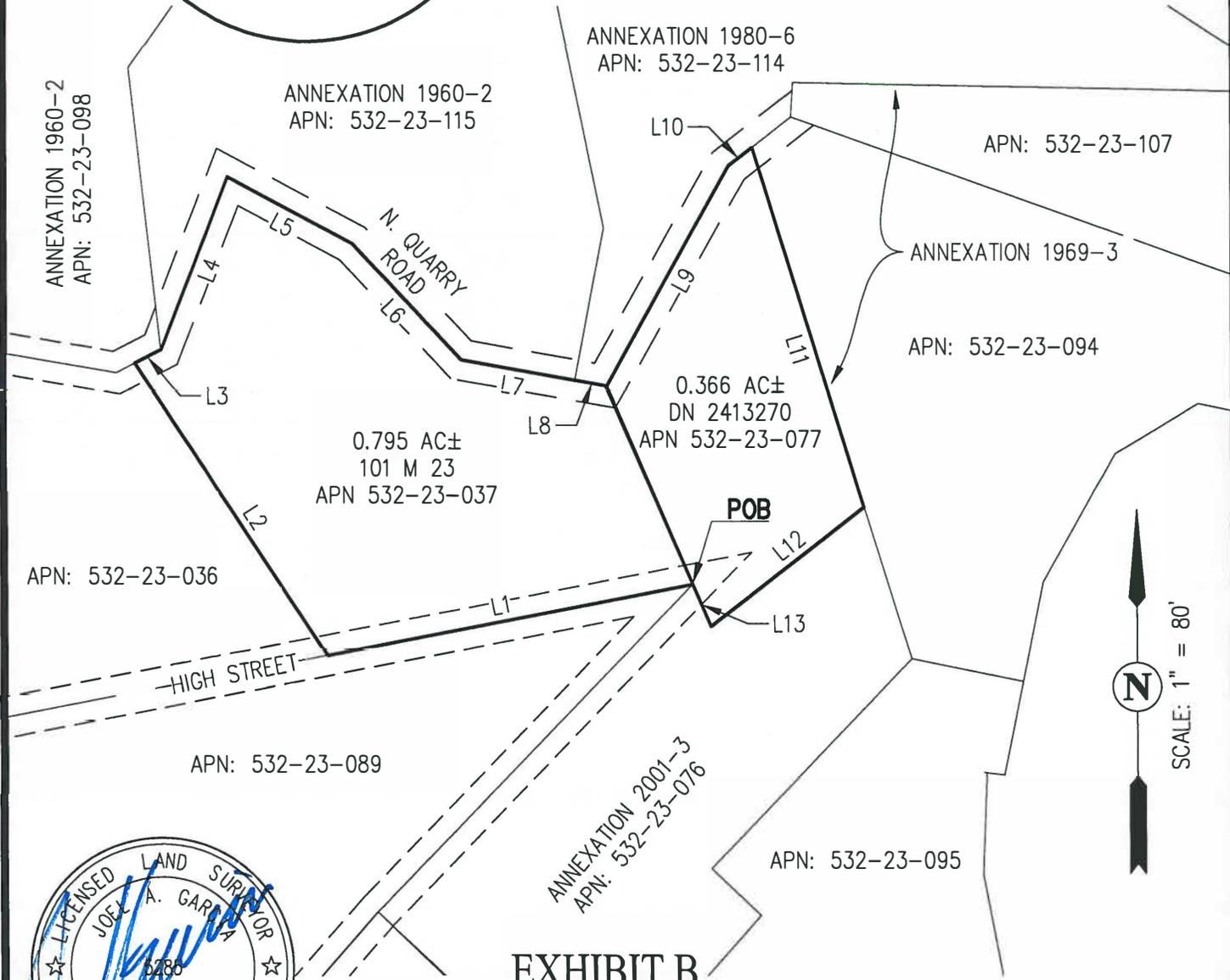
**LEGEND**

-  ANNEXATION BOUNDARY
-  EXISTING WEST VALLEY SANITATION DISTRICT DISTRICT LIMIT
-  LOT LINE
-  POB POINT OF BEGINNING



**VICINITY MAP**

NOT TO SCALE



**EXHIBIT B**

WEST VALLEY SANITATION DISTRICT  
 ANNEXATION 2018-01 (HIGH STREET)  
 HIGH STREET, LOS GATOS, CA  
 SCALE 1" = 80' JANUARY 2019

SHEET 1 OF 2

**Carlson, Barbee & Gibson, Inc.**

CIVIL ENGINEERS • SURVEYORS • PLANNERS  
 SAN RAMON • (925) 866 - 0322  
 WEST SACRAMENTO • (916) 375 - 1877

LINE TABLE		
NO	BEARING	LENGTH
L1	S79°00'00"W	183.48'
L2	N33°04'00"W	172.24'
L3	N62°58'00"E	14.43'
L4	N21°09'00"E	91.50'
L5	S61°46'00"E	69.50'
L6	S42°54'00"E	78.12'
L7	S79°49'00"E	57.00'
L8	S79°49'00"E	15.43'
L9	N29°00'00"E	124.45'
L10	N51°53'00"E	14.74'
L11	S16°59'00"E	185.90'
L12	S51°55'00"W	95.70'
L13	N23°10'19"W	22.80'

## EXHIBIT B

WEST VALLEY SANITATION DISTRICT  
ANNEXATION 2018-01 (HIGH STREET)  
HIGH STREET, LOS GATOS, CA  
JANUARY, 2019

SHEET 2 OF 2

### **Carlson, Barbee & Gibson, Inc.**

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**Local Agency  
Formation Commission  
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777 North First Street  
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San Jose, CA 95112  
SantaClaraLAFCO.org

**Commissioners**  
Susan Ellenberg  
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**Alternate Commissioners**  
Cindy Chavez  
Maya Esparza  
Yoriko Kishimoto  
Russ Melton  
Terry Trumbull  
**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: February 6, 2019**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Asst. Executive Officer**

**SUBJECT: PROCESS FOR APPOINTMENT OF LAFCO PUBLIC  
MEMBER AND ALTERNATE PUBLIC MEMBER**

### **STAFF RECOMMENDATION**

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Determine process for appointment of public and alternate public member whose terms expire in May 2019. Appointment will be made at the April 2019 LAFCO meeting.

### **BACKGROUND**

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LAFCO public member, Susan Vicklund Wilson's and alternate public member, Terry Trumbull's terms expire in May 2019. Both the commissioners have expressed interest in being reappointed to LAFCO for 4-year terms starting in May 2019.

Government Code Section 56327 requires that the public member be appointed by the other members of the commission. The statute leaves the public member selection process to the discretion of the commission except to provide that the public member must not be a resident of a city which is already represented on the commission.

### **Two Options**

LAFCO has two options for the appointment of the public member and alternate public member:

**Option 1: Reappoint Public Member Susan Vicklund Wilson and Alternate Public Member Terry Trumbull each to a new 4-year term.**

**Susan Vicklund Wilson:** Commissioner Wilson was selected through an interview process by LAFCO in 1995 to serve as the public member. She has since been reappointed to the position in 1999, 2003, 2007, 2011, and 2015. She has served as Chairperson of LAFCO four times, most recently in 2014. Commissioner Wilson has been an involved member of the commission and has made significant contributions – she has volunteered and served on the policy

subcommittee for developing LAFCO's Agricultural Mitigation Policies; she has participated on the technical advisory committees for the countywide fire and water service reviews, and the audit and service review of the El Camino Healthcare District; and she has participated in the selection process for service review consultants and for LAFCO legal counsel.

Furthermore, Commissioner Wilson has been active in CALAFCO (i.e., the state association of LAFCOs). She currently serves on the CALAFCO Executive Board, representing the Coastal Region. She also currently serves on the CALAFCO Legislative Committee, where she assists in the review of proposed legislation and crafts provisions to further LAFCO goals. She also served on the CALAFCO Executive Board for nine years (2003-2011), holding several leadership positions, before completing a term as Chairperson of CALAFCO in 2011. She also served on the CALAFCO Legislative Committee for nine years (2004-2012).

In 2006, she participated in discussions between the California Public Utilities Commission and CALAFCO to promote better communication between water companies and LAFCOs. She has also attended almost all the CALAFCO Annual Conferences since 1995, has served as Program Chair for the 2005 Conference and has been a speaker / moderator at various conference sessions, including as recently as 2018.

**Terry Trumbull:** Alternate Commissioner Terry Trumbull was selected through an interview process to serve as alternate public member in 2003. He has been an active participant on LAFCO, regularly attending LAFCO meetings and some CALAFCO conferences and courses.

If the Commission selects Option 1 as the process for the appointment of the public member and the alternate public member, staff will place the item on the April 3, 2019 LAFCO agenda for action.

**Option 2. Use a formal recruitment process to fill the public member and alternate public member positions**

LAFCO would advertise the positions in the newspaper and on its website. Detailed information regarding the positions would be prepared and posted on the LAFCO website. A filing period would be established. Interested candidates would be required to submit a resume and participate in a group interview to be conducted at the next LAFCO meeting by the six members of the commission, using questions prepared beforehand. Selection would be made at the end of the interview. Current members would be eligible to apply for the positions.

Supplemental Information No. 2  
ITEM # 10

**From:** fam.grzan@charter.net <fam.grzan@charter.net>  
**Sent:** Tuesday, February 5, 2019 2:29 PM  
**To:** Abello, Emmanuel <Emmanuel.Abello@ceo.sccgov.org>  
**Cc:** Palacherla, Neelima <Neelima.Palacherla@ceo.sccgov.org>; Shelle Thomas <biggspl@aol.com>  
**Subject:** RE: Supplemental Information No. 1 to February 6, 2019 LAFCO Meeting - Dear LAFCo Commissioners

Dear LAFCo Commissioners:

I have read the letter from Mayor Rich Constantine from Morgan Hill, and on one point I agree, appointed Commissioners should reflect the values of the communities they represent. Having served as a Councilmember and Mayor Pro Tempore of Morgan Hill, and for having served two terms on the Communities General Plan Task Force, and the crucial Urban Limit Line Committee and many other Boards and Commissions, I believe Commissioner Vicklund Wilson and Alternate Commissioner Trumbull represent the true and best interests of the residents of Morgan Hill and South Santa Clara County. If the Commissioners take the time to read Morgan Hill's General Plan, it is annotated with many many singular goals and objectives consistent with preserving our AG lands and open spaces which are consistent with the records of Commissioners Wilson and Trumbull and consistent with the mission of LAFCo.

These core Morgan Hill and South County values are so much more important than a "fresh approach", more important than age and length of service. They stand well against the test of time, and the influence of powerful special interests, to hold and preserve that which we hold dear to our hearts. I urge the reappointment of Commissioners Wilson and Trumbull, not only as my representatives but for all of Santa Clara County.

Mark Grzan  
680 Alamo Drive  
Morgan Hill, CA 95038  
[fam.grzan@charter.net](mailto:fam.grzan@charter.net)



*"Together We Make A Difference"*

---

P.O. Box 886 ● San Martin, CA 95046  
[info@smneighbor.org](mailto:info@smneighbor.org) ● [www.smneighbor.org](http://www.smneighbor.org)

February 5<sup>th</sup>, 2019

**VIA EMAIL** [[emmanuel.abello@ceo.sccgov.org](mailto:emmanuel.abello@ceo.sccgov.org)]

LAFCO of Santa Clara County  
777 North First Street, Suite 410  
San Jose, CA 95112

**RE: PROCESS FOR APPOINTMENT OF LAFCO  
PUBLIC MEMBER AND ALTERNATE PUBLIC MEMBER**

Dear LAFCO Commissioners,

On behalf of the San Martin Neighborhood Alliance (SMNA), we formally support LAFCO's **Option #1** on the process for appointment of the Public Member and Alternate Public Member to the LAFCO Commission.

Public Member Susan Vicklund Wilson and Alternate Public Member Terry Trumbull have been valuable Commissioners during their tenure. Their ongoing desire to be of service to the public, along with their knowledge of LAFCO policies is invaluable.

Appointment to LAFCO requires expertise in its governance, investment of time and talent, and dedication to serving as a Commissioner; all of which the present Public Member and Alternate Public Member have proven each year.

**Government Code Section 56327** *"requires that the public member be appointed by the other members of the commission"*. Historic records validate the undeniable support to appointments of Public Member Susan Vicklund Wilson and Alternate Public Member Terry Trumbull.

The SMNA Board recommends LAFCO Commission select **Option #1** as the process for the appointment of the Public Member and the Alternate Public Member to LAFCO.

Sincerely,

Trina Hineser - SMNA President

Supplemental Information No. 1  
ITEM # 10

**From:** D. Muirhead <doug.muirhead@stanfordalumni.org>  
**Sent:** Monday, February 4, 2019 3:27 PM  
**To:** Abello, Emmanuel  
**Subject:** LAFCO February 6, 2019, Agenda Item #10: appoint public members [comment]

Dear Local Agency Formation Commission of Santa Clara County,

For your meeting on February 6, 2019, Agenda Item #10, to consider the appointment of the public and alternate public member, I strongly support

Option 1: Reappoint Public Member Susan Vicklund Wilson and  
Alternate Public Member Terry Trumbull each to a new 4-year term.

I have been attending LAFCO Commission meetings since February 2012.

In observing several contentious hearings, I have found that Commissioner Vicklund Wilson and Alternate Commissioner Trumbull have consistently exercised their independent judgment on behalf of the interests of the public as a whole.

In addition, what I see as an extremely important task for the Commission in the coming year is to demonstrate that this institution is one where a Commissioner does not act solely in the interests of his or her appointing authority or from a personal agenda. With the re-appointment of Commissioner Vicklund Wilson and Alternate Commissioner Trumbull, as well as the return of Commissioner LeZotte, the Commission has a solid foundation on which to (re)build the institutional culture necessary to promote sustainable growth and good governance in Santa Clara County.

On a personal note, I appreciate that the public members have come down from the dais and personally thanked me for showing up and participating in LAFCO's important work.

Thank you for your consideration, Doug Muirhead, Morgan Hill.

**From:** Christina Turner <Christina.Turner@morganhill.ca.gov>  
**Sent:** Tuesday, February 5, 2019 7:12 AM  
**To:** Susan@svwilsonlaw.com  
**Cc:** Ellenberg, Supervisor; District2@sanjoseca.gov; rrennie@losgatosca.gov; district3@openspaceauthority.org; board@valleywater.org; Wasserman, Mike; Palacherla, Neelima; LAFCO; CityCouncil; Donald Larkin; Leslie Little  
**Subject:** ITEM #10 - PROCESS FOR APPOINTMENT OF LAFCO PUBLIC MEMBER AND ALTERNATE PUBLIC MEMBER  
**Attachments:** LAFCO - Appointment of Public Member seat 2-5-19.pdf

Good morning – please find attached a letter from Morgan Hill Mayor Rich Constantine regarding Item #10 for your Board meeting today.

Best regards,  
Christina

## **CITY OF MORGAN HILL**

**Christina J. Turner, CPA**  
**City Manager**

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February 4, 2019

Vice Chairperson Susan Vicklund Wilson  
Santa Clara LAFCO  
777 North First Street, Suite 410  
San Jose, CA 95112

**RE: ITEM #10 - PROCESS FOR APPOINTMENT OF LAFCO PUBLIC MEMBER AND ALTERNATE PUBLIC MEMBER - February 5, 2019 LAFCO Meeting**

Dear Vice Chairperson Vicklund Wilson:

Item #10 on the February 5, 2019 Santa Clara County Local Agency Formation Commission (LAFCO) agenda is the consideration of re-appointment of the existing public member and alternate public Board member positions or establishment of a process to seek out new voices to contribute to the dialogue of the important decisions made by LAFCO. The City of Morgan Hill believes that a core value held by the County, Santa Clara County cities, and many special districts is a commitment to community engagement, transparency, and diversity. We urge LAFCO to make every effort to engage broadly with the community to find members of the public who represent the rich diversity, experience, and age variations of the many communities residing within the county, and seek their interest in serving on the Board, allowing others to become involved in making decisions about the place in which they live.

The staff report cites “special knowledge of LAFCO” as a key reason to retain the current public members of the Board. Morgan Hill’s experience is that there are many smart, diligent public member candidates with the ability to “handle” the LAFCO learning curve, just as they do when they decide to serve on Planning Commissions, Design Boards, and/or seek School Board/City Council/Supervisor positions. The non-public member appointees of the current Board often come to the mission with little or no experience with LAFCO and are rotated with regular frequency. Morgan Hill believes that public member representatives can do the same and deserve the chance.

As cited in the 2016-17 Civil Grand Jury Report Entitled “LAFCO Denials: A High-School Caught in the Middle”, the Grand Jury encouraged LAFCO to seek new membership to the Commission. Specifically, in the findings, Finding Number 8 and the corresponding August 16, 2017 LAFCO response was:

**FINDING 8**

The same individual has held a seat on the Local Agency Formation Commission for 20 consecutive years.

**LAFCO Response**

LAFCO agrees with the finding. Prior to expiration of the public member's 4-year term, the Commission considers whether or not to reappoint the public member to another term. Over the years, the Commission has voted unanimously to reappoint the public member to another 4-year term rather than recruit for a new member to fill the position. Due to the complexity of LAFCO and the extensive learning curve involved in LAFCO matters, serving on LAFCO for some length of time is beneficial.

Additionally, the Grand Jury made a recommendation regarding this position.

**RECOMMENDATION 8**

The Local Agency Formation Commission should establish by policy that a commissioner can serve in a specified position for a set number of years.

**LAFCO Response**

This recommendation will not be implemented because it is not warranted. Appointments to LAFCO are made consistent with State law (Government Code §56327). Six of the seven commissioners on LAFCO are appointed by legislative bodies or selection committees, as specified under State law. These six LAFCO commissioners appoint a public member to serve on LAFCO for a 4-year term. While State law does not limit the number of terms a commissioner may serve, LAFCO and other appointing bodies have the ability to either reappoint or select a new member to serve on LAFCO at the end of a commissioner's 4-year term. Due to the complexity of LAFCO and the extensive learning curve involved in LAFCO matters, serving on LAFCO for some length of time is beneficial.

The City urges LAFCO to create an extensive engagement and formal recruitment process to find candidates who have a fresh perspective, broader representation, and are willing to share their time and talent. We take great pride in doing extensive searches for Commissioners and Council Members who represent the community at large. Morgan Hill is requesting you do the same by launching a public engagement campaign, focusing on unrepresented communities, and ultimately select a candidate that represents diversity and inclusiveness on the future LAFCO Board. We are happy to partner with you on this process.

Sincerely,



Rich Constantine, Morgan Hill Mayor

cc: Commissioner Ellenberg  
Commissioner Hall  
Commissioner Jimenez  
Commissioner LeZotte  
Commissioner Rennie  
Commissioner Wasserman  
Neelima Palacherla, Executive Officer  
Morgan Hill City Council



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**Executive Officer**  
Neelima Palacherla

**LAFCO MEETING: February 6, 2019**

**TO: LAFCO**

**FROM: Neelima Palacherla, Executive Officer  
Lakshmi Rajagopalan, Analyst**

**SUBJECT: FINANCE COMMITTEE FOR FISCAL YEAR 2019-2020**

### **STAFF RECOMMENDATION**

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Establish a committee composed of three commissioners to work with staff to develop and recommend the proposed the FY 2019-2020 LAFCO work plan and budget for consideration by the full commission.

### **BACKGROUND**

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The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO, as an independent agency, to annually adopt a draft budget by May 1 and a final budget by June 15 at noticed public hearings. Both the draft and the final budgets are required to be transmitted to the cities, the special districts and the County. LAFCO's Finance Committee will discuss and recommend the FY 2019-2020 LAFCO work plan and budget to the full Commission for adoption.

The time commitment for commissioners serving on this committee would be limited to 1 or 2 meetings, between the months of February and May.





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Neelima Palacherla

**LAFCO MEETING: February 6, 2019**  
**TO: LAFCO**  
**FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, Asst. Executive Officer  
Lakshmi Rajagopalan, Analyst**  
**SUBJECT: EXECUTIVE OFFICER’S REPORT**

**12.1 PRESENTATION TO MORGAN HILL CITY COUNCILMEMBER ON LAFCO**

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**For Information Only.**

On January 7, 2019, Executive Officer Palacherla and Asst. EO Noel met with the Honorable Rene Spring, Mayor Pro Tempore for the City of Morgan Hill. Staff provided an overview of LAFCO and discussed the various factors that LAFCO must consider when evaluating an urban service area (USA) amendment application. Mr. Spring and LAFCO staff also discussed the City of Morgan Hill’s most recent USA amendment application.

**12.2 PRESENTATION TO THE COUNTY EXECUTIVE’S OFFICE OF BUDGET AND ANALYSIS**

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**For Information Only.**

At the invitation of the County Executive’s Office of Budget and Analysis (OBA), Executive Officer Palacherla and Asst. EO Noel attended their training session on January 18, 2019 to provide a presentation and an overview of LAFCO and special districts in Santa Clara County. Over 15 OBA staff members attended the training session. LAFCO staff discussed LAFCO’s mandate and purpose, and the Commission’s role in providing greater oversight of special districts. Staff also highlighted the various resources, such as service review reports / recommendations, maps, and profiles, that are readily available on the LAFCO website regarding special districts in the county.

**12.3 MEETING ON SANTA CLARA COUNTY’S AUDIT OF THE LOS ALTOS HILLS COUNTY FIRE PROTECTION DISTRICT**

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**For Information Only.**

As a follow-up to prior discussions, Executive Officer Palacherla, on October 19, 2018, met with staff from the Santa Clara County Management Audit division

working on an audit of the Los Altos Hills County Fire Protection District. EO Palacherla referenced LAFCO's 2010 Fire Service Review Report, and in response to inquiries, discussed LAFCO's role with regard to assessment / oversight of fire districts in the county.

#### **12.4 MEETING ON SAN PEDRO PERCOLATION PONDS**

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##### **For Information Only.**

On October 22, 2018, in response to an inquiry from the Santa Clara Valley Water District (SCVWD) staff, LAFCO staff met with staff from the SCVWD, County, and Santa Clara Valley Open Space Authority in order to discuss the SCVWD's San Pedro Percolation Ponds and potential options for increasing groundwater recharge in southern Santa Clara County. Meeting attendees agreed to have further discussions on these issues and to help identify and explore various options.

#### **12.5 MEETING ON GROUNDWATER SUPPLY AND QUALITY IN SOUTH COUNTY**

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##### **For Information Only.**

As part of an ongoing interjurisdictional discussion about how to address the issue of struggling small water systems in the County, LAFCO staff and staff from the State Water Resources Control Board's Department of Drinking Water, County Planning Department, and County Department of Environmental Health (DEH) met with Santa Clara Valley Water District (SCVWD) staff on October 25, 2018 in order to learn more about groundwater supply and quality in southern Santa Clara County and the District's sustainable groundwater management program. SCVWD staff also discussed how they review and provide comments to the County Planning Department on larger development proposals, particularly concerning the adequacy of water supply and quality and impacts to the groundwater basin. The group agreed that such reviews and comment letters are also important for consideration of certain ordinance changes, such as the County's proposed streamlining of the agricultural employee housing permit process.

#### **12.6 MEETING WITH CITY OF SARATOGA STAFF ON POTENTIAL ANNEXATION OF MOUNTAIN WINERY**

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##### **For Information Only.**

On November 1, 2018, Executive Officer Palacherla and Asst. EO Noel met with Debbie Pedro, Saratoga Community Development Director, to discuss the City's potential annexation of the properties that are part of the Mountain Winery. LAFCO staff discussed the type of LAFCO boundary changes that would be required, the applicable policies, and the general application process. LAFCO staff noted that it has been longstanding County General Plan policy and West Valley Cities' policy, including Saratoga, that West Valley Cities not expand westward in order to limit urban growth and development in the hillsides. LAFCO staff encouraged City staff to consider these policies as part of their analysis and consideration process.

## **12.7 CONFERENCE CALL WITH CITY OF GILROY STAFF ON POTENTIAL URBAN SERVICE AREA EXPANSIONS**

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### **For Information Only.**

On November 6, 2018, as a follow-up to an ongoing discussion, Gilroy Planning Department staff had a conference call with LAFCO staff to discuss various urban service area amendments and annexations that the City of Gilroy is considering, including one that would involve Gilroy's Sports Park. LAFCO staff encouraged the City to consider how these potential amendments fit into the city's long-term urban growth and conservation planning priorities. LAFCO staff and Gilroy staff anticipate having further discussions, once the City determines its plans.

## **12.8 MEETING ON COUNTY'S PROPOSED AGRICULTURAL EMPLOYEE HOUSING PERMIT STREAMLINING PROVISIONS**

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### **For Information Only.**

County DEH staff coordinated a meeting with various agencies' staff (LAFCO, State Water Resources Control Board's Department of Drinking Water, and SCVWD) and the County Planning Office to discuss the County Planning Office's proposed agricultural employee housing permit streamlining provisions. LAFCO staff attended the December 13, 2018 meeting to learn more about the proposed permit streamlining for agricultural employee housing in unincorporated Santa Clara County. County Planning staff provided an overview of the proposed zoning ordinance amendments and staff from the various agencies requested clarification about certain provisions. County Planning staff agreed to consider the issues raised by the group and to meet with the group in January 2019 in order to share the new draft ordinance and receive further feedback. LAFCO staff will continue to update the Commission on this matter.

## **12.9 MEETINGS WITH PROPERTY OWNERS AND DEVELOPERS ON VARIOUS ISSUES**

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### **For Information Only.**

In response to an inquiry, Executive Officer Palacherla and Asst. EO Noel met with representatives of Integral Properties, a residential developer, about their potential plans to seek an amendment of Morgan Hill's Urban Service Area to include a 13.3-acre parcel located at 600 West Edmundson in the unincorporated area outside of Morgan Hill. At the November 1, 2018 meeting, staff provided a brief overview of LAFCO, including its mission/mandate, urban service area amendment policies, and general application process. The developers requested staff's professional opinion on how realistic their plans were. Staff reiterated the various factors that LAFCO is required to consider for such proposals and directed the developers to discuss this with the City, as the City would be the applicant for such a proposal. LAFCO staff also recommended that the developers ask the City what its long-term urban growth and conservation planning priorities are and how their proposal would fit in to the City's priorities.

In response to another inquiry, EO Palacherla met with Mr. and Mrs. Giancola on December 20, 2018, concerning potential water/sewer service extensions from the City of Morgan Hill to their property. The Giancola's property is located outside of Morgan Hill and outside of Morgan Hill's USA and relies on a septic system and well for wastewater management and water services. EO Palacherla discussed the relevant LAFCO policies and processes and recommended that they work with the County's Department of Environmental Health (DEH) in order to document the current condition and concerns with the well and septic system; and evaluate potential onsite service options as a first step, prior to applying for city service extension.

#### **12.10 QUARTERLY MEETING WITH SANTA CLARA COUNTY PLANNING DEPARTMENT STAFF**

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##### **For Information Only.**

Beginning in December 2018, LAFCO staff and County Planning Department staff began having quarterly meetings to inform and discuss issues of common interest or concern. At the December 13, 2018 quarterly meeting, LAFCO staff and County staff discussed the following: 1) a proposed farmworker housing development outside of Gilroy; 2) the City of Saratoga's potential annexation of properties that are part of Mountain Winery; and 3) the County's Agricultural Plan and implementation efforts.

#### **12.11 SANTA CLARA COUNTY SPECIAL DISTRICTS ASSOCIATION MEETING**

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##### **For Information Only.**

On December 3, 2018, Executive Officer Palacherla attended the quarterly meeting of the Santa Clara County Special Districts Association (SDA) and provided a report on various LAFCO activities of interest to special districts. The meeting included an award presentation for the student video contest conducted by SDA. The meeting also included discussions on amendments to SDA Bylaws, budget and proposed meeting schedule for 2019. Meeting attendees provided reports and shared information on current projects or issues of interest at their district. The next meeting of the SDA is scheduled for March 4, 2019.

#### **12.12 SANTA CLARA COUNTY ASSOCIATION OF PLANNING OFFICIALS MEETINGS**

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##### **For Information Only.**

Executive Officer Palacherla attended the November 7, 2018 meeting of the SCCAPO that was hosted by the City of Milpitas and held at the Silicon Valley Customer Experience Center of Flex LTD. At the meeting, staff from the Metropolitan Transportation Commission provided an update on Horizon/Bay Area Plan 2050. Attendees also discussed the formation of Regional Housing Need Allocation sub-regions for the purpose of providing cities and the County more flexibility to comply with state mandated housing allocations.

EO Palacherla and Asst. EO Noel attended the January 9, 2019 meeting of the SCCAPO that was hosted by the City of San Jose. The meeting was held at the Martin Luther King Jr. Library and included presentations by City of San Jose staff on the various planning and implementation efforts underway aimed at making downtown San Jose a vibrant place to live, work, and play. San Jose State University staff also made a brief presentation on the future of the University and its collaborative efforts with the City of San Jose in support of reshaping downtown San Jose.

### **12.13 INTER-JURISDICTIONAL GIS WORKING GROUP MEETING**

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#### **For Information Only.**

Asst. EO Noel and Analyst Rajagopalan attended the November 15, 2018 Inter-Jurisdictional GIS Working Group that includes various County departments that use and maintain GIS data, particularly LAFCO related data. The group highlighted the success of GIS Day 2018 event which was hosted by the County and also discussed the purpose and focus of the group and the current communication and notification process for a jurisdictional boundary change. The next meeting is scheduled for February 2019 via Skype.





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Neelima Palacherla

**LAFCO MEETING: February 6, 2019**  
**TO: LAFCO**  
**FROM: Neelima Palacherla, Executive Officer  
Lakshmi Rajagopalan, Analyst**  
**SUBJECT: CALAFCO RELATED ACTIVITIES**

### **13.1 2019 CALAFCO STAFF WORKSHOP**

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#### **Recommendation**

Authorize staff to attend the 2019 CALAFCO Staff Workshop and authorize travel expenses funded by the LAFCO budget.

#### **Discussion**

The CALAFCO Annual Staff Workshop is scheduled for April 10 – April 12 at San Jose at the Holiday Inn San Jose-Silicon Valley. Santa Clara LAFCO is hosting the Workshop and staff has been working with Pamela Miller, CALAFCO Executive Officer, to help finalize these plans.

Santa Clara LAFCO, as the workshop host, is responsible for organizing an interesting and informative mobile workshop for interested participants. The mobile workshop will take place on the morning of the first day of the workshop. The workshop will conclude with a lunch and group discussions. Also, traditionally a Commissioner from the host LAFCO welcomes workshop attendees with a brief address.

Staff have also been serving on the 2019 CALAFCO Staff Workshop Program Planning Team to plan the workshop program.

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 2019 includes funds for staff to attend the Workshop.

### **13.2 CALAFCO BOARD OF DIRECTORS MEETINGS**

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#### **For Information Only**

In October 2017, Commissioner Vicklund Wilson was elected to the CALAFCO Board of Directors to represent the Coastal Region as a Public Member. As a Director,

Commissioner Wilson works with other LAFCO commissioners throughout the state on legislative, fiscal and operational issues that affect LAFCO, counties, and special districts. The CALAFCO Board meets approximately five to six times a year at alternate sites around the state. Commissioner Wilson attended the October 5, 2018 CALAFCO Board Meeting, as part of the annual CALAFCO Conference in Fish Camp. At the meeting, the results of the election of the 2018-2019 CALAFCO Board of Directors were reported, the Board meeting schedule for 2019 was adopted, Legislative Committee Staff appointments were made, and a new CALAFCO Deputy Executive Officer was appointed.

Commissioner Wilson also attended the December 8, 2018 CALAFCO Board meeting in Sacramento. At the meeting, the Board discussed financial and administrative reports presented by the CALAFCO Executive Director and made Board appointments to various committees. The Board reviewed CALAFCO's legislative issues and policies/priorities in order to provide input and direction to CALAFCO's Legislative Committee. The Board also brainstormed topics for its February 28, 2019 strategic planning session and received updates on CALAFCO University, CALAFCO's Survey, and the upcoming 2019 CALAFCO Staff Workshop.



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**LAFCO MEETING: February 6, 2019**  
**TO: LAFCO**  
**FROM: Neelima Palacherla, Executive Officer  
Lakshmi Rajagopalan, Analyst**  
**SUBJECT: LEGISLATIVE REPORT**

### **STAFF RECOMMENDATION**

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For Information Only.

### **2018 LEGISLATION OF PARTICULAR INTEREST TO SANTA CLARA LAFCO**

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The following is a report on the bills signed into law by the Governor in 2018, that are of relevance to Santa Clara LAFCO:

#### **AB 2238 (Aguiar-Curry) Hazard Mitigation Plan and Safety Element**

This bill amends GC §56668 and adds a new factor for LAFCOs to consider when reviewing a proposal. That factor is information contained in a local hazard mitigation plan, information contained in a safety element of a general plan and any maps that identify land as a very high hazard zone pursuant to Government Code §51178 or maps that identify land determined to be in a state responsibility area pursuant to Public Resources Code §4102, if it is determined that such information is relevant to the area that is the subject of the proposal.

The bill also requires the Commission to consider assessed valuation rather than per capita assessed valuation.

#### **AB 2600 (Flora) Regional Park and Open Space Districts**

This bill adds §5503.5 to the Public Resources Code and allows for the formation of a new regional park and open space district by the adoption of a resolution of application by the legislative body of any county or city that contains the territory proposed to be included in the district, in lieu of initiation by petition as described in §5503. This bill requires the resolution to contain certain information, including the methods by which the district would be financed. The bill also requires a public hearing before the adoption of the resolution.

## **AB 3254 (Assembly Local Government Committee) Omnibus Bill**

This is the Assembly Local Government Omnibus bill that makes several non-substantive changes to the Cortese Knox Hertzberg Act. The bill:

- Revises the definition for “affected territory” to include territory that is to receive extended services (§56015)
- Adds a definition for the term “uninhabited territory” (§56079.5)
- Clarifies that the requirement to mail notice to all registered voters and landowners within 300 feet of the property subject to the hearing applies only in the case of commission proceedings and not for protest proceedings” (§56157)
- Revises the independent special district selection committee procedures to allow the executive officer to prepare and deliver a call for nominations to each eligible district. If only one candidate is nominated for a vacancy, the bill will, at the end of the nominating period, require that candidate to be appointed if a specified disclosure is made in the written notice of the meeting (§56332)
- Requires all notices and election material to be addressed to the presiding officer (§56332)
- Specifies that “disincorporation” is included in the provisions under which the Commission determines the property tax revenue to be exchanged by affected local agencies (§56375)
- Renumbers the code section §56880 to §56879.5 to avoid duplication with existing Govt. Code §56880

## **SB 1215 (Hertzberg) Provision of Sewer Service to Disadvantaged Communities**

This bill adds Chapter 4.3 (commencing with §13288) to Division 7 of the Water Code. This bill authorizes Regional Water Quality Control Boards (regional boards) to order the provision of sewer service by a special district, city, or county to a disadvantaged community served by inadequate onsite sewage treatment systems, under specific circumstances, in order to protect drinking water and ground water supplies.

## **SB 929 (McGuire) Independent Special Districts Internet Websites**

This bill adds §6270.6 and §53087.8 to the Government Code and requires all independent special districts to maintain an internet website with contact information by January 1, 2020, and to confirm to existing requirements that local agency websites are obligated to follow. The bill exempts independent special districts from establishing or maintaining a website, if the district’s governing board annually adopts a resolution determining that maintaining a website would impose a hardship on the district, supported by specific information.

## **REPORT ON CALAFCO LEGISLATIVE COMMITTEE MEETINGS**

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The CALAFCO Legislative Committee held its first meeting for the 2019 session as a conference call on October 26, 2018. Executive Officer Palacherla participated in the brief meeting. The Committee reviewed the 2019 Legislative Committee meeting calendar and guidelines; reviewed the Omnibus bill process; and discussed some of the issues and priorities for the upcoming year.

Commissioner Vicklund Wilson and EO Palacherla attended the second meeting of the Legislative Committee on December 14, 2018 via conference call. The Committee discussed various proposals for inclusion in the 2019 Omnibus Bill and received an update on the CALAFCO Board's discussion regarding its 2019 legislative priorities and actions.

The third meeting of the Legislative Committee was held on January 25, 2019 as a conference call and EO Palacherla participated in the meeting. The Committee received an update on the 2019 Omnibus bill and engaged in a discussion of strategies for the protest provisions revision. The Committee is scheduled to meet on February 22, 2019 in Sacramento and then on March 22, 2019 in San Diego.





**ITEM #18.1**

2500 Grant Road  
Mountain View, CA 94040-4378  
Phone: 650-940-7000  
[www.elcaminohospital.org](http://www.elcaminohospital.org)

December 12, 2018

**VIA E-MAIL ([NEELIMA.PALACHERLA@CEO.SCCGOV.ORG](mailto:NEELIMA.PALACHERLA@CEO.SCCGOV.ORG))  
AND U.S. MAIL**

Neelima Palacherla, Executive Officer  
Santa Clara County Local Agency Formation Commission  
777 North First Street, Suite 410  
San Jose, CA 95112

Re: El Camino Hospital Corporation – Notice of Intent to Purchase of Real Property

Dear Ms. Palacherla:

In the interest of transparency, accountability and full disclosure, we are writing to inform the Santa Clara County LAFCO that El Camino Hospital, a California nonprofit public benefit corporation (“El Camino Hospital”) intends to purchase property in Los Gatos, California. The property is currently under contract and the transaction is pending internal review and approvals. The property consists of a 29,000 square foot medical office building on 1.68 acres of land that is directly adjacent to our El Camino Hospital, Los Gatos property. The APN 406-26-017 is located at 700 W. Parr Avenue in Los Gatos.

We also want to reassure the Santa Clara County LAFCO that the El Camino Healthcare District will not fund the purchase, operation or maintenance of this property (which is located outside the Healthcare District’s existing defined service area boundaries). Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads 'Ken King'.

Ken King  
Chief Administrative Services Officer

Cc: (by email)  
Emmanuel Abello, LAFCO Clerk ([Emmanuel.Abello@ceo.sccgov.org](mailto:Emmanuel.Abello@ceo.sccgov.org))  
Dan Woods, CEO, El Camino Hospital ([Dan.Woods@elcaminohospital.org](mailto:Dan.Woods@elcaminohospital.org))  
Gregory B. Caligari, Esq., Cox Castle Nicholson ([gcaligari@coxcastle.com](mailto:gcaligari@coxcastle.com))



**Notification of Nominations – 2019 Election  
SDRMA Board of Directors**

January 24, 2019

Mr. Sequoia Hall  
Chairperson  
Local Agency Formation Commission of Santa Clara County  
777 North First Street, Suite 410  
San Jose, California 95112

Dear Mr. Hall:

Notice of Nominations for the Special District Risk Management Authority (SDRMA) Board of Directors 2019 Election is being provided in accordance with the SDRMA Sixth Amended and Restated Joint Powers Agreement. The following nomination information is enclosed: Nomination Packet Checklist, Board of Director Fact Sheet, Nomination/Election Schedule, SDRMA Election Policy No. 2017-10, sample Resolution for Candidate Nomination and Candidate's Statement of Qualifications Form.

General Election Information - Three Director seats are up for election. The nomination filing deadline is Wednesday, May 1, 2019. Ballots will be mailed to all SDRMA member agencies in mid-May. Mail-in ballots will be due back to SDRMA not later than 4:30 p.m. Wednesday, August 21, 2019.

Nominee Qualifications - Nominees must be a member of the agency's governing body or a management employee (see SDRMA Election Policy 2017-10, Section 4.1) and be an active member agency of both SDRMA's Property/Liability and Workers' Compensation Programs. Candidates must be nominated by Resolution from their member agency's governing body and complete and submit a "Candidate's Statement of Qualifications".

Nomination Documents and Information - Nomination documents (Nominating Resolution and Candidate's Statement of Qualifications) and nomination guideline information may also be obtained on SDRMA's website at [www.sdrma.org](http://www.sdrma.org). To obtain documents electronically:

*From the SDRMA homepage, scroll down and click on the "2019 Nomination & Election Information" box. All necessary nomination documents and election information may be downloaded and printed.*

Term of Office – Directors are elected to 4-year terms. The term of office for the newly elected Directors will begin January 1, 2020 and expire December 31, 2023.

Nomination Filing Deadline – Nomination documents must be received in SDRMA's office no later than 4:30 P.M. on Wednesday, May 1, 2019.

Please contact SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790, if you have any questions regarding the 2019 SDRMA Board of Director Nominations or the election process.

Sincerely,  
Special District Risk Management Authority



Laura S. Gill  
Chief Executive Officer



# 2019 Nomination Packet Checklist



## SDRMA BOARD OF DIRECTORS NOMINATION AND ELECTION GUIDELINES

January 9, 2019, marked the official commencement of the election process for the SDRMA Board of Directors. Three seats on the Board of Directors are up for election in 2019.

**For your convenience we have enclosed the necessary nomination documents and election process schedule.** Please note that some items have important deadlines. All documents contained in this packet, as well as additional information regarding SDRMA Board elections, are available on our website [www.sdrma.org](http://www.sdrma.org) and/or by calling SDRMA Chief Operating Officer Paul Frydendal at 800.537.7790.

\_\_\_ **Attachment One:**     **SDRMA Board of Directors Fact Sheet:** This document reviews the Board of Directors' Roles and Responsibilities along with other important information.

\_\_\_ **Attachment Two:**     **SDRMA Board of Directors 2019 Nomination/Election Schedule:** Please review this document for important deadlines.

\_\_\_ **Attachment Three:**   **SDRMA Election Policy No. 2017-10:** A Policy of the Board of Directors of the Special District Risk Management Authority establishing guidelines for Director elections.

\_\_\_ **Attachment Four:**    **Sample Resolution for Candidate Nomination:** A resolution of the Governing Body of the Agency nominating a candidate for the Special District Risk Management Authority Board of Directors.

\_\_\_ **Attachment Five:**    **Candidate's Statement of Qualifications:** Please be advised that no candidate statements are endorsed by SDRMA. Candidate's Statements of Qualification will be distributed to the membership with the SDRMA election ballot, "exactly as submitted" by the candidate.

**Please complete and return all required nomination and election documents to:**

SDRMA Election Committee  
C/O Paul Frydendal, COO  
Special District Risk Management Authority  
1112 "I" Street, Suite 300  
Sacramento, California 95814



**SDRMA BOARD OF DIRECTORS  
FACT SHEET**



## SDRMA BOARD OF DIRECTORS ROLE AND RESPONSIBILITIES

Special District Risk Management Authority (SDRMA) is a public entity Joint Powers Authority established to provide cost-effective property/liability, worker’s compensation, health benefit coverages and comprehensive risk management programs for special districts and other public agencies throughout California. SDRMA is governed by a Board of Directors elected from the membership by the programs’ members.

Number of Board Members	SDRMA Board of Directors consists of <b>seven Board Members</b> , who are elected at-large from members participating in either program.
Board of Directors’ Role	SDRMA Board of Directors provide effective governance by supporting a unified vision, ensuring accountability, and setting direction based on SDRMA’s mission and purpose, as well as establishing and approving policy to ensure SDRMA meets its obligations and commitment to its members.
Board of Directors’ Responsibilities	Board Member responsibilities include a commitment to: serve as a part of a unified governance body; govern within Board of Directors’ policies, standards and ethics; commit the time and energy to be effective; represent and make policy decisions for the benefit, and in the best interest, of all SDRMA members; support collective decisions; communicate as a cohesive Board of Directors with a common vision and voice; and, operate with the highest standards of integrity and trust.
Three Seats For this Election	Elections for Directors are staggered and held every two years, four seats during one election and three seats in the following election. <b>Three seats are up for election this year.</b>
Term of Directors	Directors are elected for <b>four-year terms</b> . Terms for directors elected this election begin January 1, 2020 and end on December 31, 2023.
Board Member Travel Reimbursement	Board Members are reimbursed for reasonable travel and lodging in accordance with SDRMA Board Policy Manual 2017-01 and applicable laws and are allowed to claim a stipend of \$195 per meeting day or for each day’s service rendered as a Member of the Board.
Number of Meetings per Year	The Board meets from <b>seven to ten times annually</b> with an average of eight board meetings per year. Generally, the Board does not meet more than one meeting per month.
Meeting Location	SDRMA office in Sacramento, CA and at two conference locations.
Meeting Dates	Typically the first Wednesday and Thursday of the month.
Meeting Starting Times	Meetings are typically held <b>1:00 to 5:30 p.m. Wednesday</b> and <b>8:00 to 10:00 a.m. Thursday.</b>
Meeting Length	Meetings are <b>four to six hours</b> on average.
Average Time Commitment	Commitment per month ranges from <b>15 to 20 hours</b> .

*“The mission of Special District Risk Management Authority is to provide risk financing and risk management services through a financially sound pool to California public agencies, delivered in a timely and responsive cost-efficient manner.”*



**SDRMA BOARD OF DIRECTORS  
2019 NOMINATION/ELECTION SCHEDULE**



# 2019 Nomination/Election Schedule



TASK TIMELINE
1/9 Board approves Election Schedule
1/24-25 Mail Notification of Election and Nomination Procedure to Members in January at least 90 days prior to mailing Ballots (111 actual days)
5/1 Deadline to return Nominations
5/2 Tentative Election Comm. Reviews Nominations
5/16-17 Mail Ballots at least 60 days prior to ballot receipt deadline (96 actual days)
8/21 Deadline to Receive Ballots
8/22 Tentative Election Comm. Counts Ballots
8/23 Election Committee Notifies Successful Candidates and Provides Them With Upcoming Board Meeting Schedule
9/25 Directors' Elect Invited to CSDA Annual Conf/SDRMA Breakfast/Super Session
11/6-7 Directors' Elect Invited to SDRMA Board Meeting
1/2020 Newly Elected Directors Seated and Election of SDRMA Board Officers

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**SDRMA BOARD OF DIRECTORS  
ELECTION POLICY NO. 2017-10**





**A POLICY OF THE BOARD OF DIRECTORS OF SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY ESTABLISHING GUIDELINES FOR DIRECTOR ELECTIONS, DIRECTOR APPOINTMENTS, AND CREATION OF A SUPERVISING ELECTION COMMITTEE**

WHEREAS, SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) is a joint powers authority, created pursuant to Section 6500, et. seq. of the California Government Code; and

WHEREAS, the Board of Directors recognizes that it is in the best interest of the Authority and its members to adopt a written policy for conducting the business of the Board; and

WHEREAS, establishing guidelines for Director elections and appointments will help ensure a process that is consistent for all nominees and candidates, will promote active participation by SDRMA members in the election/appointment process, and will help ensure election/appointment of the most qualified candidate(s); and

WHEREAS, the Bylaws provide the Board with the option of conducting the election using a mail-in ballot process; and

WHEREAS, the Board of Directors of SDRMA has an overriding and compelling interest in insuring the accuracy of the election/appointment process of its Board members through the creation of an election committee;

NOW, THEREFORE, it is the policy of the Board of Directors of SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY, until such policy shall have been amended or rescinded, that the following procedures shall be followed when conducting Director elections or filling a Director vacancy by appointment:

**1.0. Election Schedule**

1.1. Not later than the first Board meeting of each election year, the Board of Directors shall approve an election schedule based on the following criteria and time frames.

**2.0. Election Committee**

2.1. The Board of Directors herein establishes an election committee with the following composition, duties and responsibilities; The five (5) members of the Election Committee shall include two presently sitting members of the Board of Directors of SDRMA whose seats are not up for election, the Chief Operating Officer of SDRMA, and the CPA/auditor regularly used and retained by SDRMA at the time of counting ballots of and for an election to the Board of Directors. For good reason found and stated, the Board of Directors of SDRMA may appoint any CPA/auditor who, in the discretion of the Board of Directors, would appropriately serve the Election Committee. The General Counsel for SDRMA shall also sit as a member of the Election Committee with the additional obligation of providing legal advice to the balance of the Committee as legal questions may arise.

**3.0. Member Notification of Election**

3.1. Authority staff shall provide written notification, of an election for the Board of Directors, to all member agencies during January of each election year. Such written notification shall be provided a minimum of ninety (90) days prior to the distribution of ballots and shall include; (1) the number of Director seats to be filled by election; (2) a copy of this nomination and election procedure; and (3) an outline of nomination/election deadline dates.

#### 4.0. Qualifications

- 4.1. A candidate seeking election, re-election or appointment to SDRMA's Board of Directors must be a member of the Governing Body or a management employee of an SDRMA member participating in both the Property/Liability and Workers' Compensation Programs. To qualify as a "management employee," the candidate must be a management-level (as determined by the Governing Body) employee whose wages are reported to the IRS on a "W-2" form. Only one (1) representative from any Member may serve on the Board of Directors at the same time. [Per Bylaws, Article II, (2) (b)]
- 4.2. Each nominated candidate must submit a properly completed "Statement of Qualifications" (required form attached) with an original signature (electronic signatures are not acceptable) on or before the filing deadline in May in order for the candidate's name to be placed on the official ballot. A candidate shall provide responses to all questions on the candidate's "Statement of Qualifications". Each nominated candidate's "Statement of Qualifications" must be filed in SDRMA's office on or before the aforementioned deadline by: (1) personal delivery; (2) U.S. mail; or (3) courier. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed to the membership exactly as submitted by the candidate to SDRMA. However, any attachments submitted by the candidate(s) with the Statement of Qualifications will not be sent by SDRMA with the ballots to any members.
- 4.3. If a nominated candidate elects not to use the provided form "Statement of Qualifications," and prepares instead the candidate's own completed form, the candidate's form must include the title "Statement of Qualifications" and contain exactly all information required and requested by the provided form.

NOTE: The candidate's "Statement of Qualifications" form must be submitted as a part of the nominating process. When ballots are mailed to the membership, each candidate's "Statement of Qualifications" form will be distributed "exactly as submitted" to SDRMA, except that any attachments submitted by the candidate will not be sent to any SDRMA members.

- 4.4. A candidate who does not submit a Candidate's Statement of Qualifications that complies with Section 4.2 or 4.3 will be disqualified by the SDRMA Election Committee.

#### 5.0. Nominating Procedure

- 5.1. Candidates seeking election or reelection must be nominated by action of their respective Governing Body. Only one (1) candidate may be nominated per member agency and one (1) candidate shall not represent more than one (1) member agency. A resolution from the candidate's district/agency Governing Body nominating the candidate must be received by the Authority on or before the scheduled date in May. (A sample of the resolution is enclosed). Actual receipt by the Authority on or before the scheduled deadline date in May is required. The resolution nominating the candidate may be hand-delivered to the Authority or sent by U.S. mail. In the event a candidate is nominated by two (2) or more member agencies, he or she shall represent the member agency whose nominating resolution is first received by the Authority. The other member agency or agencies that nominated the candidate shall be entitled to select a replacement nominee as long as a resolution nominating the replacement is received by the Authority prior to the scheduled deadline date.
- 5.2. A member may not nominate a candidate unless that member is participating in both the Property/Liability and Workers' Compensation Programs and is in "good standing" on the date the nominations are due. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.
- 5.3. No earlier than the day after the deadline for receipt of nominations, the Election Committee, as hereinabove defined and comprised, shall review all nominations received from members, and will reject any nominations that do not meet all of the qualifications specified and set forth in this policy. The Election



Committee's decisions regarding the qualification of nominees are final. Following the Election Committee's review of all nominations, the Election Committee shall direct that a ballot be prepared stating and listing all of the qualified nominees. The ballot of qualified nominees shall be distributed to the membership for election by mail as described below.

- 5.4. Upon verification or rejection of each nominee by the Election Committee, staff will mail acknowledgment to both the nominee and the district/agency of its acceptance or rejection as a qualified nominee for election.
- 5.5. A nominee requesting that his/her nomination be withdrawn prior to the election, shall submit such requests in writing to SDRMA's office a minimum of three (3) days prior to the scheduled date for mailing the ballots. After that date, all qualified nominees names shall appear on the ballot mailed to the membership.

#### 6.0. Terms of Directors

- 6.1. The election of directors shall be held in each odd-numbered year. The terms of the directors elected by the Members will be staggered. Four directors will serve four-year terms, to end on December 31 of one odd-numbered year. Three directors will serve four-year terms, to end on December 31 of the alternate off-numbered year. [Per Bylaws, Article II, (3), paragraph 1].

#### 7.0. Campaigning

- 7.1. SDRMA staff will mail each qualified candidate's "Statement of Qualifications", "exactly as submitted" by the candidate with the ballots to the membership.
- 7.2. Candidates, at their own expense, may distribute additional information to member agency(s) after the ballots have been mailed and prior to the election.
- 7.3. SDRMA staff is prohibited from actively promoting a candidate or participating in the election process while on Authority premises.
- 7.4. SDRMA staff may provide member information, mailing lists, financial reports or operational data and information, that is normally available through the Public Records Act, to candidates to assist them in their research and campaigning. In addition to obtaining such information under the Public Records Act, candidates may request SDRMA staff prepare mailing labels for the distribution of campaign materials to member agencies. Under existing policy, charges will apply for this service. The SDRMA logo is trademarked for use by SDRMA only. Neither the logo, nor any other Trademark of SDRMA may be used in any campaign literature. No campaign literature is to imply support of any candidate by SDRMA.
- 7.5. SDRMA election mailings to the membership, including ballots and candidates' "Statement of Qualifications", shall be sent via first class mail.

#### 8.0. Limitations on Campaigning

- 8.1. As used in this section the following terms have the following meanings:

"Campaign Activity" means any activity that expressly advocates the election or defeat of a candidate or provides direct support to a candidate for his or her candidacy. "Campaign activity" does not include the incidental and minimal use of public resources, such as equipment or office space, for campaign purposes or the use of public resources to nominate a candidate or vote in any Board of Directors election.

"Candidate" means an individual who has been nominated by the Member Agency to have his or her name listed on the ballot for election to the Board of Directors.

"Expenditure" means a payment of Member Agency funds that is used for communications that expressly advocate the election or defeat of a clearly identified candidate. "Expenditure" does not include the use of public funds to nominate a candidate or vote in any Board of Directors election.

"Public resources" means any property or asset owned by the Member Agency, including, but not limited to, land, buildings, facilities, funds, equipment, supplies, telephones, computers, vehicles, travel, and Member Agency-compensated time.

- 8.2. An officer, official, employee, or consultant of a Member Agency may not expend or authorize the expenditure of any of the funds of the Member Agency to support or oppose the election or defeat of a candidate for the Board of Directors.
- 8.3. No officer, official, employee, or consultant of a Member Agency shall use or permit others to use public resources for campaign activity.
- 8.4. At any time during an election campaign, if a Member Agency or its officers, officials, employees or consultants violate this section, that Member Agency shall be ineligible to nominate a candidate for the Board of Directors election in which the violation occurred. Any candidate of an offending Member Agency shall be deemed to have withdrawn his or her candidacy. Prior to declaring a Member Agency ineligible to nominate a candidate or a specific candidate's candidacy withdrawn, the Elections Committee shall hold a hearing to determine whether or not a violation of this section occurred. The hearing shall be conducted pursuant to reasonable procedures that the Elections Committee shall prescribe, provided that the affected Member Agency or candidate shall have an opportunity to dispute the violation. At the conclusion of the hearing, the Elections Committee shall determine by a majority vote whether the violation occurred.

#### 9.0. Balloting

- 9.1. A ballot containing nominees for the Board of Directors, accepted and approved by the Election Committee, shall be mailed by first class mail, to each SDRMA member agency, except as provided in Section 9.2 below, no less than sixty (60) days prior to the deadline for receiving ballots and the closing date for voting. Ballots shall show the date and time the ballots must be received in SDRMA's office. A self-addressed, stamped, return envelope shall be mailed with each ballot.
- 9.2. In the event that the number of qualified/approved nominees is equal to or less than the number of director seats up for election, the mailing of the ballots as outlined in Section 9.1 shall be waived.
- 9.3. Only those qualified nominees approved by the Election Committee will be eligible candidates on the ballot. Write-in candidates shall not be accepted.
- 9.4. It is required that the Governing Body of each member vote on behalf of their agency at a public meeting and the ballot MUST be signed by the agency's Presiding Officer.
- 9.5. A member may not vote unless the member was a member of the Authority in "good standing" on or before the nomination due date for the pending election. "Good standing" is defined as no accounts receivable due to SDRMA which is more than ninety (90) days past due.
- 9.6. A member may cast only one (1) vote for the same candidate. By way of example, if there are four (4) candidates on the ballot, a member may not cast two (2) to four (4) votes for any single candidate. Any ballot casting more than one (1) vote for the same candidate will be considered void.

- 9.7. A member may vote by using the official ballot provided by SDRMA, or a copy of SDRMA's original ballot, or a reasonable duplicate prepared by the member agency. Whichever of the three foregoing formats is used, the ballot must contain an original signature and confirmation that the ballot was approved at a public meeting of the agency's Governing Body. Ballots submitted without an original signature and/or without confirmation that the form of the ballot was approved at a public meeting of the agency's Governing Body will be considered void.
- 9.8. Ballots may be returned using either hand-delivered or mailed in ballots - faxed or e-mailed ballots will not be accepted. Mailed in ballots must be addressed to, and hand-delivered ballots must be delivered to, the Special District Risk Management Authority office presently located at 1112 I Street, Suite 300, Sacramento, California 95814-2865.
- 9.9. Any ballot received after the specified deadline will not be counted and will be considered void.

#### 10.0. Election Results

- 10.1. All ballots will be opened and counted at SDRMA's office only after the deadline for receiving ballots. Ballots will be opened by SDRMA's Election Committee, no more than five (5) days after the closing deadline. Candidates receiving the highest number of votes shall be declared the elected director(s).
- 10.2. In the event of a tie, a coin toss shall be used to determine the elected director. The coin toss shall be conducted by the Election Committee at the time and place of the conclusion of counting ballots.

PROCEDURE: In the event more than two (2) candidates tie, the coin toss shall be between two (2) candidates at a time based on the order in which their name appeared on the ballot. This process shall be repeated, as needed, in cases where there are more than two (2) candidates.

- 10.3. Excluding tie votes, within five (5) days after the ballots are opened and tabulated Authority staff shall advise the candidates and their respective agency in writing of the final election results. Copies of the results shall also be mailed/distributed to SDRMA's Board of Directors, staff and consultants and published in the first available CSDA newsletter.
- 10.4. If a director-elect withdraws after the election or fails to accept the Director seat prior to December 31, the Board shall name a new director-elect by going back to the ballots and awarding the seat to the candidate receiving the next highest number of votes during the election.
- 10.5. Staff shall invite newly elected director(s) to attend the Annual Membership meeting and all scheduled Board meeting(s) after confirmation of election results until the director(s) elect assume office. Director(s) elect will be reimbursed for expenses, except for director stipends, in accordance with approved director reimbursement policy (copy of policy shall be provided to newly elected directors).
- 10.6. A member or candidate dissatisfied with the election result may, within ten (10) days after the ballots are opened and tabulated, file with the Authority a written challenge and appeal. The challenge and appeal must clearly set forth the complaint and any and all facts in support of the challenge and appeal. Within ten (10) days after the ballots are opened and tabulated, the challenge and appeal shall be delivered and received by the Authority. Within five (5) days of receipt of the challenge and appeal, the Authority shall deliver the same to the Election Committee for decision. The Election Committee shall have absolute authority for deciding the challenge and appeal. Notice of the decision of the Election Committee shall be provided to the party filing the challenge and appeal within ten (10) days.

11.0. Director Vacancy

11.1. If a director vacancy(s) occurs (Note 1), appointment of a replacement director for the balance of the unexpired term will be made by the remaining members of the SDRMA Board. In order to accomplish this in an orderly and consistent manner, when a vacancy(s) of an elected Director(s) occurs, the SDRMA Board of Directors, after discussion and consideration, shall, when deemed appropriate, instruct staff to:

- a) notify all then member entities that a vacancy has occurred; and
- b) said notice shall refer to the applicable Article in the By-laws in advising member entities and their eligible candidates of the steps to take to apply for appointment; and
- c) the SDRMA Board shall establish the closing date for the receipt of applications; and
- d) candidates shall submit the following, by the date specified in the notice:
  - i) a letter of interest; and
  - ii) a resume, with particular emphasis on the candidate's knowledge of special districts and risk management; and
  - iii) a resolution from, or a letter approved by, the candidate's Governing Body nominating the candidate; and
- e) the Election Committee shall review all applications received, and shall reject any that do not meet all of the qualifications specified and set forth in this policy; and
- f) upon verification or rejection of each application by the Election Committee, staff will mail acknowledgement to both the applicant and the district/agency of its acceptance or rejection of the applicant as a qualified candidate for appointment; and
- g) candidates shall be interviewed at the next regularly scheduled meeting of the SDRMA Board of Directors following the date of closure for the applications. Interviews shall be in person, or if an unforeseen emergency arises, the interview may be by telephone at the same scheduled time; and
- h) the SDRMA Board shall make the appointment without undue delay, but need not act at the same meeting.

Note 1: If the Director vacancy occurs within nine (9) months after the date the ballots were counted and certified by the Election Committee or within nine (9) months after a candidate was appointed to fill a vacancy, then the Board shall have the option to interview and appoint the candidate(s) who did not receive sufficient votes to be elected OR to interview and appoint from the pool of candidates from 11.1.g) above. If the Director vacancy occurs in an election year after the Notification of Election is sent to the members, the Board may determine to fill the vacancy by appointing the candidate who receives the next highest number of votes in the election. If the Board determines in its sole discretion that none of these options is appropriate, then staff shall be instructed to proceed with the process described above in steps 11.1 a) to h).

Revised and adopted this 2<sup>nd</sup> day of November 2017, by the Board of Directors of Special District Risk Management Authority, at a regular meeting thereof.

This Policy No. 2017-10 supercedes Policy No. 2017-03 and all other policies inconsistent herewith.

APPROVED:



Jean Bracy, President  
Board of Directors

ATTEST:



Gregory S. Hall, ARM  
Chief Executive Officer

**SAMPLE  
RESOLUTION FOR  
CANDIDATE NOMINATION**

Available for download in Microsoft Word file format  
visit our website at [www.sdrma.org](http://www.sdrma.org)



**[AGENCY NAME]**  
**RESOLUTION NO.**

**A RESOLUTION OF THE GOVERNING BODY OF THE [AGENCY NAME] NOMINATING [CANDIDATE'S NAME]**  
**AS A**  
**CANDIDATE FOR ELECTION TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF**  
**DIRECTORS**

**WHEREAS**, the Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code, Section 6500 et.seq., for the purpose of providing risk management and risk financing for California Special Districts and other local government agencies; and

**WHEREAS**, the Joint Powers Agreement (JPA) and Bylaws of SDRMA set forth director qualifications, terms of office and election requirements; and

**WHEREAS**, the Board of Directors of SDRMA established procedures and guidelines for the Director Election process; and

**WHEREAS**, the Board of Directors of SDRMA established a policy requiring candidates seeking election to the SDRMA Board of Directors to be: 1) a member of the agency's governing body or management employee per SDRMA Election Policy 2017-10, Section 4.1 and be an active member agency of **both** SDRMA's Property/Liability and Workers' Compensation Programs, and 2) be nominated by Resolution of their member agency's governing body, and 3) each nominated candidate must submit a completed and signed "Candidate's Statement of Qualifications" on or before the May 1, 2019 filing deadline in order for the candidate's name to be placed on the official ballot.

**NOW, THEREFORE, BE IT RESOLVED:**

1. The governing body of **[AGENCY NAME]** nominates **[CANDIDATE'S NAME]**, its **[POSITION TITLE]**, as a candidate for the Board of Directors of the Special District Risk Management Authority.

2. **[ONLY IF CANDIDATE IS NOT A MEMBER OF THE AGENCY'S GOVERNING BODY: The governing body of [AGENCY NAME] has determined that [CANDIDATE'S NAME] is a management employee for purposes of SDRMA Election Policy 2017-10, Section 4.1].**

3. The governing body of **[AGENCY NAME]** further directs that a copy of this Resolution be delivered to SDRMA on or before the May 1, 2019 filing deadline.

**ADOPTED** this **[DATE]** of **[MONTH/YEAR]** by the Governing Body of **[AGENCY NAME]** by the following roll call votes:

AYES:	<b>[LIST NAMES of GOVERNING BOARD VOTES]</b>
NAYES:	<b>"</b>
ABSTAIN:	<b>"</b>
ABSENT:	<b>"</b>

APPROVED

ATTEST

\_\_\_\_\_  
President – Governing Body

\_\_\_\_\_  
Secretary



**CANDIDATE'S STATEMENT  
OF  
QUALIFICATIONS**

Available for download in Microsoft Word file format  
visit our website at [www.sdrma.org](http://www.sdrma.org)





