

**LOCAL AGENCY FORMATION COMMISSION OF
SANTA CLARA COUNTY
MINUTES
WEDNESDAY, DECEMBER 7, 2011**

CALL TO ORDER

Acting Chairperson Pete Constant called the meeting to order at 1:15 p.m.

1. ROLL CALL

The following Commissioners were present:

- **Vice Chairperson Pete Constant**
- **Commissioner Margaret Abe-Koga**
- **Commissioner Mike Wasserman**
- **Commissioner Susan Vicklund-Wilson**

The following Commissioners were absent:

- **Chairperson Liz Kniss**
- **Alternate Commissioner Al Pinheiro**
- **Alternate Commissioner George Shirakawa**
- **Alternate Commissioner Sam Liccardo**
- **Alternate Commissioner Terry Trumbull**

The following staff members were present:

- **LAFCO Executive Officer Neelima Palacherla**
- **LAFCO Analyst Dunia Noel**
- **LAFCO Counsel Mala Subramanian**

2. PUBLIC COMMENT

There was no public comment.

3. APPROVE THE MINUTES OF OCTOBER 5, 2011 LAFCO MEETING

The Commission approved the minutes of October 5, 2011 LAFCO meeting, as written.

Motion: Margaret Abe-Koga

Second: Mike Wasserman

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

4. CONFERENCE WITH LEGAL COUNSEL

The Commission adjourned to Closed Session at 1:18 p.m. and reconvened at 1:26 p.m. The Acting Chairperson announced that there was no report from Closed Session.

5. SARATOGA URBAN SERVICE AREA AMENDMENT 2011

Neelima Palacherla, LAFCO Executive Officer, recommended that the Commission take public comment and continue the hearing to February 8, 2011 to allow time for the City

to finalize and approve the pre-annexation agreement and provide other information necessary for evaluation of the USA amendment proposal.

This being the time and place for the public hearing, the Acting-Chairperson declares the public hearing open.

Chuck Page, Vice-Mayor, City of Saratoga, stated that the USA amendment would bring properties that are split between the City and the County under the City's jurisdiction with the goal of preserving agricultural lands. He directed attention to a map illustrating the proposed USA boundary amendment, the city limits and the subject properties.

Commissioners Wasserman and Commissioner Wilson stated that it is more appropriate to take public testimony on the project when the staff report is completed.

James Lindsay, Community Development Director, City of Saratoga, provided a handout to Commissioners and stated that Saratoga is committed to preserve the hillsides and open space. He also stated that the City Council will consider the pre-annexation agreement at its December 21, 2011 meeting.

Gerry de Young, Ruth and Going, Inc., on behalf of Garrod Trust, requested the Commission to notify the applicant of any other requirements that must be met before the February 8, 2012 public hearing.

Jan Garrod, General Manager, Garrod Trust, urged the Commission to approve the USA amendment stating that it is difficult to operate his business under two separate jurisdictions.

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

In response to an inquiry by Commissioner Wasserman, Ms. Palacherla informed that the City had fulfilled the formal filing requirements; however, the pre-annexation agreement has not been approved by the City Council. She added that the City Council is scheduled to consider it at its December 21, 2011 meeting. In response to a follow-up inquiry by **Commissioner Wasserman**, Ms. Palacherla advised the City staff has been informed of this.

In response to an inquiry by **Commissioner Wasserman**, James Lindsay, Community Development Director, City of Saratoga, stated that City staff is aware that the City must demonstrate its commitment to maintain the area as open space and that the pre-annexation agreement would include that information.

In response to an inquiry by **Commissioner Wilson**, Ms. Palacherla informed that while subject parcels are not prime agricultural lands, they are under Williamson Act contract and State law prohibits annexation except under specific circumstances. Ms. Palacherla added that the application is unusual because the City wants to annex these lands in order to protect them. In response to a follow-up inquiry by **Commissioner Wilson**, Ms. Palacherla advised that the best protection is to place these lands under agricultural easement or public ownership. In response to further inquiry by **Commissioner Wilson**, Ms. Palacherla informed that another issue related to this application is that the City has several islands within its USA and LAFCO policies require cities to annex islands prior to expanding USA boundary.

Acting Chairperson Constant stated that the application is not for allowing potential development but relates to the City's effort to preserve agricultural land.

The Commission continued the public hearing to February 8, 2012.

Motion: Susan Vicklund-Wilson

Second: Mike Wasserman

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

6. **2011 COUNTYWIDE WATER SERVICE REVIEW FINAL REPORT AND SPHERE OF INFLUENCE UPDATES FOR WATER AND RESOURCE CONSERVATION DISTRICTS**

Dunia Noel, LAFCO Analyst, provided the staff report.

This being the time and place for the public hearing, **Acting Chairperson Constant** declares the public hearing open.

Meg Giberson, President, Board of Directors, Guadalupe-Coyote Resource Conservation District (GCRCD), thanked the Commission for accepting comment letters from the agency and reiterated that GCRCD's services complement rather than duplicate those provided by the Santa Clara Valley Water District. She added that GCRCD would work with LAFCO to address such perception about jurisdiction and overlaps. She expressed appreciation to the Commission for retaining GCRCD's SOI boundary.

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

In response to an inquiry by **Commissioner Wilson**, Ms. Noel advised that staff notified the affected agencies, public and all those who provided comments when the draft report was revised and posted on the LAFCO website.

The Commission adopted **Resolution No. 2011-04**, adopting the 2011 Countywide Water Service Review Report, adopting service review determinations, and adopting SOI updates and determinations for Santa Clara Valley Water District, Aldercroft Heights County Water District, Purissima Hills Water, San Martin County Water District, Guadalupe Coyote Resource Conservation District, and Loma Prieta Resource Conservation District. Said Resolution, by reference hereto, is made part of these minutes.

The Commission directed staff to (1) prepare the Final Report for the 2011 Countywide Water Service Review and to distribute the Final Report to all the affected agencies; and (2) contact each agency and request a written response on how and when the agency plans to address the findings and/or implement the recommendations presented in the Final Report along with an explanation if it disagrees with a finding or recommendation.

Motion: Susan Vicklund-Wilson

Second: Margaret Abe-Koga

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

7. **SARATOGA FIRE PROTECTION DISTRICT**

Ms. Palacherla presented the staff report.

David Moyles, Commissioner, Saratoga Fire Protection District (SFPD), urged the Commission not to pursue the dissolution study stating that the SFPD has a long history in Saratoga, enjoys broad community support and that it is unlikely that the projected savings would materialize. He stated that the present set-up, with SFPD collecting revenues and representing voters, and with Santa Clara County Central Fire Protection District (SCCCFPD) providing fire services, is a good example of public accountability.

In response to an inquiry by **Commissioner Wasserman**, Mr. Moyles stated that the small savings to be gained is not worth giving up local control. In response to an inquiry by **Commissioner Abe-Koga**, Mr. Molyes explained that SFPD covers only a portion of Saratoga because it was formed in the 1920s to provide fire services to ranches and that there were no proposals to cover the entire City. He added that there were discussions in the 1980s to merge it with SCCCFPD.

Chuck Page, Vice-Mayor, City of Saratoga, stated that there would be no savings for taxpayers even if SFPD is dissolved because the same amount of tax revenues would be allocated to SCCCFPD. In response to an inquiry by **Commissioner Wasserman**, Mr. Page informed that dissolution would fail if placed on the ballot. **Commissioner Wasserman** stated that the question is whether LAFCO should spend \$8,000 to study this issue and find out the extent of savings from dissolution. Mr. Page agreed that \$8,000 may not be a large sum but continued to question the savings. He also stated that it is premature to conduct a study on SFPD because it has been only three years since SFPD's firemen were absorbed by SCCCFPD.

Acting Chairperson Constant determined that there are no members of the public who wished to speak on the item.

Commissioner Wilson expressed support for the staff recommendation stating that the issue was raised previously in two fire service review reports as well as in the Civil Grand Jury report. **Commissioner Abe-Koga** noted that the Commission could make a decision on the dissolution issue when the study is completed. **Commissioner Wasserman** stated that government agencies must be reviewed for their relevance over time and agreed that the facts from the study would determine if any changes are warranted.

The Commission (1) authorized staff to conduct a special study on the impacts of dissolution/annexation, including a detailed analysis of the cost savings and fiscal impacts in order to inform the decision on whether or not to initiate dissolution of the Saratoga Fire Protection District and annex its territory to the Santa Clara County Central Fire Protection District; (2) authorized staff to seek a professional service firm through a Request for Proposals process to conduct the special study referenced above; and (3) delegated authority to the LAFCO Executive Officer to enter into an agreement with the most qualified consultant in an amount not to exceed \$8,000 and to execute any necessary amendments subject to LAFCO Counsel's review and approval.

Motion: Susan Vicklund-Wilson

Second: Margaret Abe-Koga

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

8. EL CAMINO HOSPITAL DISTRICT AUDIT AND SERVICE REVIEW

Ms. Palacherla presented the report and announced that Attachment B is a letter to LAFCO from Mr. Ken King, Administrative Services Officer of the El Camino Hospital and not El Camino Hospital District as indicated in the staff report.

Benjamin Picard, Superintendent, Sunnyvale School District, expressed appreciation to the El Camino Hospital District for providing a school nurse and in supporting healthy eating, student mental health counseling services and other health programs in the school district.

Ngao Bui-Tong, Ambulatory Care and Community Health Services Department, Santa Clara Valley Medical Center, expressed appreciation to the El Camino Hospital District for providing adult health and dental services at the Valley Health Center in Sunnyvale.

The Commission accepted the report.

Motion: Susan Vicklund-Wilson

Second: Margaret Abe-Koga

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

9. LEGISLATIVE REPORT

The Commission accepted the report.

Motion: Mike Wasserman

Second: Margaret Abe-Koga

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

10. 2012 SCHEDULE OF LAFCO MEETINGS

The Commission adopted the 2012 Schedule of LAFCO Meetings and Application Filing Deadlines.

Motion: Mike Wasserman

Second: Susan Vicklund-Wilson

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

11. APPOINTMENT OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2012

The Commission appointed Pete Constant as Chairperson for 2012 and Mike Wasserman as Vice-Chairperson.

Motion: Mike Wasserman

Second: Susan Vicklund-Wilson

MOTION PASSED

AYES: Pete Constant, Margaret Abe-Koga, Mike Wasserman, Susan Vicklund-Wilson

NOES: None

12. EXECUTIVE OFFICER'S REPORT

Ms. Noel presented the staff report.

Acting Chairperson Constant and **Commissioner Abe-Koga** expressed interest in attending the CALAFCO course on health care districts.

At the request of **Commissioner Wasserman**, Ms. Noel advised that staff will provide a report at the next meeting on responses of each of the cities to LAFCO's May 2, 2011 letter regarding island annexations. In response to an inquiry by **Commissioner Wilson**, Ms. Noel indicated that no analysis of the VLF shift on island annexations is available for the county, and staff would provide additional information at the next meeting. In response to a follow-up inquiry by **Commissioner Wasserman**, Ms. Noel reported that Los Gatos' current response is from staff and a formal response from the City Council is expected later.

13. PENDING APPLICATIONS/UPCOMING PROJECTS

13.1 MORGAN HILL URBAN SERVICE AREA AMENDMENT: MONTEREY-SOUTH OF WATSONVILLE PROJECT

Ms. Noel informed that the application may be brought to the Commission in early 2012.

14. COMMISSIONERS REPORT

There was no report.

15. NEWSPAPER ARTICLES / NEWSLETTERS

There were no newspaper articles/newsletters.

16. WRITTEN CORRESPONDENCE

There was no written correspondence.

14. ADJOURN

The meeting was adjourned at 2:39 p.m. to the next meeting on Wednesday, February 8, 2012 in Board Meeting Chambers, County Government Center, 70 West Hedding Street, San Jose, California.

Approved:

Pete Constant, Acting Chairperson
Local Agency Formation Commission of Santa Clara County

By: _____
Emmanuel Abello, LAFCO Clerk