

Memorandum

TO: Honorable Mayor &
City Council

FROM: Toni J. Taber, CMC
City Clerk

SUBJECT: The Public Record
March 29 – April 12, 2018


DATE: April 13, 2018

ITEMS FILED FOR THE PUBLIC RECORD

Letters from the Public

1. Notification from AT & T, dated March 28, 2018, regarding AT & T Mobility Site at 2440 South 10th Street in San Jose.
2. Letters from Blair Beekman, dated March 29, 2018 through April 11, 2018, regarding smart trash can technology.
3. Letter from Marco Guang Xiong, dated April 1, 2018, regarding homeless shelters in the Berryessa neighborhood.
4. Letters from Linnie M. Drolet, dated April 2, 2018, regarding Community Choice Aggregation.
5. Letter from Eric Christen, dated April 3, 2018, entitled "Failed Project Labor Agreement Pilot Project in Santa Clara County."
6. Letter from Blair Beekman, dated April 4, 2018, regarding dockless bicycles and scooters.
7. Notification from Local Agency Formation Commission of Santa Clara County, dated April 6, 2018, regarding proposed LAFCO Budget for Fiscal Year 2018-2019

TJT/mc



Toni J. Taber, CMC
City Clerk



PUBLIC RECORD 1

AT&T
2600 Camino Ramon
4W850L
San Ramon, CA 94583

RECEIVED
SAN JOSE CITY CLERK
10 m
2018 APR -4 AM 10:22

3/28/2018

VIA EMAIL

Ms. Anna Hom
CONSUMER PROTECTION & SAFETY DIVISION

[REDACTED]

**RE: AT&T Mobility Site - 10151458 – CCL06072 / CCL02862 – CN6072 – 2440 SOUTH
10TH STREET, SAN JOSE, California 95112**

This is to provide the Commission with notice to the provisions of General Order No. 159A of the Public Utilities Commission of the State of California ("CPUC") that:

(a) AT&T Mobility has obtained all site land use approval(s) for the modification of the project listed above described in Attachment A.

A copy of this notification letter is also being provided to the appropriate local governmental agency for its information. Should there be any questions regarding this project, or if you disagree with any information contained herein, please contact me at

[REDACTED] or [REDACTED]

Sincerely,

[REDACTED]

Attachment

cc: City Planning Director
City Clerk
City Manager
City of San Jose
200 E. Santa Clara St., San Jose, California 95113



RECEIVED
San Jose City Clerk
JUM
2018 APR -4 AM 11:21

ATTACHMENT A

- 1-9 Project Location:** Modification
- Site Identification Number: CCL06072 / CCL02862
- Project Number: 3701A07GEV
- Site Name: CN6072
- Site Address: 2440 SOUTH 10TH STREET, SAN JOSE, California
95112
- County: SANTA CLARA
- Assessor's Parcel Number: 471-21-088
- Latitude: 37-18-24.6
- Longitude: 121-51-19.9
- 10-14 Project Description:**
- Number of Antennae to be installed: 6 antennas total approved at
68 in height
- Tower Design: MONOPOLE
- Tower Appearance: MONOPOLE
- Tower Height:
- A) Structure Height 68
- B) Top of antenna Height 68
- Building Size(s): N/A
- 15 Business addresses of all Governmental Agencies (from permit)**
- City of San Jose
200 E. Santa Clara St., San Jose, California 95113
(408) 535-7633
- 16 Land Use Approval:** Antenna Modification: remove all existing coax & install 1/2" coax, swap out 9 antennas with 6 antennas, install 9 DRMA's, install 3 new RRUS 11 for LTE2C, install 3 RRUS32 B30 for WCS, install 3 RRUS32 B66 for AWS, install 3 RRUS11 B29 for 700 DIE, and install 3 RRUS 11 B5 for 850
- 17 If Land Use approval was *not* required:** N/A

From: bob tom [REDACTED]

Sent: Thursday, March 29, 2018 2:15 PM

Subject: Re: a letter from Blair Beekman. Thursday March 29, 2018. _____ A time of waiting.

Dear VTA, city of San Jose, county of Santa Clara, the S.J. Downtown Assoc., and others,

As early forms, of dialogue, respectfulness, and compromise, at this time,

I hope we can all consider, the Big Belly, smart trash can technology, in downtown San Jose, as short term, or as a temporary experiment, if you are not already.

In this time, I hope that everyday people, local city government, and anyone else interested - can each day, study the downtown, Big Belly, smart trash can project.

In this current waiting time, we may be in, I hope we can all learn to make, more accurate, clear, and honest judgments,

- if BF broadband tech., and its emissions, will be of harm to people, being placed in such close proximity and contact, with the everyday people, of a populated area or neighborhood.

- if fears of violent crime, gunfire, a take over by gangs, big time drug sales, and national security issues, in downtown, has been a bit, over-estimated, or over-reactive.

- And a time, to also begin, to better understand, new developing ideas, along with, friendly and familiar ideas, in civil rights, civil protections, individual privacy rights, and accountability.

We are entering a new era, since the time of 9/11/01. We can begin to think of ideas, in peace, instead of war.

We are now allowed, to begin to work toward, a healthier, more peaceful, more well rounded definition, of what can be, a sustainable community, for the future.

I hope it can be also be noticed, how the Big Belly, may seriously over addresses, the needs and concerns, of downtown San Jose.

It is my feeling, simpler, more organic ideas, of counseling, trust, advocacy, open communication, and social health services, can reach better, more holistic results.

Ideas of trust and open communication, is a respected tradition, and the basis, of why there is, a continued mellowness of downtown.

It is how to politely build, a future idea of downtown, that can be for everyone.

It is these ideas, downtown San Jose, already knows how to work with well, - and usually tries to return to.

sincerely,

blair Beekman

p.s.

a congratulations to the work of many, and the Alameda County Board of Supervisors, voting to end the current Urban Shield program, for the entire Bay Area.

And, in their future work to develop, in more peaceful and reasoned and terms, very outdated, nexus of terrorism policies.

From: bob tom [REDACTED]

Sent: Monday, April 2, 2018 8:55 PM

Subject: Re: a letter from Blair Beekman. Monday April 2, 2018. _____ The Big Belly Smart Trash Can Project. Downtown San Jose.

Your e-mail censor, has grown too strict. sorry for the hour.

sincerely,

blair beekman.

Dear San Jose Downtown Assoc., VTA, city govt of San Jose, county govt. of Santa Clara County, and others,

Many people have helped, the Alameda County Board of Supervisors, decide to end the Urban Shield, nexus of terrorism practices, in its current form.

The East Bay, and San Francisco, are looking into how develop ideas of peace, better reasoning, and better communication practices, between everyday people of local neighborhoods and their local governments.

San Jose, at this time, has been creating, its own very good practices, in community advocacy. And should begin to learn, how to better integrate, this important work, going on in the Bay Area, and around the rest of the country.

New ideas, in technological inventiveness, and the term, innovation, should not have to be, at the price, to avoid, ignore, and even compete,

with a new era that has started, in the ideas of peace, openness, accountability, democracy, sustainability and community.

Among its hazards to human health, and its civil rights questions, I am assuming, you can plan to call, the Big Belly smart trash can, an experiment, if you have to.

And, can look into, how to phase out the Big Belly, if needed.

I hope we can all begin to understand, we are simply at a time, everyone is now more allowed, to ask questions of peace and better reasoning, for surveillance and technology projects, such as these.

I sincerely hope, at minimum, and as a part of, this smart trash can project,

the city of San Jose, is learning how to develop counseling, social service programs, advocacy, trust, openness, and good communication, for downtown San Jose, at this time.

These concepts, have always been, a good, longstanding tradition, of downtown San Jose.

These simple, eternal ideas, will have to be returned to, in order to bridge important concepts, for the future of downtown, as well.

Sincerely,

Blair Beekman

Please understand, these important references, below, can help add an important dimension, in the ideas of civil rights and civil protections, openness, and accountability, with surveillance and tech. projects, for a local community.

Good ideas and concepts, that you may have felt, have been too difficult, to ask about, and work with, in the past fifteen years of war.

Helpful, friendly, familiar ideas, and legal precedents, to work with you, at your own pace, at this point, in our lives.

And not meant to work against you, and local govt. projects.

- The County of Santa Clara, Surveillance and Technology Ordinance, from Supv. Joe Simitian, June 2014-2016.

- the beginning of, my 1st letter, & my entire 2nd letter, of Friday, March 16, 2018,

- Studies, reports, and legal precedents, from the U.N. the state of California, the ACLU, and the dept. of the navy.

- New city charter amendments, in the city of Oakland, and a re-dedication, to the rights, of the everyday person, and their voice within local government.

- the city of Oakland, Privacy Advisory Committee. OPAC.

- The work of, the city of Berkeley, Police Review Commission.

- The Alameda County, Urban Shield Task Force Commission

- Your own years, of ideas, beliefs, and good work, in what is local democracy, sustainability, civil rights, civil protections, openness and accountability.

From: bob tom [REDACTED]

Sent: Tuesday, April 3, 2018 12:53 PM

Subject: Re: a letter from Blair Beekman. Tuesday April 3, 2018. _____ 4 Items of Study, for the VTA, Big Belly smart trash can project. Downtown San Jose.

I hope this letter can go through.

sincerely,

blair beekman

Dear VTA, city of San Jose, county of Santa Clara, s.j. downtown assoc. and others,

How can we more openly, and simply talk about, the current Big Belly smart trash can project, downtown.

I am sorry, if I have, an inexperience that can appear, in my thinking and work.

But I am trying to offer, good beginning understandings, dialogue, and ways to create,

a balanced, safe space, to honestly talk about, both good and bad points, of this project.

Please note, peoples lives are being affected, by civil rights and health questions,

in continuing to allow, this broadband & surveillance technology.

At least 4 ideas, should be important, at this time,

- How to be open, to label this project, a short term experiment.
- How to be open, to minimal use and zero use, of surveillance technology, and with, Broadband RF emissions tech., as a Station Point.
- How to create, a simple, 90 day period, for this project. Starting around, mid-February 2018, and ending around, mid-May 2018.

This would allow yourselves, a large, beginning set, of data collecting ideas, for study and analysis, within this time.

- And, within this same, current, 90 day period, local govts., even the VTA, can begin to develop, both short term and long term goals, of open communication, trust, advocacy, counseling, and social health programs, for downtown.

The downtown BART extension, may not be ready for construction, until mid-2019-20. This being a possible condition, of removing the Big Belly project.

I offer, a simple 90 day plan, to avoid the months of back and forth, when or when not, to remove the Big Belly smart trash cans, from downtown.

Although, you may have many sides, and ways to look at this project, and in ways, I would like to safely learn about, as well

I feel, for the most part, we are not fully prepared, in how to talk about, and work with, its health issues, its IOT ideas, how to more publicly introduce, a project like this, and its current civil rights, and civil protection questions.

I hope you are learning, some important life lessons, at this time. And how this smart trash can, can be phased out, in a reasonable amount of time, and soon.

And, its data can be studied, and better understood, for a more open, public process, at a later date.

It takes work, but I feel everyone, from the police, to local government, to everyday people, themselves,

tries to help to be sure, there is minimal, violent crime, gunshots, gang activity, big time drug sales, and national security issues, downtown.

To remind yourselves, there is a rhythm of downtown. There is sometimes, a clamor, for law and order.

Yet, for over 40 years, there is almost always a return to, a compassionate, mellow understanding, for all sides, in how to work on the issues of downtown.

It is this tradition of caring, openness, and good, that is how to build, what is a healthy, important bridge, for the future of downtown San Jose, at this time, as well.

sincerely,

blair beekman

From: bob tom [REDACTED]

Sent: Wednesday, April 11, 2018 1:45 PM

Cc: SCVTA; board.secretary@vta.org; Sheriff PIO; Pblc.Dfndr.Damon Silver; Supervisor Cindy Chavez; Cortese, Dave; Supervisor Joseph Simitian; Supervisor Ken Yeager; Supervisor Mike Wasserman; dianne.tiernan@hhs.sccgov.org; Destination Home; District Attorney; Sykes, Dave; Harkness, Kip; Maguire, Jennifer; Wells, Laura; Ortbal, Jim; City Clerk; District1; District 6; District9; District 10; Diep, Lan; District5; District3; Jimenez, Sergio; Arenas, Sylvia; District7; Walesh, Kim; Agendadesk; VanderVeen, Rachel; Morales-Ferrand, Jacky; Jacobson, Curtis; IPA; Nurre, Shivaun; Wilcox, Leland; Lib.Jill Bourne; Cueto, Ruth; The Office of Mayor Sam Liccardo; Reed, Jim; OES; Fong, Jocelyn; Rios, Angel; Cano, Matt; Garcia, Edgardo; Randol, Heather; Dwyer, Jason; Mata, Anthony; Knopf, Dave; Riordan, Ray; Greene, Shasta; Neaves, Rosario; Romanow, Kerrie; Moran, Ed; Duarte, Tracy; Murabito, Karin; Kenealey, Danielle; Doyle, Richard; staff Amy Anderson; [REDACTED]; Staff Corrina M. Dixon; Staff Danielle Ratliff; Staff Derrick Seaver; staff Jason Su; staff Jonathan Borca; staff Julie Carlson; staff Nate LeBlanc; Staff Peggy Bradly; staff Rick Jenson; [REDACTED]
Subject: a letter from Blair Beekman. Wednesday April 11, 2018. _____ The Big Belly, Smart Trash Can Project, downtown San Jose. _____ The Santa Clara County, Surveillance and Technology Ordinance.

Dear Lucas Perez, county of Santa Clara county, city govt. of s.j., and SJDA,

The three questions below, can be a lot to ask. But they should be, mostly straightforward and simple, legal questions.

Please notice, all who I have addressed, this letter to, to cross check, refer to, and be clear, if needed.

Questions.

1. Considering the VTA, is at least, a part-county government agency, does the Big Belly project, and its smart technology, fall under the Santa Clara County, Surveillance and Technology Ordinance ?
2. How is the smart technology, of the Big Belly Smart Technology Project, in downtown San Jose, acknowledged and inventoried, by the Santa Clara County Surveillance and Technology Ordinance, at this time ?
3. And finally, how was this project, initially approved, by the Board of Supervisors, or the County officials, within the legal framework, of this Ordinance ?

sincerely,
blair beekman

From: Marco Guang Xiong [REDACTED]
Sent: Sunday, April 1, 2018 4:23 PM
To: Liccardo, Sam; City Clerk; BridgeHousingCommunities; Rork, Christopher; Duenas, Norberto
Subject: strongly AGAINST homeless shelters in Berryessa area

Dear Officers,

I and my family are really worried about setting up homeless shelters in Residential Area, especially close to schools, parks, and residential area.

Lan Diep has said homeless shelters absolutely cannot be built in poor neighborhood. He has implied homeless shelters have **BIG NEGATIVE** impacts on the residents. Why it is ok to do put our kids in a negative environment?

The current BHC idea is not cost effective at all, \$1.5M for 25 homeless people and \$0.5M a year to maintain it. There are thousands of homeless people. The plan does not benefit homeless nor residents.

The city government is going to suck all the money out of the residents by asking them to pay higher tax and provide less service. The city government will turn San Jose into a Shit town.

For every cause there is an effect. When city decided to take down the homeless encampment, they did not have a plan of action to place them. And the homeless issue suddenly becomes emergency.

First, the city government created the issue by showing how successfully they drove homeless out of the jungle, now the city decided to punish the residents and the children for their mistakes and continue to give benefits to the large corporation while they are the ones with resources and money to take care of the homeless.

□

Build large encampment or homeless shelters in the industrial area and manage them centrally. Mayor's point is we **cannot** inquire about land owned by others in good faith when we are unwilling to consider our own. That point is NOT logical at all.

I am surprised it showed up in one of the city's official communication. My parents are teachers. They still sent me to school to receive the education. In his logic, I should be homeschooled.

This is about what is the best solution for your people and homeless. The negotiation might take a little longer, but it worth it. Please don't do it in a rush just for the sake of Mayor's resume. Both Residents and homeless will be hurt.

We are strongly AGAINST any attempt to force the burden back to tax-payers by either locating shelters at residential areas or using public resources/facilities for education purposes. We encourage the City to retrieve back such short-sighted decision and place the safety and development of our children as first priority. Investing in teacher wellness makes more sense than wasting money attracting homeless to visit our neighborhood.

Thanks,
Marco

From: Foothill Tax Payers Association [REDACTED]
Sent: Monday, April 2, 2018 12:22 PM
Subject: Information to consider about CCA's 1 of 2

Honorable Council Members,

Here is information for your consideration and review regarding Community Choice Aggregation (CCA). It has been our experience that critical decisions are made, based on staff and consultant recommendations that glaze over potential problems of CCAs. Elected officials need to proceed with caution regarding this complex subject and ask difficult questions. To do that, they must be educated enough to ask an educated question. That is where ACSC's research can help.

To continue reading open attachments.

Please let me know you received this information.

Regards,

Linnie M Drolet
Foothill Tax Payers Association

From: Foothill Tax Payers Association [REDACTED]
Sent: Monday, April 2, 2018 12:23 PM
Subject: Add'l Information to consider about CCA's 2 of 2

**Due to the large size of the attachment, please see
separate link under Item E.1.**

**The full document can be viewed in the Office of the
City Clerk.**

From: ericchristen [REDACTED]
Sent: Tuesday, April 3, 2018 8:04 AM
To: The Office of Mayor Sam Liccardo; District1; District2; District3; District4; District5; District 6; District7; District8; District9; District 10
Cc: e [REDACTED]; City Clerk; Webmaster Manager; [REDACTED]
Subject: Failed Project Labor Agreement Pilot Project in Santa Clara County

“The Project Labor Agreement had nothing to do with it!”

Engineer's Estimate	\$11,500,000.00
Winning Bid	\$18,661,000.00
Final Cost	\$20,527,100.00

Applied Arts and Sciences Building Renovation Project - West Valley-Mission Community College District Project Labor Agreement Pilot Project

Dear San Jose City Councilmembers:

On October 3, union officials will ask you to impose a Project Labor Agreement mandate on construction companies working on city contracts.

For good reason, you will NOT hear from union officials about the recent “Project Labor Agreement Pilot Project” at the West Valley-Mission Community College District. Estimated at **\$11,500,000** when the contract was advertised for bid, the winning bid came in at **\$18,661,000**. The final cost of the project with change orders was **\$20,527,100** - almost double the estimate.

The independent evaluation of the pilot project could not identify any benefits purported by the unions, and the college does not plan to mandate any additional Project Labor Agreements. In fact, it is clear that the Project Labor Agreement was a political scheme pushed by one board member, Chris Stampolis, who subsequently was elected to the Santa Clara Unified School District board and began pushing on behalf of unions for Project Labor Agreements there.

Below is a timeline of the Pilot Project, from 2012 proposal to 2017 final report, prepared by the Coalition for Fair Employment in Construction for the benefit of your policy deliberations.

See 21 background documents (totaling 52 pages) cited in the 2012-2017 timeline here:

[West Valley-Mission Community College District Project Labor Agreement Timeline 2012-2017](#)

The December 2012 Project Labor Agreement report from the Chancellor can be found here:

[West Valley-Mission College District Vice Chancellor Project Labor Agreement Report 2012](#)

The August 2017 final independent evaluation of the pilot project can be found here:

[West Valley-Mission Community College District Project Labor Agreement Pilot Project Evaluation 2017](#)

The 2013 Project Labor Agreement itself, with all of its failed promises, can be found here:

[West Valley-Mission Community College District Project Labor Agreement 2013](#)

TIMELINE FOR PROJECT LABOR AGREEMENT PILOT PROJECT AT WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT - 2012-2017

May 12, 2012 - The head of the Santa Clara & San Benito Building and Construction Trades Council makes a scheduled formal presentation to the board about Project Labor Agreements.

October 2, 2012 - During this board meeting, board member Chris Stampolis asks the Chancellor's office to schedule a Project Labor Agreement discussion.

October 16, 2012 - Board member Chris Stampolis demands a revision to the October 2, 2012 minutes indicating he wanted a Project Labor Agreement discussion at an *October* meeting, not an *upcoming* meeting. The board approved the revision.

November 13, 2012 - The board provides to the Chancellor "direction for Project Labor Agreements to increase local contractor utilization for the District's capital outlay program." Evidently perplexed by this boilerplate argument for Project Labor Agreements, the Chancellor reports that 90 of the 102 contractors on the college's pre-qualification contractor list are local.

December 11, 2012 - Now a "former board member," Chris Stampolis urges the board to approve a Project Labor Agreement. The Chancellor provides a report to the board about Project Labor Agreements. The board votes to direct district staff to negotiate a Project Labor Agreement. Negotiations then continue over the next several months.

June 12, 2013 - A member of the Citizens Bond Oversight Committee objects to the district's decision to negotiate a Project Labor Agreement for the Applied Arts and Sciences Building Renovation Project.

August 20, 2013 - The board votes 5-2 to require construction contractors to sign a Project Labor Agreement with union in order to work on an upcoming "pilot project" to evaluate its performance on the Applied Arts and Sciences Building Renovation Project.

November 13, 2013 - College administrators update the Citizens Bond Oversight Committee on the Project Labor Agreement with unions.

May 22, 2014 - Bid deadline for Applied Arts and Sciences Building construction contract, with engineer's estimate set at **\$11,500,000**.

June 17, 2014 - The Board of Trustees approved the lowest responsive and responsible bid for the West Valley College Applied Arts and Sciences Renovation Project in the amount of **\$18,661,000**. Staff reports that "The budget for this project will be increased to cover escalation reflected on bids recently received for the project. The amount to be transferred is \$6,079,825." West Valley College President Brad Davis expresses disappointment with the cost increase.

September 14, 2016 - Citizens Bond Oversight Committee members ask college administrators if the district will require contractors to sign a Project Labor Agreement in order to work on the Mission College Wellness Center Project. The Vice Chancellor of Administrative Services reports that "a PLA was utilized for the Applied Arts and Sciences Building at West Valley College. That project is now complete and there are currently no plans to utilize a PLA for future projects." It was noted by the Director of Facilities that "at least 80% of contractors used by the District are union." The Chancellor told the committee that Project Labor Agreements "are no longer an issue because most unions are back at work due to the upswing in the economy and most projects are paying higher than union wages."

July 11, 2017 - The Board of Trustees authorizes a Notice of Completion for the Applied Arts and Sciences Building at West Valley College at a final cost of **\$20,527,100**.

August 1, 2017 - The Vice Chancellor presents a report prepared by a private consultant to the Board of Trustees evaluating the performance of the Project Labor Agreement. The report concluded that "no conclusive evidence that PLA had adverse or favorable impact on observable metrics for this Project" and "stakeholder opinions regarding the PLA, its impact, and efficacy appear to be pre-established with little or no empirical basis."

Please contact me at [REDACTED] or at [REDACTED] to discuss the failures of this Project Labor Agreement pilot project or any other public works project with a government-mandated Project Labor Agreement.

Eric Christen

Executive Director
Coalition for Fair Employment in Construction

###

From: bob tom [REDACTED]

Sent: Wednesday, April 4, 2018 4:15 PM

Subject: a letter from Blair Beekman. Wednesday April 4, 2018. _____ Rules and Open Govt. meeting.
Item G2. Bicycle and Scooter Issue.

Dear Rules and Open Government,

In talking about the future, of a scooter and bicycle policy. I forgot an important point to mention.

When the 'Bird' scooters, made their first appearance, a few weeks ago, their seemed to be, an almost conscious effort, by the riders themselves,

to keep both, Lime and Bird scooters, out of the middle of sidewalks, and such.

It is the sort of, self- regulatory effort, that is what we all work toward, with projects like this.

If you notice, there may be a very orderly process, to the parking of scooters, along downtown sidewalks, the past few weeks.

And perhaps, even neater, than in weeks previous.

My congratulations, and a thank you to everyone, in the early stages of this process, downtown.

And to also thank you, for what seems to be, a minimal approach, in how your city govt. is addressing this issue,

And, to very much respect, all the worry and responsibility, you have in the background, to be sure of the safety of this project.

sincerely,

blair beekman

p.s.

I am not for, the enforcement and data collection of individual riders, unless absolutely necessary.

However, I thought reducing the speed of the scooters, from 15 to 10 mph, seems a safe, and reasonable request.

April 6, 2018

TO: County Executive, Santa Clara County
City Managers, Cities in Santa Clara County
District Managers, Special Districts in Santa Clara County

FROM: Neelima Palacherla, LAFCO Executive Officer

SUBJECT: PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2018-2019

Please find attached the Proposed LAFCO Budget for Fiscal Year 2018-2019, as approved by LAFCO at a public hearing on April 4, 2018. LAFCO is scheduled to consider adoption of its Final Budget at a public hearing on Wednesday, June 6, 2018, at 1:15 PM. The LAFCO meeting will be held in the Board Chambers, 70 West Hedding Street, San Jose.

The County Auditor will invoice the cities, independent special districts and the County for LAFCO costs based on the Final Budget adopted by LAFCO.

The attached Budget Report reviews the status of LAFCO's current work plan and budget, sets forth a work plan for the upcoming fiscal year, and includes a proposed budget for Fiscal Year 2018-2019 along with background information about the projected expenditures and revenues.

Should you have any questions or comments, please do not hesitate to contact me.
Thank you.

Attachment: Staff Report and Proposed LAFCO Budget for Fiscal Year 2018-2019

cc: Board of Supervisors, Santa Clara County
City Council Members, Cities in Santa Clara County
Board of Directors, Special Districts in Santa Clara County
Santa Clara County Cities Association
Santa Clara County Special Districts Association



April 4, 2018
AGENDA ITEM # 4

LAFCO MEETING: April 4, 2018
TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
SUBJECT: PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2019

FINANCE COMMITTEE / STAFF RECOMMENDATION

1. Adopt the Proposed Budget for Fiscal Year 2018-2019.
2. Find that the Proposed Budget for Fiscal Year 2019 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the Proposed Budget adopted by the Commission including the estimated agency costs as well as the LAFCO public hearing notice on the adoption of the Fiscal Year 2019 Final Budget to the cities, the special districts, the County, the Cities Association and the Special Districts Association.

BACKGROUND

LAFCO Budget Process Requirements

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. Government Code §56381(a) establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

• www.santaclaralafco.org

COMMISSIONERS: Sequoia Hall, Sergio Jimenez, Rob Rennie, John L. Varela, Mike Wasserman, Susan Vicklund Wilson, Ken Yeager
ALTERNATE COMMISSIONERS: Sylvia Arenas, Cindy Chavez, Yoriko Kishimoto, Russ Melton, Terry Trumbull
EXECUTIVE OFFICER: Neelima Palacherla

LAFCO and the County of Santa Clara entered into a Memorandum of Understanding (MOU) (effective since July 2001), under the terms of which, the County provides staffing, facilities, and services to LAFCO. The associated costs are reflected in the proposed LAFCO budget. LAFCO is a stand-alone, separate fund within the County's accounting and budget system and the LAFCO budget information is formatted using the County's account descriptions/codes.

Fiscal Year 2018-2019 Budget Timeline

Dates	Staff Tasks / LAFCO Action
March 12 - April 4	Notice period, Draft Budget posted on LAFCO website and available for review and comment
April 4	LAFCO public hearing on adoption of Draft Budget
April 5	Draft Budget, draft apportionments and LAFCO public hearing notice on Final Budget transmitted to agencies
June 6	Public hearing and adoption of Final Budget
June 6 - July 1	Final Budget transmitted to agencies; Auditor requests payment from agencies

LAFCO FINANCE COMMITTEE

At its February 7, 2018 LAFCO meeting, the Commission appointed Commissioners Hall, Jimenez, and Rennie to the LAFCO Finance Committee, and directed the Committee to develop a draft budget for Commission consideration.

The Finance Committee held a meeting on March 19, 2018. The Committee discussed issues related to the budget including the highlights and progress on the current year work plan, and the status of the current year budget.

The Committee recommended that the Commission arrange for an annual audit of LAFCO's financial statements to be conducted by an independent auditor and directed that staff research for the full Commission's consideration, potential costs associated with retaining an independent auditor. See Agenda Item #5 for a full discussion of this issue.

The Committee directed that staff present for the full Commission's consideration and adoption (at the June 2018 meeting), a revision of the LAFCO fee schedule in order to reflect current staff rates; and a proposed policy on LAFCO fee waivers so as to achieve full cost recovery and offset costs to funding agencies.

The Committee also recommended that staff initiate a classification and compensation review for the LAFCO Clerk position, in order to better reflect the requirements, duties and responsibilities of the position. The position was last reviewed and revised in 2008. Since that time, the Clerk's duties have progressively and substantially increased due to various changes in LAFCO's operations and State law. The MOU between the County and LAFCO provides a window of time within which LAFCO may request that the County conduct such a review. Staff will coordinate with the County and present the issue for Commission consideration at a future meeting in a timely manner.

STATUS OF CURRENT YEAR (FISCAL YEAR 2018) WORK PLAN AND BUDGET

Attachment A depicts the current status of the work items/projects in the Fiscal Year 2018 Work Program. In addition to reviewing and processing LAFCO applications and engaging in various local / regional projects, a major focus of LAFCO's work during this fiscal year centered around two important matters – (1.) recruitment, hiring and training of the new LAFCO Analyst and (2.) launching the effort to prepare and implement a Public Communications and Outreach Plan.

The LAFCO Annual Report which will be published at the end of the current fiscal year will document the applications processed by LAFCO and the various activities/projects that LAFCO has engaged in or completed in Fiscal Year 2018.

Attachment B depicts the current Fiscal Year budget status. The adopted LAFCO budget for FY 2018 is \$1,084,733. Based on information through the end of February 2018, total year-end projected expenditures for FY 2018 would be approximately \$182,333 or 16% less than the adopted budget for FY 2018. Revenue for FY 2018 is projected to be slightly lower than that projected in the adopted budget for FY 2018. The County, the cities and the independent special districts paid their respective shares of LAFCO's FY 2018 costs as apportioned by the County Controller. The actual fund balance rolled over at the end of FY 2017 was \$331,177, which is approximately \$84,338 (\$331,177- \$246,839) more than projected in the adopted FY 2018 budget.

It is projected that there will be a savings or fund balance of approximately \$259,171 at the end of Fiscal Year 2018, which will be carried over to reduce the proposed Fiscal Year 2019 costs for the funding agencies (cities, independent special districts and the County).

$$\begin{aligned}\text{Projected Year-End [FY 18] Fund Balance} &= (\text{Projected Year-End [FY 18] Revenue} + \text{Actual} \\ &\quad \text{Fund Balance from Previous Fiscal Year [FY 17]} + \\ &\quad \text{Funds Received from Local Agencies in FY 18}) - \\ &\quad (\text{Projected Year-End [FY 18] Expenses}) \\ &= (\$31,500 + \$331,177 + \$798,894) - \$902,400 \\ &= \$259,171\end{aligned}$$

Please note that the fund balance excludes the \$150,000 set aside as the reserve, which is expected to be unused at the end of FY 2018, and will be rolled over to the next year as-is and maintained as the reserve.

PROPOSED WORK PROGRAM FOR FISCAL YEAR 2018-2019

LAFCO is mandated by the state to process jurisdictional boundary change applications in accordance with the provisions of the Cortese Knox Hertzberg Act. Associated with this mandate, LAFCO has several responsibilities/requirements including but not limited to adopting written policies and procedures, maintaining a website, serving as a conducting authority for protest proceedings and conducting public hearings and providing adequate public notice. Other state mandates for LAFCO include conducting sphere of influence reviews and updates for cities and special districts within the county once every five years, or as necessary, after preparing the associated service reviews for the agencies.

The LAFCO work program for FY 2018- 2019 is presented in **Attachment C**. Some key items in the proposed work plan include the preparation and implementation of the Public Communications and Outreach Plan; development of a plan for and establishment of priorities for conducting the next round of service reviews; and the comprehensive review and update of LAFCO policies and procedures in order to provide better clarity; among other ongoing projects. Further, staff is currently working with the CALAFCO Executive Director in exploring the potential for hosting the 2019 CALAFCO Staff Workshop in San Jose. CALAFCO has issued a RFP for a facility to hold the event in the area. The Workshop will be held in April 2019 and the host LAFCO's responsibilities include organizing a mobile workshop, coordinating opening remarks, recommending local sponsors, organizing a Bounty of the County reception, participating on the program committee, and designing workshop logo/flyer and so on, among other things.

The Committee discussed the proposed work plan for Fiscal Year 2019 and recommended it for Commission consideration and adoption.

PROPOSED BUDGET: FISCAL YEAR 2017-2018

The Finance Committee recommended the Proposed FY 2019 Budget, for the full Commission's consideration and approval. (See Attachment D). The following is a detailed itemization of the proposed budget.

EXPENDITURES

Expenditures are divided into two main sections: Staff Salary and Benefits (Object 1), and Services and Supplies (Object 2).

OBJECT 1. SALARIES AND BENEFITS

This includes the salary and benefits for the four current LAFCO staff positions including Executive Officer, the two Analyst positions and Clerk position. All four of these positions are staffed through the County Executive's Office. The County projects that the salaries and benefits for the four LAFCO positions would total approximately \$691,802 in FY 2019. The proposed amount is based on the best available projections from the County. Any further changes to the projections for these four positions that occur within the next couple of months will be reflected in the Final LAFCO budget.

OBJECT 2. SERVICES AND SUPPLIES**5255100 INTRA-COUNTY PROFESSIONAL \$45,000**

This amount includes the costs for services from various County agencies such as the County Surveyor's Office, the County Assessors' Office, and the Registrar of Voters.

The County Surveyor assists with map review and approval for boundary change proposals. In addition, the Surveyor's Office also assists with research to resolve boundary discrepancies. The County Assessor's Office prepares reports for LAFCO and the Registrar of Voters provides data necessary for processing LAFCO applications. This item also allows LAFCO to seek GIS mapping services including maintenance and technical assistance from the County Planning Office, as necessary.

5255800 LEGAL COUNSEL \$70,200

This item covers the cost for general legal services for the fiscal year.

In February 2009, the Commission retained the firm of Best Best & Krieger for legal services on a monthly retainer. The contract was amended in 2010 to reduce the number of total hours required to 240 hours per year. The contract sets the hourly rate and allows for an annual automatic adjustment to the rates based on the Consumer Price Index (CPI). In 2017, the contract was once again amended to increase the monthly retainer and limit the CEQA work within the retainer to 24 hours annually. Any additional CEQA work above 24 hours would be charged outside the retainer at the same hourly rate.

The monthly retainer for FY 2019 increases to \$5,573, based on a 3.2% increase in the Consumer Price Index for the prior calendar year (2017). This item covers the annual retainer fees and includes additional monies to cover approximately 10 hours of work outside the retainer.

5255500 CONSULTANT SERVICES \$100,000

This item is budgeted for hiring consultants to assist LAFCO with special projects such as for preparing service reviews, facilitating a strategic planning workshop, scanning LAFCO records into LaserFische, and conducting the annual financial audit, among others. The Commission must take action to authorize such special projects prior to any

expenditures. This item also includes costs associated with ongoing existing contracts such as costs for hosting the LAFCO website by an outside provider.

5285700 MEAL CLAIMS \$750

This item is being maintained at \$750.

5220200 INSURANCE \$6,000

This item is for the purpose of purchasing general liability insurance and workers' compensation coverage for LAFCO. In 2010, LAFCO switched from the County's coverage to the Special District Risk Management Authority (SDRMA), for the provision of general liability insurance. Additionally, LAFCO also obtains workers' compensation coverage for its commissioners from SDRMA. Workers' compensation for LAFCO staff is currently covered by the County and is part of the payroll charge. For Fiscal Year 2019, Workers Compensation coverage costs are estimated at \$850 and General Liability insurance costs are estimated at \$5,000.

5270100 RENT & LEASE

This item includes the rent for the new office space lease which amounts to \$42,764 for FY 2019.

5250100 OFFICE EXPENSES \$10,000

This item includes funds for purchase of books, periodicals, and small equipment and supplies, including photocopier costs.

5255650 DATA PROCESSING SERVICES \$4,123

This item includes costs associated with County Information Services Department providing IT services to the LAFCO program including Enterprise Content Management services and solutions (\$1,891), Claranet services (\$1,350), security services (\$728), and sccLearn (\$154).

5225500 COMMISSIONER'S FEES \$10,000

This item covers the \$100 per diem amount for LAFCO commissioners and alternate commissioners to attend LAFCO meetings and committee meetings.

5260100 PUBLICATIONS AND LEGAL NOTICES \$2,500

This is being maintained at \$2,500 and includes costs associated with publication of hearing notices for LAFCO applications and other projects/ studies, as required by state law.

5245100 MEMBERSHIP DUES \$8,926

This amount includes funding for membership dues to CALAFCO – the California Association of LAFCOs. Dues were increased only by the CPI for FY 2018-19 (2.9%). As a result, the 2019 CALAFCO dues will increase to \$8,926.

5250750 PRINTING AND REPRODUCTION \$1,500

This covers printing expenses for reports such as service reviews or other studies.

5285800 BUSINESS TRAVEL \$16,000

This item includes costs incurred by staff and commissioners to attend conferences and workshops. It would cover air travel, accommodation, conference registration and other expenses at the conferences. CALAFCO annually holds a Staff Workshop and an Annual Conference that is attended by commissioners as well as staff. In addition, this item covers expenses for travel to the CALAFCO Legislative Committee meetings and the CALAFCO Executive Board meetings. Commissioner Wilson serves on the CALAFCO Legislative Committee and on the Executive Board; and EO Palacherla serves on the CALAFCO Legislative Committee.

5285300 PRIVATE AUTOMOBILE MILEAGE \$2,000

This item provides for mileage reimbursement when staff travels by private car to conduct site visits and attend meetings / training sessions.

5285200 TRANSPORTATION AND TRAVEL (for use of County car) \$605

This item would cover costs associated with the use of a County vehicle for travel to conferences, workshops, site visits and meetings.

5281600 OVERHEAD (\$79,368)

This is an amount established by the County Controller's Office, for service rendered by various County departments that do not directly bill LAFCO. The overhead includes LAFCO's share of the County's FY 2018 Cost Allocation Plan which is based on actual overhead costs from FY 2017 – the most recent year for which actual costs are available. Although the budgeted amount is \$79,368, the County recently informed staff that LAFCO will be billed for only \$69,944 as the County had mistakenly applied a charge of \$9,424 for LAFCO facilities. Since the County's Cost Allocation Plan cannot be revised at this time, the original amount of \$79,368 will remain in the LAFCO Budget in order to avoid issues in the County's accounting system. The overhead includes the following charges from:

County Executive's Office:	\$21,641
Controller-Treasurer:	\$7,795
Employee Services Agency:	\$3,928
OBA:	\$343
BHS-MH - Employee:	\$138
ISD Intergovernmental Service:	\$821
ISD:	\$2,213
Procurement:	\$3,336

Further, a "roll forward" is applied which is calculated by comparing FY 2017 Cost Plan estimates with FY 2017 actuals. The FY 2017 cost estimates were lower than the actuals by \$29,729, this amount is added to the FY 2019 Cost Plan. This is a state requirement.

5275200 COMPUTER HARDWARE \$3,000

This item is designated for any required hardware upgrades / purchases.

5250800 COMPUTER SOFTWARE \$4,000

This amount is designated for computer software purchases, and annual licenses for GIS software and records management (LaserFische) hardware/software annual maintenance agreement.

5250250 POSTAGE \$2,000

This amount covers postage costs associated with mailing notices, agendas, agenda packets and other correspondence and is being maintained at \$2,000.

5252100 TRAINING PROGRAMS \$2,000

This item covers the costs associated with attendance at staff development courses and seminars. CALAFCO conducts CALAFCO University Courses throughout the year on topics of relevance to LAFCO.

REVENUES

4103400 APPLICATION FEES \$30,000

It is anticipated that LAFCO will receive approximately \$30,000 in fees from processing applications. The actual amount earned from fees depends entirely on the level of application activity.

4301100 INTEREST \$4,000

It is estimated that LAFCO will receive an amount of approximately \$4,000 from interest earned on LAFCO funds.

RESERVES

3400800 RESERVES \$150,000

This item includes reserves for two purposes: litigation reserve – for use if LAFCO is involved with any litigation and contingency reserve - to be used for unexpected expenses. If used during the year, this account will be replenished in the following year. Since 2012, the reserves have been retained in a separate Reserves account, thus eliminating the need for LAFCO to budget each year for this purpose. LAFCO currently retains \$150,000 in reserves separate from operating expenses.

COST APPORTIONMENT TO CITIES, INDEPENDENT SPECIAL DISTRICTS AND COUNTY

In January 2013, independent special districts were seated on LAFCO. Government Code §56381(b)(1)(A) provides that when independent special districts are represented on LAFCO, the county, cities and independent special districts must each provide a one-third share of LAFCO's operational budget.

The City of San Jose has permanent membership on LAFCO pursuant to Government Code Section 56327. As required by Government Code §56381.6(b), the City of San Jose's share of LAFCO costs must be in the same proportion as its member bears to the total membership on the commission, excluding the public member. The remaining cities' share must be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county.

Government Code Section 56381 provides that the independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. The Santa Clara County Special Districts Association (SDA), at its August 13, 2012 meeting, adopted an alternative formula for distributing the independent special districts' share to individual districts. The SDA's agreement requires each district's cost to be based on a fixed percentage of the total independent special districts' share.

Therefore in Santa Clara County, the County pays a third of LAFCO's operational costs, the independent special districts pay a third, the City of San Jose pays one sixth and the remaining cities pay one sixth. Government Code §56381(c) requires the County Auditor to request payment from the cities, independent special districts and the County no later than July 1 of each year for the amount each agency owes based on the net operating expenses of the Commission and the actual administrative costs incurred by the Auditor in apportioning costs and requesting payment.

Calculation of Net Operating Expenses

$$\begin{aligned}\text{FY 2019 Net Operating Expenses} &= (\text{Proposed FY 2019 Expenditures}) - (\text{Proposed FY} \\ &\quad \text{2019 Fee \& Interest Revenues} + \text{Projected Fund} \\ &\quad \text{Balance from FY 2018}) \\ &= \$809,367\end{aligned}$$

Please note that the projected operating expense for FY 2019 is based on projected savings and expenses for the current year. Further revisions may be needed as we get a better indication of current year expenses/revenues towards the end of this fiscal year. Additionally, a more accurate projection of costs/revenues for the upcoming fiscal year could become available, particularly for employee salary/benefits. This could result in

changes to the proposed net operating expenses for FY 2019 which could in turn impact the costs for each of the agencies. The following is a draft apportionment to the agencies based on the proposed net operating expenses for FY 2019.

FY 2019 COST TO AGENCIES

County of Santa Clara	\$269,789
City of San Jose	\$134,895
Remaining 14 Cities in the County	\$134,895
17 Independent Special Districts	\$269,789

Apportionment of the costs among the 14 cities and among the 17 independent special districts will be calculated by the County Controller's Office after LAFCO adopts the final budget in June. In order to provide each of the cities and districts with a general indication of their costs in advance, **Attachment E** includes draft estimated apportionments based on the selected budget option.

ATTACHMENTS

Attachment A:	Status of FY 2018 Work Plan
Attachment B:	Status of FY 2018 Budget
Attachment C:	Proposed Work Program for Fiscal Year 2019
Attachment D:	Proposed LAFCO Budget for Fiscal Year 2019
Attachment E:	Estimated Costs to Agencies Based on the Proposed Budget

STATUS OF CURRENT (FY 2018) WORK PLAN

AGENDA ITEM # 4 Attachment A

	PROJECTS	STATUS
LAFCO APPLICATIONS	Process applicant initiated LAFCO proposals	Ongoing, as needed
	Comment on potential LAFCO applications, City General Plan updates and/ or related environmental documents	Ongoing, as needed
	Respond to public enquiries re. LAFCO policies, procedures and filing requirements for LAFCO applications	Ongoing, as needed
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with potential annexations and potential USA amendments	Ongoing, as needed
	Review and finalize city-conducted island annexations	Ongoing, as needed
PUBLIC OUTREACH / COMMUNICATION	Develop and implement a public information /communications strategy	In progress
	Participate in CALAFCO conferences / workshops/ white papers	Ongoing
	Conduct workshops and/or make presentations re. LAFCO program, policies and procedures to local agencies, organizations, commissioners, community groups, staff	Ongoing
	Participate in local, regional, statewide organizations: SDA, SCCAPO, CALAFCO, GIS Working Group	Ongoing
SERVICE REVIEW & SPHERE UPDATES	Develop a plan, strategies and priorities for conducting the next round of service reviews	TBD
	Continue to follow up on implementation of recommendations from previous service reviews, as necessary, encouraging principles of good governance and management for special districts	Ongoing
ADMINISTRATION	Prepare budget, and work plan	Ongoing
	Revise LAFCO fee schedule and draft a fee waiver policy	In progress
	Conduct a Strategic Planning Workshop for LAFCO	TBD
	Maintain and enhance LAFCO Website	Ongoing
	Maintain LAFCO database	Ongoing
	Maintain LAFCO's electronic document management system	Ongoing
	Prepare Annual Report	August 2017
	Recruit and hire staff for the new LAFCO Analyst position. Staff training and development	December 2017 Ongoing
	Staff performance evaluation	April – May 2018
	Other administrative functions required of a public agency	Ongoing
OTHER	Review and update policies and procedures	Ongoing
	Mapping Mutual Water companies	Ongoing
	JPA filings	On going
	Track LAFCO related legislation (CALAFCO Leg. Committee)	Ongoing
	Participation / comment on the County / OSA's CAPP	On going
	Conduct Special District member election to the Countywide Redevelopment Oversight Board	May 2018

AGENDA ITEM # 4

Attachment B

FY 2018 LAFCO BUDGET STATUS

ITEM #	TITLE	ACTUALS FY 2008	ACTUALS FY 2009	ACTUALS FY 2010	ACTUALS FY 2011	ACTUALS FY 2012	ACTUALS FY 2013	ACTUALS FY 2014	ACTUALS FY 2015	ACTUALS FY 2016	ACTUALS FY 2017	APPROVED FY 2018	YEAR TO DATE 3/9/2018	YEAR END PROJECTIONS 2018
EXPENDITURES														
	Salary and Benefits	\$356,009	\$400,259	\$406,650	\$413,966	\$393,194	\$411,929	\$450,751	\$466,755	\$484,216	\$514,381	\$685,072	\$392,486	\$629,046
Object 2: Services and Supplies														
5255100	Intra-County Professional	\$66,085	\$57,347	\$13,572	\$4,532	\$6,118	\$5,260	\$5,663	\$4,379	\$18,523	\$1,292	\$45,000	\$1,376	\$3,000
5255800	Legal Counsel	\$0	\$9,158	\$67,074	\$52,440	\$48,741	\$56,791	\$53,550	\$52,854	\$57,498	\$71,131	\$70,200	\$32,400	\$65,000
5255500	Consultant Services	\$19,372	\$75,000	\$76,101	\$58,060	\$102,349	\$59,563	\$35,602	\$37,250	\$39,625	\$0	\$100,000	\$0	\$75,000
5285700	Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$209	\$367	\$50	\$750	\$580	\$750
5220100	Insurance	\$491	\$559	\$550	\$4,582	\$4,384	\$4,378	\$4,231	\$4,338	\$4,135	\$4,679	\$5,000	\$4,893	\$4,893
5250100	Office Expenses	\$1,056	\$354	\$716	\$639	\$1,212	\$536	\$850	\$783	\$6,266	\$48,632	\$9,236	\$6,457	\$10,000
	Rent and Lease											\$42,764	\$34,040	\$42,000
5255650	Data Processing Services	\$8,361	\$3,692	\$3,505	\$1,633	\$3,384	\$1,663	\$3,311	\$9,024	\$1,519	\$6,869	\$3,600	\$379	\$3,600
5225500	Commissioners' Fee	\$5,700	\$5,400	\$3,500	\$3,400	\$4,000	\$4,900	\$5,800	\$4,900	\$6,700	\$5,300	\$10,000	\$3,500	\$9,000
5260100	Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,484	\$487	\$191	\$2,500	\$54	\$200
5245100	Membership Dues	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$14,473	\$0	\$7,428	\$7,577	\$8,107	\$8,674	\$8,674	\$8,674
5250750	Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$177	\$703	\$0	\$1,500	\$0	\$500
5285800	Business Travel	\$7,238	\$8,415	\$4,133	\$8,309	\$3,095	\$4,777	\$5,800	\$4,042	\$5,811	\$3,877	\$16,000	\$6,625	\$12,000
5285300	Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$396	\$1,009	\$1,264	\$2,000	\$286	\$700
5285200	Transportation&Travel (County Cau	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$293	\$559	\$605	\$1,000	\$47	\$600
5281600	Overhead	\$42,492	\$62,391	\$49,077	\$46,626	\$60,647	\$43,133	\$42,192	\$34,756	\$49,452	\$0	\$28,437	\$14,219	\$28,437
5275200	Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$0	\$106	\$0	\$3,000	\$0	\$3,000
5250800	Computer Software	\$0	\$0	\$626	\$314	\$579	\$3,124	\$933	\$1,833	\$2,079	\$754	\$4,000	\$3,456	\$4,000
5250250	Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$597	\$411	\$209	\$2,000	\$101	\$1,000
5252100	Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$1,431	\$0	\$0	\$2,000	\$0	\$1,000
5701000	Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,000	\$0	\$0
TOTAL EXPENDITURES		\$516,530	\$633,691	\$636,478	\$604,238	\$640,540	\$613,895	\$612,816	\$633,929	\$687,043	\$667,342	\$1,084,733	\$509,573	\$902,400
REVENUES														
4103400	Application Fees	\$46,559	\$41,680	\$35,576	\$48,697	\$37,426	\$45,458	\$63,561	\$27,386	\$146,168	\$20,436	\$35,000	\$15,216	\$25,000
4301100	Interest: Deposits and Investments	\$24,456	\$16,230	\$6,688	\$4,721	\$4,248	\$3,416	\$2,674	\$2,844	\$6,073	\$10,830	\$4,000	\$4,241	\$6,500
Savings/Fund Balance from previous FY		\$271,033	\$368,800	\$334,567	\$275,605	\$209,987	\$208,219	\$160,052	\$226,111	\$187,310	\$293,489	\$246,839	\$331,177	\$331,177
TOTAL REVENUE		\$342,048	\$426,711	\$376,831	\$329,023	\$251,661	\$257,092	\$226,287	\$256,341	\$339,551	\$324,755	\$285,839	\$350,634	\$362,677
NET LAFCO OPERATING EXPENSES		\$174,482	\$206,980	\$259,648	\$275,215	\$388,879	\$356,802	\$386,529	\$377,588	\$347,492	\$342,587	\$798,894	\$158,939	\$539,723
3400800 RESERVES available					\$100,000	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
COSTS TO AGENCIES														
5440200	County	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$281,780	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$266,298	\$266,298
4600100	Cities (San Jose 50% +other cities 50	\$271,641	\$270,896	\$267,657	\$292,601	\$298,597	\$282,625	\$156,002	\$187,521	\$220,668	\$225,778	\$266,298	\$266,298	\$266,298
Special Districts								\$296,892	\$187,521	\$220,668	\$225,778	\$266,298	\$266,298	\$266,298

March 2018

PROPOSED WORK PLAN FOR FISCAL YEAR 2019

AGENDA ITEM # 4 Attachment C

	PROJECTS	TIME FRAME	RESOURCES
LAFCO APPLICATIONS	Process applicant initiated LAFCO proposals	Ongoing, as needed	Staff
	Comment on potential LAFCO applications, City General Plan updates and/ or related environmental documents	Ongoing, as needed	Staff
	Respond to public enquiries re. LAFCO policies, procedures and filing requirements for LAFCO applications	Ongoing, as needed	Staff
ISLAND ANNEXATIONS	Conduct outreach to cities with islands, follow up on responses including review/research of city limits/ USA boundaries, provide assistance with potential annexations and potential USA amendments	Ongoing, as needed	Staff
	Review and finalize city-conducted island annexations	Ongoing, as needed	Staff
PUBLIC OUTREACH / COMMUNICATION	Develop and implement a public information /communications strategy	In progress	Consultant / staff
	Participate in CALAFCO conferences / workshops	Ongoing	Staff
	Conduct workshops and/or make presentations re. LAFCO program, policies and procedures to local agencies, organizations, commissioners, community groups, staff	Ongoing	Staff
	Participate in local, regional, statewide organizations: SDA, SCCAPO, CALAFCO, GIS Working Group	Ongoing	Staff
SERVICE REVIEW & SPHERE OF INFLUENCE UPDATES	Develop a plan, strategies and priorities for conducting the next round of service reviews	TBD	Staff
	Continue to follow up on implementation of recommendations from previous service reviews, as necessary, encouraging principles of good governance and management for special districts	Ongoing	Staff
ADMINISTRATION	Prepare budget, and work plan	Ongoing	Staff
	Prepare administrative procedures	TBD	Staff
	Conduct a Strategic Planning Workshop for LAFCO	TBD	Staff / consultant
	Maintain and enhance LAFCO Website	Ongoing	Staff
	Maintain LAFCO database	Ongoing	Staff
	Maintain LAFCO's electronic document management system	Ongoing	Staff
	Prepare Annual Report	August 2018	Staff
	Staff training and development	Ongoing	Staff
	Staff performance evaluation	March-May 2018	Staff, LAFCO
	Other administrative functions required of a public agency	Ongoing	Staff
OTHER	Review and update policies and procedures	Ongoing	Staff
	Mapping Mutual Water companies	Ongoing	Staff
	JPA filings	On going	Staff
	Track LAFCO related legislation (CALAFCO Leg. Committee)	Ongoing	Staff
	Host the 2019 CALAFCO Staff Workshop	TBD	Staff / CALAFCO

**PROPOSED LAFCO BUDGET
FISCAL YEAR 2018 - 2019**

**AGENDA ITEM # 4
Attachment D**

ITEM #	TITLE	APPROVED	ACTUALS	PROJECTIONS	PROPOSED
		BUDGET FY 2018	Year to Date 2/28/2018	Year End 2018	FY 2019 BUDGET
EXPENDITURES					
Object 1: Salary and Benefits		\$685,072	\$392,486	\$629,046	\$691,802
Object 2: Services and Supplies					
5255100	Intra-County Professional	\$45,000	\$1,376	\$3,000	\$45,000
5255800	Legal Counsel	\$70,200	\$32,400	\$65,000	\$70,200
5255500	Consultant Services	\$100,000	\$0	\$75,000	\$100,000
5285700	Meal Claims	\$750	\$580	\$750	\$750
5220100	Insurance	\$5,000	\$4,893	\$4,893	\$6,000
5250100	Office Expenses	\$9,236	\$6,457	\$10,000	\$10,000
5270100	Rent & Lease	\$42,764	\$34,040	\$42,000	\$42,764
5255650	Data Processing Services	\$3,600	\$379	\$3,600	\$4,123
5225500	Commissioners' Fee	\$10,000	\$3,500	\$9,000	\$10,000
5260100	Publications and Legal Notices	\$2,500	\$54	\$200	\$2,500
5245100	Membership Dues	\$8,674	\$8,674	\$8,674	\$8,926
5250750	Printing and Reproduction	\$1,500	\$0	\$500	\$1,500
5285800	Business Travel	\$16,000	\$6,625	\$12,000	\$16,000
5285300	Private Automobile Mileage	\$2,000	\$286	\$700	\$2,000
5285200	Transportation&Travel (County Car Usage)	\$1,000	\$47	\$600	\$605
5281600	Overhead	\$28,437	\$14,219	\$28,437	\$79,368
5275200	Computer Hardware	\$3,000	\$0	\$3,000	\$3,000
5250800	Computer Software	\$4,000	\$3,456	\$4,000	\$4,000
5250250	Postage	\$2,000	\$101	\$1,000	\$2,000
5252100	Staff/Commissioner Training Programs	\$2,000	\$0	\$1,000	\$2,000
5701000	Reserves	\$42,000	\$0	\$0	\$0
TOTAL EXPENDITURES		\$1,084,733	\$509,573	\$902,400	\$1,102,538
REVENUES					
4103400	Application Fees	\$35,000	\$21,158	\$25,000	\$30,000
4301100	Interest: Deposits and Investments	\$4,000	\$5,705	\$6,500	\$4,000
TOTAL REVENUE		\$39,000	\$26,863	\$31,500	\$34,000
3400150	FUND BALANCE FROM PREVIOUS FY	\$246,839	\$331,177	\$331,177	\$259,171
NET LAFCO OPERATING EXPENSES		\$798,894	\$151,533	\$539,723	\$809,367
3400800	RESERVES Available	\$150,000	\$150,000	\$150,000	\$150,000
COSTS TO AGENCIES					
5440200	County	\$266,298	\$266,298	\$266,298	\$269,789
4600100	Cities (San Jose 50% + Other Cities 50%)	\$266,298	\$266,298	\$266,298	\$269,789
	Special Districts	\$266,298	\$266,298	\$266,298	\$269,789

March 19, 2018

AGENDA ITEM # 4
Attachment E

LAFCO COST APPORTIONMENT: County, Cities, Special Districts
Estimated Costs to Agencies Based on the Proposed 2019 LAFCO Budget

Proposed LAFCO Net Operating Expenses for 2019				\$809,367
Jurisdictions	Revenue per 2015/2016 Report	Percentage of Total Revenue	Allocation Percentages	Allocated Costs
County	N/A	N/A	33.3333333%	\$269,789.00
Cities Total Share			33.3333333%	\$269,789.00
San Jose	N/A	N/A	50.0000000%	\$134,894.50
Other cities share			50.0000000%	\$134,894.50
Campbell	\$60,301,132	2.4104175%		\$3,251.52
Cupertino	\$89,560,885	3.5800177%		\$4,829.25
Gilroy	\$98,555,795	3.9395713%		\$5,314.27
Los Altos	\$48,765,263	1.9492941%		\$2,629.49
Los Altos Hills	\$12,123,746	0.4846226%		\$653.73
Los Gatos	\$38,891,129	1.5545953%		\$2,097.06
Milpitas	\$161,941,706	6.4732967%		\$8,732.12
Monte Sereno	\$3,115,782	0.1245472%		\$168.01
Morgan Hill	\$92,720,766	3.7063277%		\$4,999.63
Mountain View	\$247,667,000	9.8999943%		\$13,354.55
Palo Alto	\$482,352,538	19.2810806%		\$26,009.12
Santa Clara	\$744,300,212	29.7519164%		\$40,133.69
Saratoga	\$24,642,602	0.9850389%		\$1,328.76
Sunnyvale	\$396,749,744	15.8592797%		\$21,393.30
Total Cities (excluding San Jose)	\$2,501,688,300	100.0000000%		\$134,894.50
Total Cities (including San Jose)				\$269,789.00
Special Districts Total Share			33.3333333%	\$269,789.00
Aldercroft Heights County Water District		0.06233%		\$168.16
Burbank Sanitary District		0.15593%		\$420.68
Cupertino Sanitary District		2.64110%		\$7,125.40
El Camino Healthcare District		4.90738%		\$13,239.57
Guadalupe Coyote Resource Conservation District		0.04860%		\$131.12
Lake Canyon Community Services District		0.02206%		\$59.52
Lion's Gate Community Services District		0.22053%		\$594.97
Loma Prieta Resource Conservation District		0.02020%		\$54.50
Midpeninsula Regional Open Space District		5.76378%		\$15,550.04
Purissima Hills Water District		1.35427%		\$3,653.67
Rancho Rinconada Recreation and Park District		0.15988%		\$431.34
San Martin County Water District		0.04431%		\$119.54
Santa Clara Valley Open Space Authority		1.27051%		\$3,427.70
Santa Clara Valley Water District		81.44126%		\$219,719.56
Saratoga Cemetery District		0.32078%		\$865.43
Saratoga Fire Protection District		1.52956%		\$4,126.58
South Santa Clara Valley Memorial District		0.03752%		\$101.22
Total Special Districts		100.00000%		\$269,789.00
Total Allocated Costs				\$809,367.00