

Local Agency Formation Commission of Santa Clara County
MINUTES
WEDNESDAY, FEBRUARY 11, 2004

1. ROLL CALL

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 11th day of February 2004 at 1:19 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California, with the following members present: Chairperson Blanca Alvarado and Commissioners Donald Gage, Linda J. LeZotte and Susan Vicklund-Wilson. Commissioner John Howe represents Commissioner Mary Lou Zoglin.

The LAFCO staff in attendance includes Neelima Palacherla, LAFCO Executive Officer; Kathy Kretchmer, LAFCO Counsel; Dunia Noel, LAFCO Analyst; and Ginny Millar, LAFCO Surveyor.

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

2. APPOINTMENT OF CHAIRPERSON AND VICE-CHAIRPERSON

Chairperson Alvarado states that the Chairperson and Vice-Chairperson are appointed annually on a rotation basis. For 2004, Ms. Palacherla recommends the appointment of Commissioner Wilson as Chairperson and Commissioner Zoglin (*name corrected*) as Vice-Chairperson.

On motion of Commissioner Gage, seconded by Commissioner Howe, it is unanimously ordered on a vote of 3-0, with Commissioners LeZotte and Wilson abstaining, and Commissioner Zoglin absent, that Commissioner Wilson be appointed as Chairperson and Commissioner Zoglin (*name corrected*) as Vice-Chairperson for 2004.

Chairperson Wilson presides at the meeting.

3. PUBLIC PRESENTATION

There is no public presentation.

4. APPROVE MINUTES OF DECEMBER 10, 2004 MEETING

On motion of Commissioner Gage, seconded by Commissioner Alvarado, it is unanimously ordered on a 4-0 vote, with Commissioner Howe abstaining, that the minutes of the December 10, 2003 meeting be approved, as submitted.

5. MORGAN HILL 2003A URBAN SERVICE AREA (USA) AMENDMENT (SOBRATO HIGH SCHOOL)

This being the time and place set for a public hearing to consider the request of the City of Morgan Hill to amend its 2003A USA to include parcels containing the Sobrato High School, the Chairperson declares the public hearing open.

Ms. Palacherla advises that Morgan Hill requests to amend its USA boundary to include four parcels. Staff has determined that two of these parcels are already in the City's USA and do not require any LAFCO action. In June 2003, LAFCO approved Morgan Hill's request to extend water and sewer services to the two parcels containing the Sobrato High School because these parcels are outside the City's USA and its urban growth boundary (UGB) and were ineligible for annexation. In December 2003, the City updated its General Plan to include this area within the City's UGB.

These two parcels need to be included into the City's USA so Morgan Hill can annex the parcels and continue providing services to the school. LAFCO policy allows one USA boundary amendment from each city for each year and Morgan Hill has already completed this for 2003. However, LAFCO policy allows exemption under special circumstances, such as the need to carry out a special institutional development or activity that is in public interest. Since this project meets this criterion, staff recommends that this exemption be granted to Morgan Hill, and the project be approved.

There being no speakers from the public on the subject, the Chairperson declares the public hearing closed.

In response to an inquiry by Commissioner Alvarado, Commissioner Gage advises that a Habitat Conservation Plan would be beneficial for Morgan Hill Unified School District; however, he notes that the Environment Impact Report (EIR) sufficiently covers all the needed mitigation measures. The Chairperson announces that she will be voting for the USA amendment; however, she indicates that she will continue to ensure that the adjacent agricultural lands are protected.

On motion of Commissioner Gage, seconded by Commissioner Alvarado, it is unanimously ordered, on a 5-0 vote, that Morgan Hill's request for expansion of the USA boundary including the two parcels containing the Sobrato High School be approved.

6. COUNTYWIDE FIRE PROTECTION SERVICE REVIEW

This being the time and place set for a public hearing to consider comments to the draft Countywide Fire Protections Service Review report, the Chairperson declares the public hearing open. Ms. Palacherla indicates that the purpose of today's public hearing is to accept public comments relative to the draft Countywide Fire Protection Service Review report, the Chairperson declares the public hearing open.

Ms. Palacherla indicates that the purpose of today's public hearing is to accept public comments regarding the draft Countywide Fire Protection Service Review Report. Matrix Consulting Group, Inc., was retained by the Commission to conduct the Countywide Fire Service Review. A technical advisory committee (TAC) was established to liaise between LAFCO and the fire agencies and provide technical expertise and guidance throughout the fire service review process. She reports that the TAC membership includes Chief Ben Lopes of the Santa Clara County Fire District, Chief Jeff Clet of the Gilroy Fire Department, and Kevin Duggan, Mountain View City Manager, who represents the City Managers Association. The process included several meetings with the fire agencies, the City Managers Association and the Fire Chiefs Association. Ms. Palacherla states that when the draft service review report was released in November 2003, staff received comments from several agencies and some individuals.

The consultant has prepared responses to the comments that were received by the January 7, 2003 deadline. Ms. Palacherla reports that staff has received letters from Palo Alto Fire Department and another letter from the Fire Chiefs Association since the January 7, 2004 deadline. She adds that responses will be prepared addressing all comments and will be incorporated in the final report. In addition, Ms. Palacherla notes that there will be minor corrections made to the determinations included in the draft service review report. The revised determinations will be circulated prior to the April 7, 2004 meeting where the Commission will hear this item again. Finally, she advises that the April 7, 2004 meeting will be the second and final public hearing to adopt the final report and the service review determinations.

Owen Halliday, President, Los Altos Hills County Fire District (LAHCFD), advises the Commission that the District is doing a good job in terms of fire prevention. LAHCFD is working closely with the Central Fire Department (CFD) to provide fire protection and medical service. Mr. Halliday notes that the District does a number of services beyond what CFD provides, such as water line enhancements, a brush chipping program, providing additional

staffing above and beyond what is called for, mailings for fire prevention and has built a modern building. He adds that Mr. Brady has overstated the amount of savings by about 50 percent, and calls on the Commission to leave the LAHCFD in tact because it is a model for being proactive.

Ann Waltonsmith, Mayor, City of Saratoga, advises that the Saratoga City Council continues to monitor the fire service review and passed City Resolution No. 04-019 on February 4, 2004 regarding the Fire Service boundary drop agreement.

Jeff Clet, Fire Chief, City of Gilroy Fire Department, states that he submitted a written comment regarding an option for a single fire agency in South County. He notes that while the City of Gilroy is not opposed to the proposal, there has to be a detailed study and analysis before that recommendation is implemented. He indicates that the City is also concerned about the ability of the City of Gilroy to obtain LAFCO approval for SOI changes and annexations as a result of the options outlined in the Fire Service Protection Review report. He notes that a regional fire protection service model requires cooperation and approval from several agencies and may not be possible in South County.

There being no speakers from the public on the subject, the Chairperson declares the public hearing closed.

In response to an inquiry by Commissioner LeZotte, Ms. Palacherla advises that staff will respond to all comments made during the hearing. In response to an inquiry by Chairperson Wilson, Ms. Kretchmer advises that the process for approval of the service review report has already been established, and there is no action required from the Commission at this time.

7. MID-PENINSULA REGIONAL OPEN SPACE DISTRICT SPHERE OF INFLUENCE (SOI) AMENDMENT AND ANNEXATION OF COASTAL LANDS IN SAN MATEO COUNTY

This being the time and place set for a public hearing to consider SOI amendment and annexation by the Mid-Peninsula Regional Open Space District (MROSD) of coastal lands in San Mateo County, the Chairperson declares the public hearing open.

Ms. Palacherla states that the application is for SOI amendment and annexation of coastal land in San Mateo County by the MROSD. She advises that all the lands are located in San Mateo County and Santa Clara LAFCO will only make a recommendation on the proposal to San Mateo LAFCO which would make the final decision on this application. She notes that there is a request to continue the hearing by an interested party, Mr. Oscar Braun, to allow the Commission and the public more time to review the proposal and to wait for the results of a pending legal

challenge regarding the adequacy of the EIR. Ms. Palacherla notes that staff had adequate time to review the proposal and that MROSD has provided several opportunities for public comment throughout the six-year process as indicated in the MROSD letter included in the staff report. She reports that with regard to the pending legal challenge, Santa Clara LAFCO is not required to take California Environmental Quality Act (CEQA) action since it is not the responsible agency and has no approval authority. Ms. Palacherla indicates that San Mateo LAFCO is the responsible agency and will be following the process as required in the Public Resources Code Section 21167.3 which specifies the process for considering an environmental document with a pending challenge. In this regard, she advises that staff recommends that the request for continuance of hearing be denied.

Terry Gosset, Californians for Property Rights (CPR), requests the Commission to continue the hearing because there are errors on land valuation and the maps do not meet the requirements of the State Board of Equalization. He adds that Santa Clara LAFCO must have correct data to review the application. He indicates that MROSD's statement that the annexation is tax neutral and is an inaccurate statement. He adds that he has gathered over 50 pages of signatures and about 200 comments against the annexation.

Oscar Braun, Executive Director, San Mateo County Coastside Fire Safe Council, reads a letter from Bob Braitman requesting the Commission to grant a 60-day continuance due to the magnitude of the proposal, the pending court litigation on EIR, its implications to local government revenues, the annexation's effects to property owners, and the need to clarify MROSD's policies on selective application of eminent domain policy. The letter states that there is no adverse impact if the annexation is delayed for a reasonable time.

Paul Perkovic, Treasurer, Montara Water and Sanitary District, requests that the Commission hear the people present before deciding to continue the hearing.

The Chairperson determines that there are no speakers from the public on the request for hearing continuance and declares the public hearing closed.

The Chairperson indicates that, at this point, the Commission is hearing whether or not to continue the public hearing. Ms. Kretchmer advises that it is at the discretion of the Commission to determine if they need additional information. She adds that letters both opposing and supporting the continuance are in the agenda packet. In response to the inquiry by the Chairperson, Ms. Kretchmer advises that those who are opposed can take their case to San Mateo

LAFCO since Santa Clara LAFCO has vested jurisdiction to San Mateo LAFCO, and since the CEQA lawsuit does not affect any action of Santa Clara LAFCO because it is not the lead agency and will not take any CEQA action. Further, she states that San Mateo LAFCO will take CEQA action in accordance with the statute, and will consider if the EIR is complete. Ms. Kretchmer continues by stating that other issues raised by the speakers will be heard in full and debated by the San Mateo LAFCO.

In response to an inquiry by Commissioner Alvarado, Ms. Palacherla states that San Mateo LAFCO has informed staff that the San Mateo County Assessor has verified the assessed valuation figures and reported that the difference in figures will not significantly affect the projected valuations. She adds that San Mateo LAFCO will review this issue more closely.

On motion of Commissioner Howe, seconded by Commissioner Alvarado, it is unanimously ordered, on a 5-0 vote, that the request for continuance be denied.

Ms. Palacherla advises that Santa Clara LAFCO make a recommendation to San Mateo LAFCO since Santa Clara LAFCO has transferred jurisdiction over this matter to San Mateo LAFCO because all the lands are located in San Mateo County. She adds that the purpose of the SOI amendment and annexation of about 140,000 acres by MROSD is to acquire lands and easements for the preservation of open space for public recreation and protection of natural resources. Ms. Palacherla continues by stating that staff has received letters both for and against the application. She advises that the staff report addresses many issues raised in these letters. MROSD proposes to acquire approximately 11,800 acres of coastal lands from willing private and public sellers over a period of 15 years. Ms. Palacherla adds that MROSD has adopted a willing sellers ordinance that prohibits the District from using the power of eminent domain and is seeking State legislation that will prohibit the use of eminent domain. She reports that since MROSD proposes to fund the acquisitions from existing revenue sources, gifts, grants, and no new taxes will be required.

Ms. Palacherla reports that the total cost of the program is expected to be approximately \$98.5 million over 15 years. Approximately 75 percent of this amount will be funded through grants and gifts, and the cost for MROSD will be about \$2 million per year for 15 years after annexation. She advises that the fiscal impact analysis submitted by the District indicates that it has adequate reserves and resources to fund the program at this level, without significantly impacting existing programs and cash reserves. She adds that MROSD will not seek to transfer

tax revenues from the affected agencies after the annexation. She notes that annexation will not impact tax revenues of affected agencies; however, the lands acquired by public agencies will be exempt from paying property taxes and some agencies could lose tax revenues.

Ms. Palacherla advises that fiscal impact analysis by MROSD provides information on potential revenue implications of the land acquisition. Among these, San Mateo County will lose about \$37,000 over a period of 15 years. She notes that with respect to the cost impact on agencies providing services in the area, some agencies indicated that there would be a slight increase in demand for their services, although these agencies would be able to handle the projected increases within their current capacities. She reports that with regard to the project's impact on agriculture, MROSD has adopted several policies to protect that sector. In an **MOU** with the San Mateo County Farm Bureau, MROSD outlines mitigation measures and calls for participation of that agency to implement agricultural policies. Ms. Palacherla also reports that Santa Cruz LAFCO has adopted a resolution in support of this proposal. She adds that the proposal does not impact services and service providers in Santa Clara County or any of the districts that provide services in the County, and that it is also consistent with LAFCO's goals of preserving open space and agricultural lands. Ms. Palacherla notes that Santa Clara LAFCO will remain as the principal LAFCO for the MROSD. She states that the District has adopted policies and mitigation measure to assure the protection of agricultural lands.

Further, Ms. Palacherla continues by stating that the District has adopted policies and mitigation measures to assure the protection of agricultural lands. In addition, the District has the ability to implement its coastal annexation plan without adversely impacting its present level of service in other areas. Ms. Palacherla advises that staff urges the District to continue working with the stakeholders and the community to resolve issues before the public hearing in San Mateo County. She adds that staff recognizes that San Mateo LAFCO will be reviewing the proposal more closely within the purview of the Cortese Hertzberg Local Government Reorganization Act and its impact to San Mateo County. In this regard, Ms. Palacherla proposes that the Commission approve the staff recommendation.

Craig Britton, MROSD General Manager, informs the Commission that the District was created in 1972 by voters in Santa Clara County and extended to San Mateo County in 1976. The District presently covers 330 square miles and protects about 50,000. Kathy Woodbury, Planning Director and Matt Freeman, Project Manager, MROSD, informs the Commission on

the importance of the annexation as well as the programs and projects, capabilities and resources of the District. Mr. Britton reports that the District encourages the public to participate in the meetings. He adds that there are resolutions of support for the annexation from 19 cities, including all 9 cities from the County of Santa Clara that are located in the district, state and nationally elected representatives, Santa Clara County, San Mateo County and the Santa Cruz County Board of Supervisors, and Santa Cruz County LAFCO, San Mateo County Farm Bureau, Silicon Valley Manufacturing Group, and the Coastal Open Space Alliance, among others.

In response to an inquiry by Supervisor Gage, Mr. Britton advises that all the programs reported are ongoing, and explains that these programs will be extended over the 15-year period. The agricultural program will be unique because there are no agricultural lands at this time.

In response to an inquiry by the Chairperson, Ms. Kretchmer notes that since there are 29 members of the public who would like to speak on this item, it is at the discretion of the Commission to allow each speaker one minute to speak.

On motion of Commissioner Alvarado, seconded by Commissioner Howe, it is unanimously ordered on a 4-0 vote, with Commissioner Gage abstaining, that each speaker will be allowed to address the Commission for one minute.

Ira Ruskin, Member, Redwood City, City Council, advises the Commission that the City has unanimously passed a resolution in support of the Coastside Protection Program to preserve the open space heritage and agricultural lands, and purchases will be made from willing sellers only.

Brian Smith, Legislative Advocate for Santa Clara County, Committee for Green Foothills, notes that since MROSD has done a good job in preserving open space, the Commission should allow the expansion. He further states that even if there is a small group opposed to the coastal annexation, there is broad consensus of support.

John Lynch, Coastal Open Space Alliance, requests the Commission to forward its recommendation to San Mateo LAFCO stating that he has a list of over 300 businesses and individuals who want MROSD to expand to the San Mateo coast side.

Pete Siemens, Saratoga-Monte Sereno Board Member, MROSD, informs the Commission that after the area is annexed, coast side residents will have an opportunity to participate in MROSD policy making processes by running to represent the future ward on the District's Board of Directors.

Peter Drekmeier, Stanford Open Space Alliance, expresses support to the annexation to protect the area from pressures of growth. He notes that California grows at a rate of approximately one annexation in San Jose every two years, or one annexation in Los Angeles every seven years. The only way to prevent sprawl is to buy open spaces for wildlife and recreation.

David Smernoff, Acterra, advises the Commission, that as a parent, he supports the annexation for his grandchildren and the future generations. He also supports the annexation as a member of the Board of Directors of Acterra, a local non-profit organization with over 2,000 members in both Santa Clara and San Mateo Counties. Acterra is dedicated to protect public open spaces.

Mike Ferreira, Mayor, Half Moon Bay, informs the Commission that in the last two years, the Half Moon Bay City Council voted unanimously in support of this coast side annexation on all occasions because there should be support from those actively engaged in coast side protection.

Terry Gosset, Californians for Property Rights, expresses concern over the issue of eminent domain resulting from the annexation.

George Bordi, property owner, expresses the opinion that the annexation may deprive schools in the area of property taxes. He adds that MROSD is not doing an adequate job to care for the open spaces within it boundaries.

Geoff Allen, member, Pescadero Municipal Advisory Council, recalls that as a member of the Coastal Advisory Committee of the MROSD, the issue of eminent domain was the focus. As a result, the MROSD's mission statement was not discussed. Mr. Allen requests that the Commission disapprove the application.

Mary Davy, President, Mid-Peninsula Regional Open Space District, requests the Commission to favorably endorse the application in order to preserve a national resource for the future generations.

Oscar Braun, Half Moon Bay Coastside Fire Safe Council, advises the Commission that contrary to the staff report, the annexation of the area to MROSD involves risks for Santa Clara County because there are illegal drug laboratories, arson incidents and about 250,000 pigs within MROSD's boundaries. He adds that according to the State Monitor two years ago, if a major

wildfire occurs in the area of the regional Hetch Hetchy Water System would have to be shut down for four to eight weeks.

Dena Mossar, City Council Member, City of Palo Alto, advises the Commission that the City Council enthusiastically and unanimously supports the Coastside Protection Program. She notes that Palo Alto has a long track record of protecting the hillsides, bay lands and open spaces within its boundaries for future generations.

Ida Cook, Coastal Open Space Alliance, reports that alliances of different local organizations are committed to preserve and protect coastal lands, open spaces and agriculture. These include the Committee for Green Foothills, Half Moon Bay Open Space Trust, Mid-Coast Park Lands, Sierra Club, Peninsula Open Space Trust, San Mateo Surf Rider Foundation and Save Our Shores.

Deane Little, Mountain View-Los Altos Ward of MROSD Board of Directors, states that as a biologist, the annexation of the area is a unique opportunity to protect the endangered plants and animals that reside in the area such as the Coho salmon, steelhead trout, red-legged frogs and the San Francisco garter snakes.

Paul Perkovic, Treasurer, Montara Water and Sanitary District, expresses concern regarding the one-minute time limit for each speaker. He notes that contrary to MROSD's contention, it is the original assessed value rather than the purchased assessed value that affects the tax impact of the project.

Veronica True, a rancher in the area, presents to the Commission pictures of non-native plant and animal species in the MROSD boundaries, stating that these are only controlled in the high visibility areas. There is also tremendous fire loads such as the proliferation of Coyote brush greasewood.

Jan Snyder, a resident in the area, states that the community does not need more parks. He expresses that the annexation would divert property taxes from schools.

Marta Semnal, a resident of La Honda, states that the speakers who are in support of the annexation are paid officials while those opposed are local residents and property owners. She indicates that MROSD should inform residents about the annexation because many of the local residents are unaware of its implications.

Nina Pellegrini, a resident of Montara and member of CPR, shows the Commission maps of the area proposed for annexation and indicates that there is no need for MROSD to protect the

area since most of it is already protected under the Williamson Act. She adds that farm workers are losing their homes and jobs, and children may also lose their schools.

Audrey Rust, President, Peninsula Open Space Trust, requests the Commission to endorse the application because MROSD has a nationwide reputation for its excellent open space stewardship.

Kathryn Slater-Carter, Chairperson, Mid-Coast Community Council, advises the Commission to endorse the application to San Mateo LAFCO, since the mission of LAFCO is to preserve the agricultural lands and open spaces, and prevent urban sprawl. She explains that with the pressures for growth this annexation should occur soon. She adds that important parks and preserves such as the Golden Gate Park experienced controversy during their inception, and the MROSD annexation is going through the same process.

Mary Hobbs, a resident of Moss Beach, urges the Commission to favorably endorse the annexation because those who are living on the Peninsula depend on the protection of agricultural lands in the area. She adds that irreplaceable agricultural lands in the United States are lost to urban sprawl at the rate of 3,000 acres a day.

April Vargas, Legislative Advocate, Committee for Green Foothills, advises that the Committee, which represents over 1,200 family members and was instrumental in the formation of MROSD, urges the Commission to recommend adoption of the Coastside Protection Program because these lands will benefit the effective stewardship of MROSD.

Zoe Kersteen-Tucker, a resident of Moss Beach, requests the Commission to favorably endorse the proposal because it is a very important program to coast side residents. She notes that she actively campaigned for Measure F, legislation which asked local residents if they want MROSD to expand its boundaries to the coast, and was approved. She adds that MROSD has effectively engaged in dialogue with the local residents to address common issues and is working with the San Mateo County Farm Bureau to protect agricultural lands.

Meg Delane, Pescadero Municipal Advisory Council, advises the Commission that Measure F was defeated in the south coast. She notes that residents of south Half Moon Bay are threatened by MROSD expansion because they do not think that they will be amply represented in the District.

Jeff Segall, a resident of Mountain View, notes that the expansion of MROSD boundaries will allow more recreational activities while preserving agricultural lands and open spaces. He

advises that the expansion, which is broadly supported by industrialists, business community and farmers, is a positive step for Santa Clara County and MROSD.

Cindy Rubin, Committee for Green Foothills, requests the Commission to favorably endorse the expansion of MROSD boundaries because it is a unique treasure in the congested metropolitan area. She adds that the proposal is also being supported by the Silicon Valley Manufacturing Group because of the parks and open lands in the area which are the key attractive aspects of the area for businesses and their employees.

Dante Pellegrini, San Mateo County resident, states that MROSD has the ability to buy private lands without LAFCO approval. He submits to the Commission a video of interviews of ranchers and farmers who are unable to attend the meeting.

Terry Brown, area resident, expresses the opinion that the Commission may not have received the letters of property owners opposed to the annexation.

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

In response to an inquiry by Commissioner Gage, Ms. Palacherla reports that there is no change to the land use designations in the areas to be annexed to MROSD, and property owners may do what they want on their property. In response to another inquiry by Commissioner Gage, Ms. Palacherla states that if San Mateo LAFCO approves the annexation, property owners and registered voters in the area can protest through a protest hearing for the annexation. She adds that the annexation cannot be pursued if more than 50 percent of either property owners or local voters are opposed to it. She notes, that if there is between 25 to 50 percent protest, the annexation will go to a vote in the annexation area. She adds that it is a weighted vote because it will be one vote per parcel, and also based on the assessed value of the land.

The Chairperson directs staff to collect from MROSD additional fees based on actual processing time and costs of CEQA litigation.

Commissioner Alvarado states that she has read the letters opposed to the annexation and met with some of the opposition speakers. Commissioner LeZotte informs the public that she has read the letters opposing the annexation, and adds that she is going to vote in support of the application because LAFCO is mandated to protect open spaces and preserve agriculture. Commissioner Gage informs that he will support the staff recommendation since those opposed to the annexation would still have the opportunity to protest the decision of San Mateo LAFCO.

Commissioner Howe likewise states that he met with the group opposed to the annexation and read their letters. He also indicates that he did not participate when this matter was addressed by the Sunnyvale City Council at their hearing. Commissioner Wilson indicates that she seriously considered all documentation relative to the application and expresses the opinion that the annexation is consistent with LAFCO policies.

On motion of Commissioner Alvarado, seconded by Commissioner LeZotte, it is unanimously ordered on a vote of 5-0 that the staff recommendation be approved.

8. EXECUTIVE OFFICER'S REPORT

8.1 LAFCO BUDGET SUB-COMMITTEE FOR FY 04-05

Ms. Palacherla advises that the Commission create a LAFCO Budget Sub-Committee to provide guidance to staff during the preparation of the budget for fiscal year 2004-2005. Staff recommends that the Sub-Committee be composed of two Commissioners and meet approximately two to three times between February and July 2004. Commissioner John Howe informs the Commission that Commissioners Zoglin and Gage have offered to serve on the LAFCO Budget Sub-Committee for fiscal year 2004-2005.

On motion of Commissioner Howe, seconded by Commissioner LeZotte, it is unanimously ordered on a 5-0 vote that Commissioners Gage and Zoglin serve on the LAFCO Budget Sub-Committee for fiscal year 2004-2005.

8.2 UPDATE ON COUNTYWIDE WATER SERVICE REVIEW

Ms. Palacherla informs the Commission that the request for proposal (RFP) for the Countywide Water Service Review was finalized, mailed out to the consultants, and posted on LAFCO and CALAFCO websites. She adds that the deadline is set on February 25, 2004. TAC was established to select the consultant for the project and to serve as liaison for agencies and groups. Members of TAC include Commissioner Wilson, LAFCO staff and representatives from different agencies. Among those represented are Jay Baksa, representing the City Managers Association, Jim Ashcraft, Morgan Hill Public Works Director, representing Municipal Public Works Association, Walter Wadlow, Chief Operating Officer, Santa Clara Valley Water District, representing the Santa Clara County Water Retailers Group, George Belhumeur, Vice President for Operations, San Jose Water Company, and Darryl Wong, Utility Engineer, City of Milpitas.

8.3 2004 CALAFCO CLERKS AND STAFF WORKSHOP (APRIL 21-23, 2004 IN SANTA CRUZ, CA)

On motion of Commissioner Alvarado, seconded by Commissioner Howe, it is unanimously ordered on a 5-0 vote that LAFCO staff be authorized to attend the 2004 CALAFCO Clerks and Staff Workshop, and that the travel expenses be funded by the LAFCO budget.

8.4 2004 CALAFCO ANNUAL CONFERENCE (SEPTEMBER 8-10, 2004) IN ANAHEIM, CALIFORNIA

Ms. Palacherla informs the Commission that the 2004 CALAFCO Annual Conference will be held in Orange, California on September 8-10, 2004. Staff will provide more information to the Commission on this matter.

8.5 REVISED 2004 SCHEDULE OF LAFCO MEETINGS

Ms. Palacherla advises that the April 2004 LAFCO meeting date was moved from April 14, 2004 to April 7, 2004. Commissioner Howe requests staff to send copies of the revised schedule to other LAFCO Commissioners.

On Commission consensus, it is ordered that the revised 2004 LAFCO meeting schedule be adopted.

9. PENDING APPLICATIONS

Ms. Palacherla reports that LAFCO has received a petition from a landowner to annex a property (APN 537-24-026) to the West Valley Sanitation District. She indicates that if the application is complete, it will be brought to the Commission in April 2004.

10. WRITTEN CORRESPONDENCE

There is no written correspondence.

WEDNESDAY, FEBRUARY 11, 2004

11. ADJOURNMENT

On order of the Chairperson, there being no objection, the meeting is adjourned at 3:16 p.m. to the next regular meeting to be held on April 7, 2004 in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

Susan Vicklund-Wilson, Chairperson
Local Agency Formation Commission

ATTEST:

Emmanuel Abello, LAFCO Clerk