

From: Board.Secretary

Sent: Friday, April 22, 2016 5:02 PM

To: VTA Board of Directors

Subject: VTA Correspondence: Support Letters for AB 1640 (Stone), AB 2742 (Nazarian), and AB 2196 (Low)

VTA Board of Directors:

We are forwarding you the following:

From	Topic
Chairperson Cindy Chavez	Letters of Support for AB 1640 (Stone), AB 2742 (Nazarian) and AB 2196 (Low)

Thank you.

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

April 18, 2016

The Honorable Lorena Gonzalez, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Gonzalez:

The Santa Clara Valley Transportation Authority (VTA) respectfully requests your support for AB 1640 (Stone) when this bill comes before the Assembly Appropriations Committee for a vote. AB 1640 clarifies that public transit employees hired between January 1, 2013, and December 30, 2014, are exempt from the Public Employees' Pension Reform Act of 2013 (PEPRA) for the duration of their employment.

By way of background, shortly after the enactment of PEPRA in 2012, several unions representing public transit employees filed objections with the U.S. Department of Labor (DOL) contending that the changes to public employee retirement benefits proposed by the bill restricted collective bargaining rights and, therefore, PEPRA violated a provision in federal law known colloquially as Section 13(c). Enacted in 1964 as part of the Urban Mass Transit Act, Section 13(c) requires DOL to certify that public transit agencies are preserving employee collective bargaining rights as a condition of receiving federal grant funding. In response to these objections, DOL began holding up grant applications submitted by California public transit agencies and urged that state legislation be enacted to exempt public transit employees from PEPRA. The Brown Administration, however, did not agree with DOL's interpretation of Section 13(c) relative to PEPRA and indicated that the issue should be litigated.

After several weeks of negotiations, DOL and the Brown Administration reached an agreement on a way to break the impasse. First, DOL notified the Sacramento Regional Transit District (SacRT) that it was refusing to certify one of its grants, a decision that provided an avenue for the filing of a lawsuit to resolve the disagreement between DOL and the Brown Administration in court. Then legislation was enacted in 2013 to exempt public transit employees from PEPRA while the Section 13(c) issue was litigated, which was enough to prompt DOL to begin certifying and releasing federal grant funds for California public transit agencies. This bill, AB 1222 (Bloom), stipulated that if the court were to rule in favor of DOL, the exemption for public transit employees would become permanent. On the other hand, the exemption would sunset either with a court ruling against DOL or on January 1, 2015 (later extended by AB 1783 to January 1, 2016), whichever occurred sooner.

On December 30, 2014, the U.S. District Court, Eastern District of California, ruled in favor of the state and SacRT, holding that DOL had erred in relying on PEPRA to withhold certification of federal grants for California public transit agencies. The court then remanded SacRT's grant to DOL for further proceedings consistent with its determination.

The Honorable Lorena Gonzalez
Support for AB 1640 (Stone)
April 18, 2016
Page Two

With the U.S. District Court's decision, all public transit agencies began applying PEPRA to employees hired after December 30, 2014. Less clear, however, is what should happen to those employees who were hired when the AB 1222 exemption was in place—specifically, the period between January 1, 2013, when PEPRA took effect, and December 30, 2014, when the U.S. District Court issued its determination. In fact, the law is being interpreted and implemented in different ways, resulting in these employees getting caught in the middle, through no fault of their own.

In February 2015, the California Public Employees' Retirement System (CalPERS) issued a circular to its member public transit agencies stating that those employees hired while the AB 1222 exemption was in place would no longer be "classic" employees; instead, they would convert to PEPRA, effective December 30, 2014. However, we cannot find anything in the public record relative to AB 1222 that clearly indicates that the retirement status of these employees would change if the U.S. District Court ruled in favor of the state and SacRT. In fact, in the case of public transit agencies that have their own retirement funds or that use county retirement plans, the status of these employees remains the same; they are still "classic" employees.

Therefore, we have a situation where public transit workers hired while the AB 1222 exemption was in place are being treated differently depending on which agency employs them, which raises a question of fairness. These employees accepted their positions and came to work with the understanding that their retirement benefits would be those of a "classic" employee. Now, they are being told by CalPERS that PEPRA applies to them, as of December 30, 2014. As a result, their retirement benefits are being negatively impacted simply because they work for VTA or another CalPERS public transit agency. If they had been hired by an agency with its own retirement fund, such as SacRT, or that utilizes a county retirement plan, such as the Orange County Transportation Authority (OCTA), their retirement benefits would still be the same as the day they were hired.

AB 1640 would end the ambiguity and confusion regarding the application of PEPRA to these employees. It would ensure that all employees hired by public transit agencies while the AB 1222 exemption was in place are being treated fairly, and in the same manner regardless of which agency they work for and which retirement system their agency uses. It would also ensure that all of these employees would receive the retirement benefits they were promised when they were hired. For these reasons, we respectfully seek your support for AB 1640. Thank you for your consideration.

Sincerely,

Cindy Chavez, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 21, 2016

The Honorable Susan Eggman, Chairperson
Assembly Local Government Committee
State Capitol, Room 3173
Sacramento, CA 95814

Dear Chairperson Eggman:

The Santa Clara Valley Transportation Authority (VTA) respectfully requests your support for AB 2196 (Low) when this bill comes before the Assembly Local Government Committee for a vote. AB 2196 makes a number of technical, clean-up changes to VTA's enabling statutes.

As you may know, VTA is the product of a 1995 merger between two previously separate entities: the Santa Clara County Transit District and the Santa Clara County Congestion Management Agency. The primary goal of this merger was to have a single entity assume the responsible for making and implementing transportation policy in Santa Clara County.

In general, VTA is a statutorily created special district under the Public Utilities Code that is responsible for performing multimodal transportation functions in Santa Clara County. Among other things, VTA provides bus, light rail and paratransit services to the communities of Santa Clara County; develops, designs and constructs public transit capital improvement projects; integrates transportation and land-use planning through its congestion management program (CMP); prioritizes transportation capital improvement projects for state and federal funding; develops the long-range, countywide, multimodal transportation plan; imposes and implements local transportation sales tax measures that have been approved by the voters of Santa Clara County; and implements improvements to the state highway system in Santa Clara County in partnership with Caltrans.

A comprehensive clean-up of the underlying state statutes governing VTA has not been done since the merger occurred more than 20 years ago. Therefore, AB 2196 has been introduced to make a series of technical, non-substantive changes to VTA's enabling statutes that are intended to update provisions that are outdated; delete provisions that are obsolete or inoperable; and modify provisions that are unclear or inconsistent.

We respectfully seek your support for AB 2196. Thank you for your consideration of our request.

Sincerely,

Cindy Chavez, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 22, 2016

The Honorable Lorena Gonzalez, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Dear Chairperson Gonzalez:

The Santa Clara Valley Transportation Authority (VTA) respectfully requests your support for AB 2742 (Nazarian) when this bill comes before the Assembly Appropriations Committee for a vote. This legislation extends existing statutory authority for Caltrans and regional transportation agencies, including VTA, to utilize public-private partnerships for transportation projects to January 1, 2030. Without the enactment of AB 2742, this authority would expire on January 1, 2017.

As you may know, VTA is a special district that was created through the enactment of state legislation to perform a wide variety of multimodal transportation functions for the residents and communities of Santa Clara County, including planning, designing and constructing transportation capital improvement projects. As such, we are very interested in having the ability to take advantage of as many different and innovative tools as possible for delivering these projects. Public-private partnerships are one such tool. We believe public-private partnerships have merit in terms of helping transportation agencies such as VTA deliver certain types of projects in a cost-effective and expeditious manner.

We respectfully seek your support for AB 2742, so that VTA and other regional transportation agencies will not lose the ability to use this important project delivery tool when appropriate.

Thank you for your consideration of our request.

Sincerely,

Cindy Chavez, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

From: Board.Secretary

Sent: Friday, April 22, 2016 5:02 PM

To: VTA Board of Directors

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Cindy Chavez, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

April 21, 2016

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State Capitol, Room 3173
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Sincerely,

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Board of Directors
Santa Clara Valley Transportation Authority

April 22, 2016

The Honorable Lorena Gonzalez, Chairperson
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

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Thank you for your consideration of our request.

Sincerely,

Cindy Chavez, Chairperson
Board of Directors
Santa Clara Valley Transportation Authority

From: Board.Secretary
Sent: Friday, April 22, 2016 3:53 PM
To: VTA Board of Directors; VTA Advisory Committee Members
Subject: VTA Information: 40 Years of Transit

VTA Board of Directors and VTA Advisory Committee Members:

Attached you will find a brochure regarding the history of transit in the Santa Clara Valley.

Thank you,

VTA Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
board.secretary@vta.org (e-mail)
(408) 321.5680 (telephone)
(408) 955.0891 (fax)

Funding Highlights

Santa Clara County is known as a “self-help county” which allows transportation agencies to deliver super majority, voter-approved transportation sales tax measures.

March 1976: permanent half-cent sales tax passed to support the growing need for transit services. As of December 2015, **\$4.5 billion has been collected for bus and light rail operations, and transit capital improvements.**

November 1984: 10 year half-cent sales tax for highway projects, resulting in **\$845 million for roadway improvements.**

Local funding support has also helped leverage federal and state funding to finance transportation improvements. In 1973 and 1982, federal funding was obtained to purchase a new fleet of clean energy buses and help get light rail underway.

$$1976 \text{ } \$ \times \infty = \text{Bus}$$

$$1984 \text{ } \$ \times 10 \text{ Years} = \text{Roadway}$$

$$\text{Capitol} + \$ = \text{Bus} + \text{Light Rail}$$

Santa Clara Valley Transportation Authority Laying the Foundation for Economic Growth:

FOUR DECADES OF TRANSPORTATION
INVESTMENT IN SANTA CLARA COUNTY

1976-1985

1976-1985

The Early Years: County Transit Growing by Leaps and Bounds

1986-1995

1996-2005

2006-Present



Public transportation in Santa Clara County grew rapidly in the 1970s and 80s to support booming residential and commercial development.

Often it is said we must explore the past to understand the present, and to shape the future. In this four-part series, we will reflect on how Santa Clara County's transportation network was created over the last 40 years with thoughtful planning, broad-based collaboration, and a solid investment of your tax dollars. We hope that this series will provide county residents and the businesses that we serve with a deeper appreciation for where we have been, as well as a clearer vision for where we are headed.



Congressman Norman Mineta and Larry Graves, Aircraft Owners and Pilots Association, land at the Reid-Hillview airport



Reid-Hillview Airport, late 1980s



Light Rail Vehicle Commemorative Signing, Santa Clara County Transit District, 1983

Santa Clara Valley Transportation Authority

3331 N. First Street, San Jose, CA 95134
Administration (408) 321-5555
Customer Service (408) 321-2300



American historian David McCullough once said, “History is not about the past. No one ever lived in the past. They lived in the present. The difference is it was their present, not ours. They were caught up in the living moment exactly as we are, and with no more certainty of how things would turn out than we have.”

So, what was the “present” for the men and women who were building Santa Clara County's transportation system in the early years? At the time, Santa Clara County was known for its rich agricultural base and growing technology industry. The economy

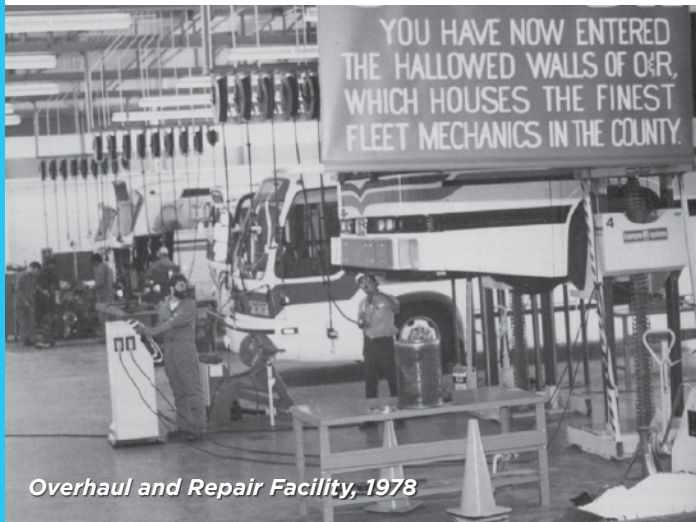


Intel clean room, 1978

was booming as major industries were drawn to the Bay Area for its skilled work force and natural resources. Leading corporations for defense, microprocessors, and computer chip manufacturing brought tens of thousands of new jobs, requiring a robust transportation system to support movement of their employees and goods. As industrial parks and housing developments popped up like mushrooms across the county, public infrastructure was strained and local leaders, and budgets, were challenged to expand and keep up with the rapid growth.

On June 6, 1972, residents approved the creation of the Santa Clara County Transit District (“County Transit”). The transit function was incorporated into the county government structure, which at that time encompassed planning and development, aviation, and road operations. The road operations division was responsible for 68 miles of expressways and 79 miles of county roads, and the aviation division was responsible for the county's three general aviation airports.





Overhaul and Repair Facility, 1978

County Transit bought out the three financially strapped local bus lines and on January 1, 1973, residents boarded their first publicly operated bus service. Operating with a fleet of 50 buses in serious need of upgrades and repair, VTA obtained federal funds in 1973 to refurbish the older coaches and purchase 134 30-foot propane powered buses.

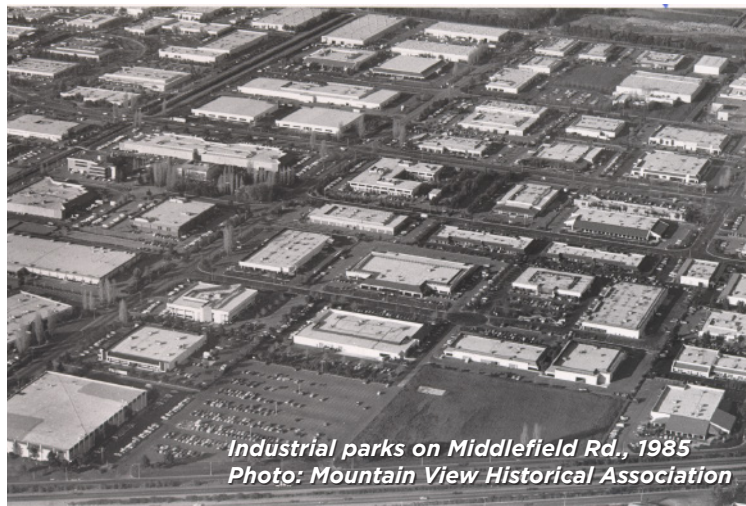
On March 6, 1976, Santa Clara County voters approved a permanent half-cent sales tax to help support the growing need for services. As additional funding was secured and workloads increased, County Transit expanded to meet the demand. In 1977, County Transit's primary Overhaul and Repair Facility was built at the Cerone Yard. County Supervisors decided to change the bus fleet from propane to diesel and ordered 102 buses. By 1979, three additional bus yards were built and commissioned into service.



Residents board the first publicly operated bus service, 1973

Moving towards the goal of building a mass transit system for a growing urbanized area, the County received \$2 million from the federal government in 1982 to fund the preliminary engineering phase for the County's first light rail line. Construction started with the maintenance facility, which was completed in 1986. Located in downtown San Jose, this facility is still used today to store, clean and repair VTA's 99 light rail vehicles.

In addition to the progress being made on building the public transit system, highway projects also received a boost. In November 1984, voters approved a 10 year half-cent sales tax for highway projects.



Industrial parks on Middlefield Rd., 1985
Photo: Mountain View Historical Association

Job Center and Housing Disconnect

During this period of rapid growth, Santa Clara County experienced a widening disconnect between the location of major employment centers and housing development. Large corporations, including Microsoft, NASA, HP, Lockheed Martin, Intel, Cisco and others established sprawling campuses in the north part of the county, while suburban housing developed to the south. This land use pattern necessitated expansion of the highway infrastructure and increased investment in mass transit options to move large numbers of commuters quickly and conveniently between their homes in the south and jobs in the north.

Those commuting regionally from Santa Clara County to San Mateo and San Francisco counties had the option to travel by the Southern Pacific train. In 1977, Southern Pacific abandoned passenger service and the three Peninsula counties stepped in, partially subsidizing commuter tickets and effectively reversing a long pattern of declining ridership. This set the stage for state sponsorship of the service and, in 1987, the state assumed sole responsibility until the formation of the Peninsula Corridor Joint Powers Board in 1987.

Santa Clara County Transportation, 1976-1985



June 6, 1972

The Santa Clara County Transit District was created with 68 miles of expressway, 79 miles of county roads, and 3 general aviation airports.

January 1, 1973

Residents board the first publicly operated bus service.

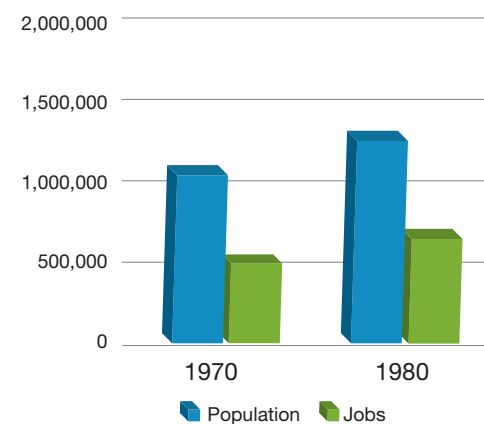
1977

Overhaul and repair facility at Cerone switches from the use of propane to diesel on 102 buses.

1979

Three additional bus yards are established: Cerone Division, Chaboya Division, and North Division.

Santa Clara County Demographics



Source: Association of Bay Area Governments (www.abag.ca.gov)

Golden Triangle

There is a slice of Silicon Valley flanked by Highways 101, 237 and 880, and incorporating parts of Santa Clara, North San Jose, Sunnyvale and Milpitas that bears the name "Golden Triangle". The moniker appropriately depicts the level of commercial, residential, retail, and entertainment real estate projects that have sprouted here over the years. Home to major tech companies in the 1970s and 1980s, today the area represents nearly 23% of all Silicon Valley office and R&D developments currently underway.

From: Board.Secretary
Sent: Friday, April 22, 2016 7:55 AM
To: Board.Secretary
Subject: VTA Information

VTA Board of Directors:

Please find attached the following correspondence for the April 22, 2016 Board of Directors Workshop Meeting.

FROM	TOPIC
Students for a Sustainable Stanford	Sales Tax Measure
Adina Levin – Friends of Caltrain	Sales Tax Measure

Hardcopies of the attached correspondence will be provided at the workshop.

Thank you.

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

From: Adina Levin
Sent: Thursday, April 21, 2016 4:34 PM
To: Board.Secretary
Subject: Comments regarding VTA ballot allocation

Dear VTA board members,

Thank you for considering the allocation of funding for the proposed transportation sales tax.

Friends of Caltrain is a 501c3 nonprofit with over 5,000 participants on the Peninsula Corridor including about 2,000 in Santa Clara County. We support growth in sustainable transportation in the region, including a modern, high-capacity Caltrain-system well integrated with a strong network of BART and other rail, bus service, bicycling and walking.

With these goals, we are glad to see a solid \$1B package proposed for Caltrain capacity improvements and grade separations. Many rail experts agree that grade separations are important, not only for local safety and crosstown travel, but are essential for increasing corridor capacity including the blended system with high speed rail. However, the package does not include any funding to for state of good repair, while trains have been breaking down on a regular basis. We urge you to adjust the allocation to include funding for state of good repair.

Given the global crises of climate change, we are concerned to see 25% allocation for capacity expansion for highways and expressways and capacity expansion, despite the fact that VTA's analysis shows that this spending results in increased vehicle hours travelled and vehicle miles travelled, greenhouse gas emissions and other pollution, according to VTA's data (see TransForm visualization linked: <http://www.slideshare.net/alevin/envision-silicon-valley-project-analysis-41516>).

We understand that these expenditures are popular because many people still believe that expanding major roadway capacity will relieve congestion, despite decades of research showing that capacity expansion increases vehicle miles travelled and congestion benefits are short-lived if any. The state's updated CEQA policy is based on the research showing that major roadway capacity increases increase VMT and GHG. We urge you to consider our responsibility for the planet in setting this allocation.

Given the allocation for freeways and expressways, there is only \$250M allocated for bicycle and pedestrian improvements. And there is only \$450M for bus network improvements, despite the fact that VTA and Jarrett Walker research suggests that it is possible to invest in increased network frequency and speed to improve ridership without cutting lifeline coverage for the elderly and disabled. We urge you to direct staff to assess the bus network spending according to Walker's analysis to increase ridership without cutting lifeline service.

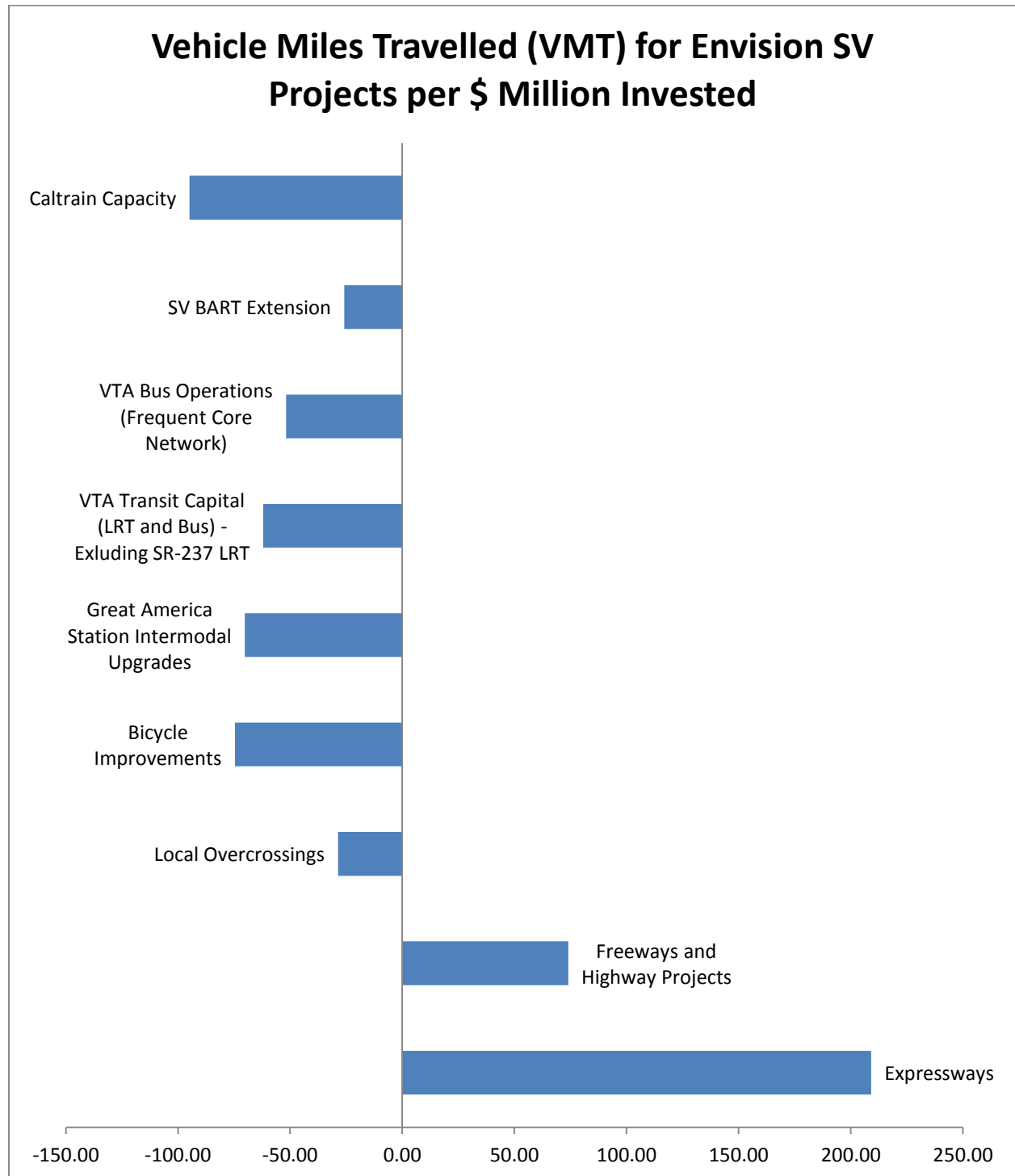
Also high-performing light rail projects are left out, including strong improvement to the Great America heavy/light rail station serving major proposed land use in Santa Clara. Meanwhile, the BART project is proposed to be extended beyond Diridon to Santa Clara, including a redundant station next to Caltrain, in an area where the city just turned down a housing/mixed use transit oriented development. We urge you to align high-performing transit projects with our cities' land use goals.

Thank you for your consideration,

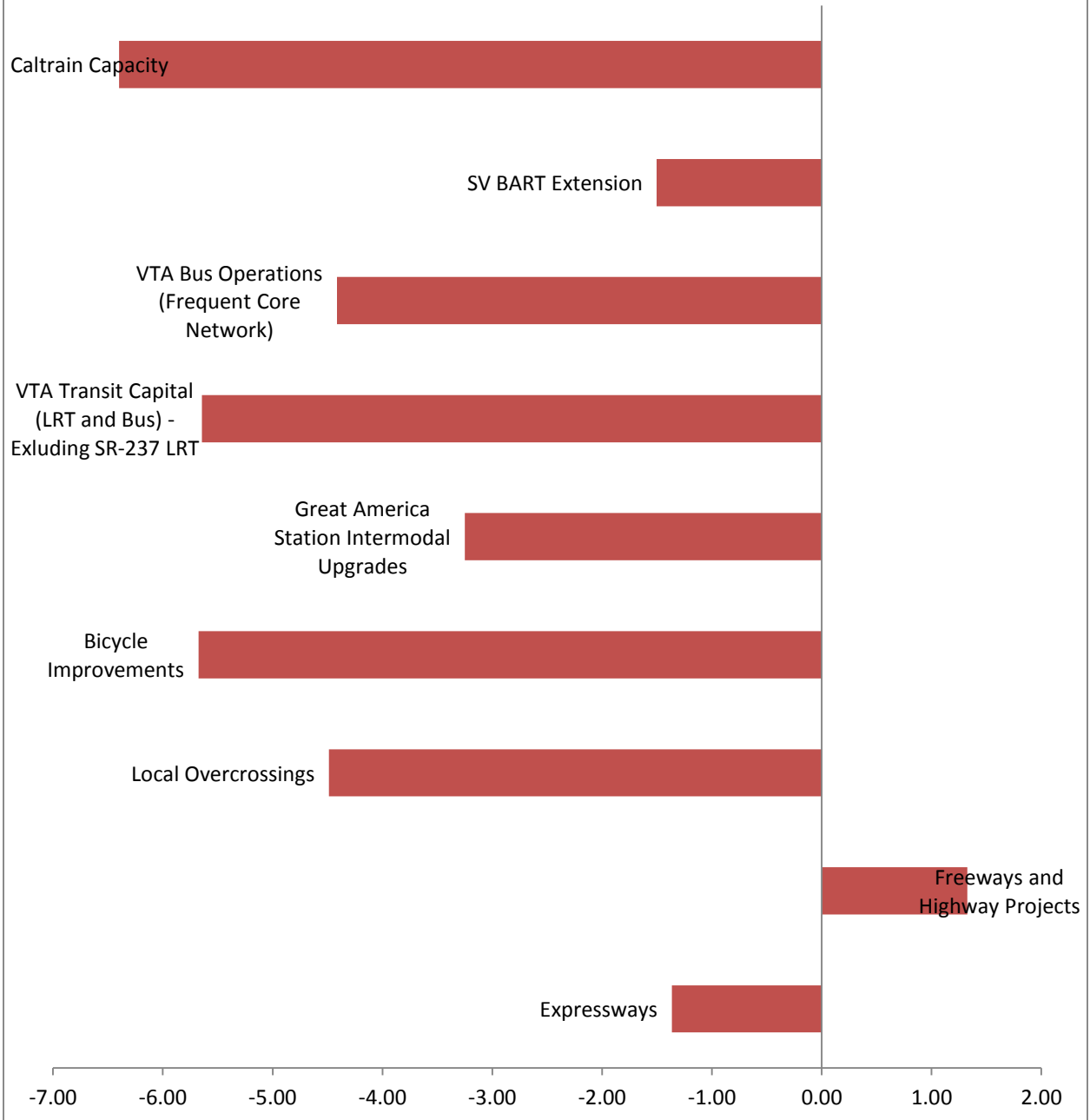
Adina

Adina Levin
Friends of Caltrain
<http://greencaltrain.com>
650-646-4344

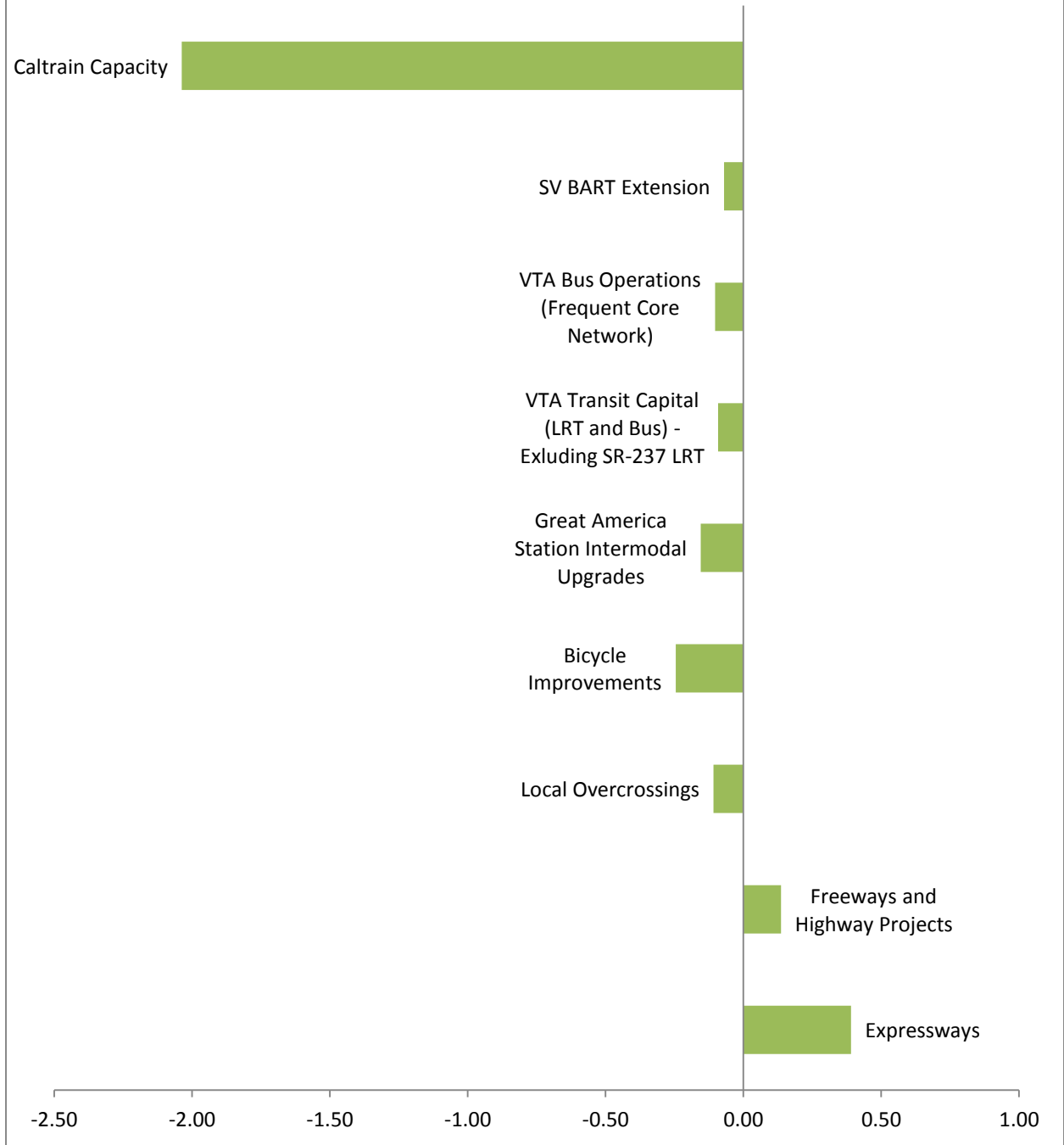
Benefits and Impacts of Envision Silicon Valley Projects and Programs as Analyzed by VTA



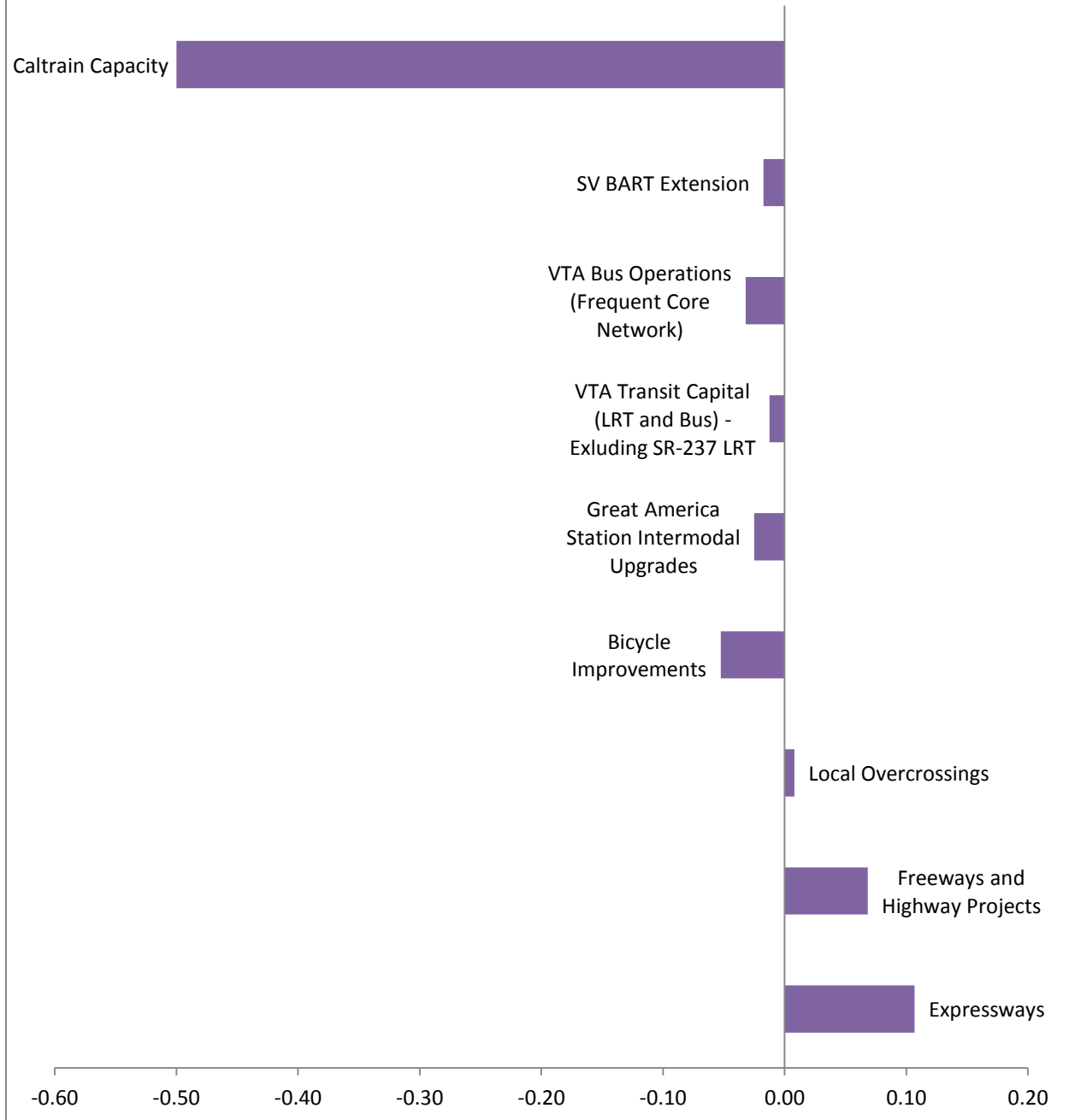
Vehicle Hours Traveled (VHT) for Envision SV Projects per \$ Million Invested



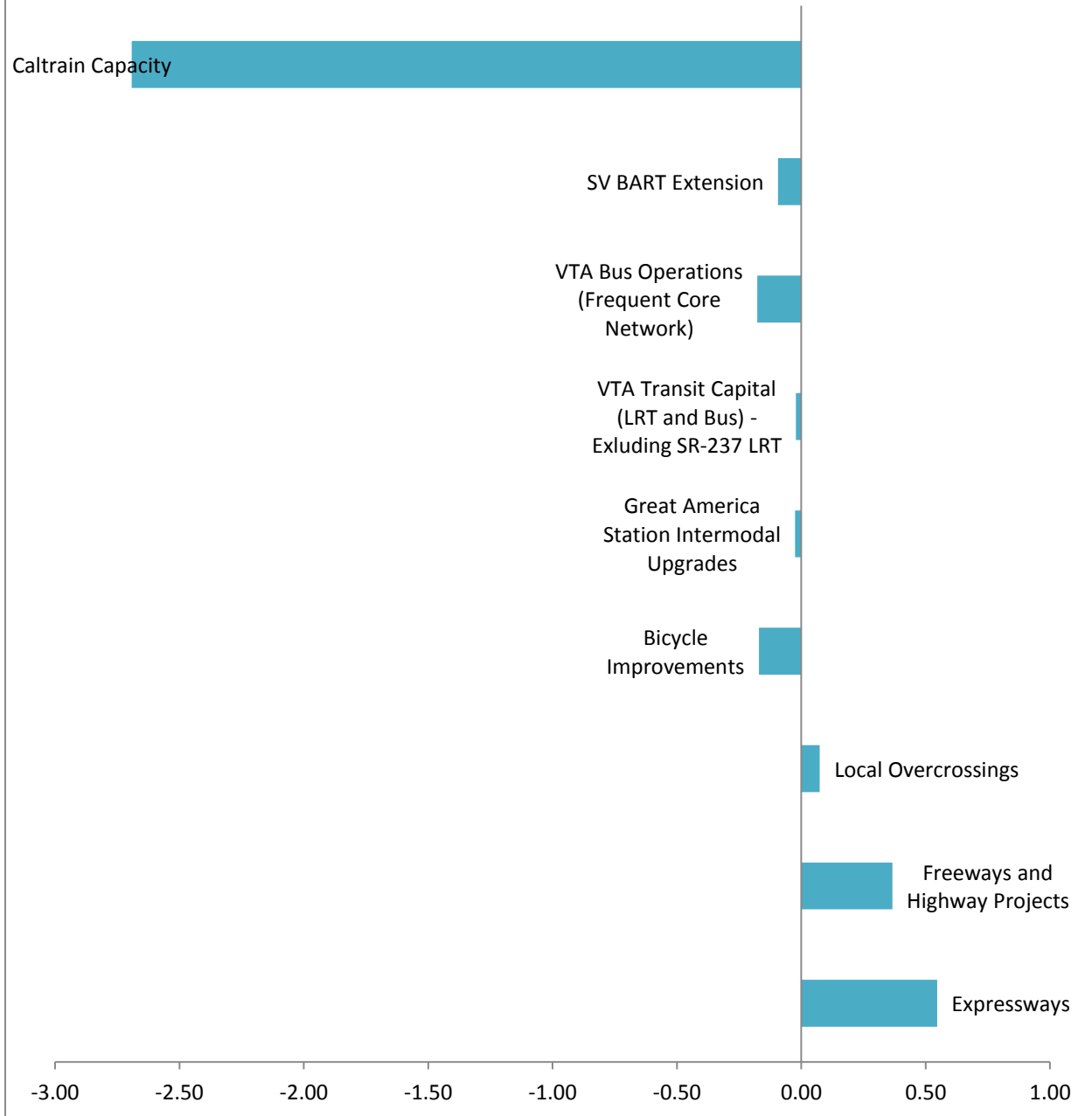
Collisions for Envision SV Projects per \$ Million Invested



CO2 Emissions for Envision SV Projects per \$ Million Invested



PM2.5 Emissions for Envision SV Projects per \$ Million Invested



From: John Yiyang Zhao
Sent: Thursday, April 21, 2016 8:31 PM
To: Board.Secretary
Cc: Mansi Jain; Stanley Gu; Dan Alvaro Holland; Paloma A Hernandez; Maame Akua Korang Kome-Mensah; Isaac James Meyer
Subject: VTA Sales Tax Input: Provide Funding for a Just Transportation System

Dear VTA Board,

We are Stanford students and members of a student group called Students for a Sustainable Stanford. We wrote an [op-ed](#) to express what we think should be funded by the sales tax measure. As residents of Stanford, and therefore constituents of Santa Clara County, we demand that the VTA provides funding for sustainable and equitable transportation.

Full link: <http://www.stanforddaily.com/2016/04/20/vta-provide-funding-for-just-transportation/>

Regards,
John Zhao '18
Mansi Jain '19
Stanley Gu '19
Dan Holland '19
Isaac Meyer '19
Paloma Hernandez '18
Maame Akua Kome-Mensah '19
on behalf of [Students for a Sustainable Stanford](#)

VTA: Provide funding for just transportation

April 20, 2016 [0 Comments](#)

Op Ed

It's spring in the Bay Area. The sun is shining, the birds are chirping, the fountains are flowing again — but the buses are half an hour late. Despite Silicon Valley's reputation as the hub of technological innovation, there is a glaring problem that we can't seem to fix. Recent gains in virtual reality and artificial intelligence are contrasted by the fact that nobody seems to want to ideate the public transportation system or implement solutions already proven to work around the world. It's time for this to change.

This November, Santa Clara County — of which Stanford is a part — will vote on a proposal that will provide sorely needed funding for our transportation infrastructure. If passed, the measure will shape our transportation system for the next 30 years. We have an opportunity now to tell the Santa Clara Valley Transportation Authority (VTA) what to prioritize. For the

sake of the Bay Area's future, the VTA must invest in a equitable and sustainable transportation system.

The VTA's vision is to "deliver transportation solutions that meet the evolving mobility needs of Santa Clara County." With shifting demographics, skyrocketing housing prices and increased roadway congestion, it's clear that Santa Clara County needs better solutions. As tech jobs boom in Silicon Valley, housing in the Bay Area is becoming increasingly expensive and scarce, forcing low-income residents to move further from the Bay's economic hubs and deal with longer commute times.

The longer commutes are not only inconvenient but also place a financial strain on low-income people. Currently, the burden of transportation costs falls disproportionately on low-income families, which spend on average 33 percent of their household incomes on transportation, compared to the 13.7 percent on average spent by all families in Santa Clara County. The time and money that low-income people must dedicate to transportation limits their chance of upward mobility. In order to combat this issue, the VTA should consider providing funding for affordable housing near transportation services.

Transportation is more than just a problem of affordability; reliability and frequency are essential if public transit is to serve as an effective economic ladder. Despite a massive discrepancy in average annual income between Caltrain and VTA bus riders (\$117,000 and \$43,000, respectively), no emphasis has been placed on improving bus service, neglecting the needs of predominantly low-income riders. In fact, bus service hours are down 22 percent since 2000 even though population has increased by more than 10 percent. Low-income people are more likely to switch over to public transit as well, so we should invest in, not neglect, public transit infrastructure. The VTA must invest in bus reliability and service to reflect the needs of all its riders.

This ballot measure sales tax is a huge opportunity for Santa Clara County to build a better transportation system over the next three decades. Currently, attention is focused on high-stakes investments like expressways and BART, but if our county is to enhance the mobility and economic opportunity of all of its residents, we must also invest in the most basic form of public transportation: buses. We call on the VTA to invest in a better bus network; expand services for seniors and people with disabilities; provide affordable options for youth, seniors and low-income commuters; and invest in affordable housing near transit centers.

— Paloma Hernandez '18, Dan Holland '19, Stanley Gu '19, Mansi Jain '19, Isaac Meyer '19, John Zhao '18

Members of Students for a Sustainable Stanford (SSS)

Contact SSS at jzhao098@stanford.edu.

From: Board.Secretary

Sent: Thursday, April 21, 2016 3:06 PM

To: Board.Secretary

Subject: VTA Information: Correspondence for the April 22, 2016 Board Workshop Meeting

Importance: High

VTA Board of Directors:

Please find attached the following correspondence for the April 22, 2016 Board of Directors Workshop Meeting.

FROM	TOPIC
Moffett Park Business Group	Sales Tax Measure Support
David Coale	Sales Tax Measure – Climate Change

Hardcopies of the attached correspondence will be provided at the workshop.

Thank you.

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

From: Kerry Haywood
Sent: Thursday, April 21, 2016 1:27 PM
To: Board.Secretary
Subject: Office+of+the+Board+Secretary

Dear Board Secretary,

Please accept this attached letter for submittal to the VTA Board for the Board Workshop, April 22, 2016.

Regards,

Kerry Haywood

Executive Director

Moffett Park Business Group

PO Box 60995

Sunnyvale, CA 94088-0995

408.936.4309

www.mpbg.org



April 15, 2016

Board of Directors
Valley Transportation Authority
3331 North First Street
San Jose, CA 95134

Dear Chairperson Chavez and Members of the Board:

I am writing on behalf of the Moffett Park Business Group (MPBG). We encourage the Santa Clara VTA Board to move forward with the ½ Cent Sales Tax Measure for the November 2016 ballot. Recent history has shown that many local transportation improvements have been completed as a result of self-funding measures passed by Santa Clara County voters. This proactive approach supports the economic vitality of Silicon Valley.

By way of reference, the MPBG advocates an improved environmental and economic health for our members located in the Moffett Park area, in Sunnyvale. Our association consist of major employers, such as NetApp, Lockheed Martin Space Systems, Yahoo!, Jay Paul Company, Juniper Networks, Detati, Labcyte, Rambus, JSR Micro, Foothill College, Google, Amazon Lab 126, and Infinera: over 23,000 employees are represented. We understand that improved transportation infrastructure, transportation demand management support, and public transit services are a key component to our members thriving in Silicon Valley.

As we evaluated the goals, priorities, and potential projects, identified through the Envision process, we want to emphasize which priorities are important to the Moffett Park Business Group (MPBG). Below is a prioritized list, from the City of Sunnyvale's submission to Envision, of the key initiatives:

- Streets and Highways (Key interchange & operational projects, i.e., reconfiguration of Mathilda Ave/101/237)
- BART (Phase 2 of Silicon Valley Extension, which ends at Caltrain Diridon Station)
- Congestion Relief/Transit/Mode Shift
- Caltrain (Santa Clara County portion of costs to expand capacity, improve reliability and major station upgrades/improvements)
- Bicycle/Pedestrian (Bicycle & pedestrian improvement)
- Expressways (Funding for projects identified in the County Expressway 2040 Plan, i.e., Lawrence Expressway improvements)
- Local Streets and Roads (Agencies would have flexibility to focus on maintenance or other local needs)
- Rail/Road Grade Separations (Caltrain & VTA light rail rail/road separations)

As the region continues to increase in population, infrastructure continues to age, and development expands, more than ever it is important to take a proactive approach. Therefore, we support the Santa Clara VTA Board



placing the ½ Cent Sales Tax Measure on the November 2016 ballot and funding the identified priorities realized through the Envision process.

Thank you for your consideration.

Sincerely,

Kerry Haywood

Kerry Haywood
Executive Director

Cc: Moffett Park Business Group Board

From: David Coale
Sent: Thursday, April 21, 2016 9:42 AM
To: Board.Secretary
Subject: Sales tax measure - needs to address climate change

Dear VTA Board of directors,

I am writing you to bring to your attention, after reviewing the sales tax measure, criteria for project selection and having been to several meetings on the measure, that the accounting for Greenhouse Gas (GHG) emissions and VMT is woefully under represented to the detriment of county, the region and future generations.

With all the cities in the county with their perspective Climate Action Plans to reduce GHG emissions to hopefully avoid the worst effects of climate change we can hardly afford to have a 30 year tax plan that does not have GHG reductions as front and center.

Transportation in this region can account for more than 60% of the GHG emissions of our cities. The current plan calls for ¼ or 1.5 billion to be spent on highway and expressway expansions, projects that will increase GHG and VMT. It has been shown over and over again that increasing lanes induces more cars and more congestion with ever increasing GHG emissions. Even the County Roads and Airport report admits this to be true, and that at best we will only see a temporary decrease in congestion while VMT and GHG increase.

Without the reduction of GHG and VMT as the main criteria for the expenditure of funds, VTA and this tax measure are out of step with the cities, county, state goals and the consensus of 195 countries that were at the COP-21 climate talks in Paris. Palo Alto just this last Monday evening passed the goal of 80% GHG reductions below 1990 levels by 2030: <http://www.paloaltoonline.com/news/2016/04/20/palo-alto-adopts-new-carbon-cutting-target> To paraphrase the Mayor of Palo Alto: "it may seem like we are adopting ambitious goals... it's what all other cities and nations must do if we're going to cap global temperature rise to 1.5 to 2 degrees Celsius. It's only doing our fair share."

Chris Lepe of from Transform as done some excellent analysis showing the detrimental impacts of highway and expressway projects on VMT and GHG per dollar spent: <http://www.slideshare.net/alevin/envision-silicon-valley-project-analysis-41516>

This also highlights the positive effect of CalTrain and bike/ped projects and would be a great starting point to addressing the greatest contributor of GHG in our region.

Please reduce the highway and expressway expenditures in this tax measure and increase the spending on cost effective transit and bike/ped projects so that this region can do its part to address climate change.

Sincerely,

David Coale

Carbon Free Palo Alto

From: Board.Secretary
Sent: Wednesday, April 20, 2016 4:13 PM
To: Board.Secretary
Subject: VTA Information: April 22, 2016 Workshop - Input from the Sunshine Climate Action Alliance
Importance: High

VTA Board of Directors:

The following email and attached correspondence is being forwarded from the Sunshine Climate Action Alliance regarding the April 22, 2016 Board Workshop.

Hardcopies will be provided at the meeting.

Thank you.

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

From: Stew Plock
Sent: Tuesday, April 19, 2016 7:53 PM
To: Board.Secretary
Cc: General Manager
Subject: Input for Upcoming VTA Workshop

Please provide the attached letter to the VTA Board of Directors prior to the workshop on Friday. We will not have representation at the workshop and wish that our perspective might be included in the discussion.

Best regards and good wishes for a fruitful exchange of information,

Stew Plock, Manager
Sunshine Climate Action Alliance
Palo Alto, Ca

Board of Directors
Valley Transportation Authority

April 20, 2016

Dear VTA Board of Directors,

By way of introduction, we are the Sunshine Climate Action Alliance, formed in January of this year by individuals from 17 environmental, climate, faith, social justice and political organizations. We are united in our support of actions that will accelerate the transition to renewable energy and to a cleaner atmosphere.

Transportation is the single largest contributor to the Bay Area's part in warming of the Earth's climate, accounting for 40% of our region's CO2 emissions. That's why we have chosen to enter a clear climate voice into the discussion of the transportation improvements currently under consideration.

We support most of the improvements in the current VTA staff report, especially increased walking and biking opportunities and increased transit use, including the BART to Silicon Valley extension, Caltrain upgrades, and more frequent, reliable, and affordable bus service. And we look forward to advocating for the proposed VTA tax ballot measure in the fall.

However, we strongly disagree with committing \$1.5B of the suggested \$6B on highway and expressway expansion and widening. More highway lanes result in an increase in motor vehicle use and related carbon pollution, at a time when state and regional policies are calling for transportation investments that reduce carbon emissions and increase access to safe, convenient, and reliable transportation options.

At your upcoming workshop, we urge the VTA Board to limit highway, freeway, and expressway spending in the fall ballot measure to no more than \$400 million and to focus on investments that improve safety, reduce VMT, and increase transit use and walking and biking rates. We are in the process of collecting signatures from our members and from the public for a petition which covers our climate-focused position regarding the VTA's fall ballot measure.

Sincerely, Nicole Kemeny and Stewart Plock

for the The Sunshine Climate Action Alliance. We represent and/or are affiliated with the following Santa Clara and San Mateo County organizations...

- 350 Silicon Valley-Nicole Kemeny and Stew Plock
- Acterra- Adam Stern and Suds Jain
- Carbon Free Palo Alto-David Coale
- Citizens Climate Lobby San Mateo-Pat Nicholson
- Citizens Climate Lobby Silicon Valley North- Bob Marshalla
- Citizens Climate Lobby Silicon Valley South- Suds Jain
- Friends of Caltrain- Adina Levin
- Palo Alto Forward- Sandra Slater
- Peninsula Democratic Coalition-Judy Plaska
- Peninsula Interfaith Climate Action- Debbie Mytels
- Peninsula Peace and Justice-Paul George
- Santa Clara County Green Party- Caroline Yacoub
- Santa Clara Green Action Team- Suds Jain
- Sunnyvale Cool Cities- Barbara Fukumoto
- St. Thomas Aquinas Parish Green Committee-Katia Reeves
- Transform California - Chris Lepe
- Transition Palo Alto-Barbara Weinstein

From: Board.Secretary
Sent: Wednesday, April 20, 2016 4:12 PM
To: Board.Secretary; VTA Board of Directors
Subject: Reminder - Try Transit Day is April 22, 2016

VTA Board Members:

Reminder: Try Transit Day is this Friday, April 22.
For the translated ads, please see attached.

Thank you.

VTA Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
board.secretary@vta.org (e-mail)
(408) 321.5680 (telephone)
(408) 955.0891 (fax)

From: Board.Secretary
Sent: Wednesday, April 06, 2016 10:43 AM
To: VTA Board of Directors
Subject: Try Transit Day - April 22, 2016
Importance: High

VTA Board of Directors and VTA Advisory Committee Members:

The information about VTA's Try Transit Day Campaign is below. Try Transit Day will be held on April 22, 2016. Please help us promote this campaign by:

1. Sign up and pledge to ride VTA at www.vta.org/TryVTA.
2. Change your Facebook profile picture (see attached).
3. Promote the campaign to your constituents.
3. Share a selfie, photo or video on Facebook, Twitter or Instagram promoting VTA Transit Day, and tag with #TryVTA and #EarthDay.
4. Ride VTA on Earth Day!

Try VTA on Earth Day

Making a commitment to riding VTA, even twice per month, can have many environmental, health, and financial benefits. When you take transit, you are reducing greenhouse emissions, are 44 percent less likely to be overweight, 27 percent less likely to have high blood pressure, and 34 percent less likely to have diabetes. In addition, you're taking one more car off of the road and potentially saving up to \$6,251 per household annually.

Your Ride is FREE on Earth Day

On **April 22**, VTA will offer **FREE** rides on VTA Bus and Light Rail service for the entire day. VTA Travel Ambassadors will be available at select VTA transit centers handing out **FREE**

Clipper Cards to those who don't already have one, giving helpful advice, and spreading earthly minded cheer to all who make the commitment to try VTA transit on Earth Day.

Pledge. Plan. Ride. Repeat.

Riding transit on Earth Day: Take the **Pledge** to ride, contact VTA to **Plan** your trip, **Ride** VTA transit on Earth Day, **Repeat** for your ride back, then repeat again and again for as many trips you can make transit a part of. VTA is offering a free VTA Transit Travel Toolkit for your convenience. Supplies are limited, so request yours now at customer.service@vta.org or call (408) 321-2300. You can also visit: <http://www.vta.org/tryvta> to take the pledge.



Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

VTA Website: www.vta.org
Find us on [Facebook](#), [Twitter](#), [Instagram](#), [YouTube](#) and [LinkedIn](#)

#TryVTA



지구의 날에 VTA를 이용해보세요

4월 22일 **무임 승차**
약속 · 계획 · 승차 · 애용

1. 차편이 필요한 약속을 잡으세요.
2. VTA를 이용할 계획을 세우세요.
3. 지구의 날에 친구와 함께 무료로 사용해 보세요.
4. VTA를 애용하세요.

地球日全家乘坐 VTA 巴士

4/22 地球日全天可以**免費**乘坐

上網承諾・計劃，搭乘・全日服務免費重覆搭乘

1. 上網承諾地球日搭巴士；
2. 計劃行程；
3. 邀請親朋好友免費搭乘；
4. 全日重覆免費搭乘

vta.org/TryVTA • (408) 321-2300 • TTY (408) 321-2330



Tome VTA y Celebre el Día de la Tierra (“Earth Day”)

Si usted se compromete en tomar el transporte público de VTA, solo dos veces al mes, usted podría ayudarse económicamente, personalmente en su salud, y con el medio ambiente. Cuando toma el transporte público, usted ayuda a reducir el efecto invernadero, es 44 por ciento menos probable que tenga sobre peso, 27 por ciento menos probable que tenga alta presión sanguínea, y 34 por ciento menos probable que tenga diabetes. Además, ayuda a eliminar un auto más en la carretera y tiene la probabilidad de ahorrarse hasta \$6.251 dólares en su hogar al año.

Su Viaje es GRATIS el Día de la Tierra

El 22 de abril, VTA ofrecerá viajes GRATIS en todos los autobuses y tranvías de VTA todo el día. Embajadores Guías de VTA estarán en centros de tránsito de VTA regalando tarjetas de “Clipper” gratis a todos aquellos que aún no tengan una, también lo guiarán, y le darán las gracias por comprometerse a tomar el transporte público de VTA en este Día de la Tierra.

Comprometerse. Planificar. Viajar. Hágalo otra vez.

Cuando tome el transporte público el Día de la Tierra: Primero, comprométase a tomar el transporte público; segundo, comuníquese con VTA para que le planifiquen su viaje; tercero, tome VTA el Día de la Tierra; finalmente, hágalo todos los días y todas las veces que pueda incluir el transporte público como parte de su día. VTA le ofrece un paquete especial para su viaje gratis (“*VTA Transit Travel Toolkit*”) y está diseñado para ayudarlo en el transcurso de su viaje. Las cantidades son limitadas, así que pida el suyo via correo electrónico a customer.service@vta.org o llame en español al (408) 321-2300. También puede visitar: <http://www.vta.org/tryvta> para comprometerse a tomar el transporte público.



#TryVTA



Hãy thử đi chuyến bằng VTA trong ngày Earth Day

ĐI MIỄN PHÍ trong ngày 22 tháng 4
CAM KẾT. HOẠCH ĐỊNH. ĐI. LẬP LẠI.

1. **CAM KẾT** sử dụng;
2. **HOẠCH ĐỊNH** chuyến đi bằng VTA;
3. **MANG THEO** bạn bè cùng đi trong ngày Earth Day;
4. **TIẾP TỤC** đi chuyến bằng VTA.

vta.org/TryVTA •
(408) 321-2300 • TTY (408) 321-2330



From: Board.Secretary
Sent: Monday, April 18, 2016 12:21 PM
To: VTA Board of Directors
Subject: LAFCO's Proposed Budget for Fiscal Year 2016-2017

VTA Board of Directors:

Per LAFCO's request, we are forwarding the e-mail below regarding their proposed Budget for Fiscal Year 2016-2017 (attached).

Thank you.

Office of the Board Secretary
Santa Clara Valley Transportation Authority
3331 N. First Street
San Jose, CA 95134
408.321.5680
board.secretary@vta.org

From: Abello, Emmanuel
Sent: Monday, April 18, 2016 8:52 AM
To: twhitley; dina; jchiu; jeannefire; rcollins; Board.Secretary; anneb; graces; shawna.freels; jmaginot; clerk@losgatosca.gov; mlavelle; andrea; Irma.Torrez; lorrie.brewer; cityclerk@sanjoseca.gov; ctclerk@saratoga.ca.us; cityclerk@sunnyvale.ca.gov; staceyallenjohnson; contact@ranchoreccenter.com; saratogacemetery@sbcglobal.net; aldercroft.hcwg; criosgarcia; Healy, Karen; donna.grider; clerk@santaclaraca.gov; Doyle, Megan; fred.schulenburg; kguerra; dpadovan; jwoodworth; council@sunnyvale.ca.gov; cindy.murphy; sanmartincwd@gmail.com; pwalter; lluu; MStambaugh; christine; CGeneralUser@westbaysanitary.org; lmonack; MKing; christine
Subject: Proposed LAFCO Budget for Fiscal Year 2016-2017 (Attachment)

Dear District Managers, City Clerks and Special District Clerks:

Please distribute to the members of your legislative bodies the Proposed LAFCO Budget for Fiscal Year 2016-2017 ([see](#) attachment).

Thank you,
Emmanuel Abello, LAFCO Clerk
Local Agency Formation Commission of Santa Clara County
70 West Hedding Street, 8th Floor
San Jose, CA 95110
(408) 299-6415
www.santaclaralafco.org



April 13, 2016

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 2016-2017

At the April 6, 2016 public hearing, the Commission selected Staffing/Funding Option #2 and adopted the Proposed Budget for Fiscal Year 2016-2017. LAFCO is scheduled to consider adoption of its Final Budget at a public hearing on Wednesday, June 1, 2016, at 1:00 PM. The LAFCO meeting will be held in the Board Meeting 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 2016-2017 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 2016-2017

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

LAFCO MEETING: April 6, 2016
TO: LAFCO
FROM: Neelima Palacherla, Executive Officer
SUBJECT: PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2017

STAFF RECOMMENDATION

1. Select the additional LAFCO staffing/funding option and adopt the Proposed Budget for Fiscal Year 2016-2017.
2. Find that the Proposed Budget for Fiscal Year 2017 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 2016 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.

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/budget system and the LAFCO budget information is formatted using the County's account descriptions/codes.

Fiscal Year 2016-2017 Budget Timeline

Dates	Staff Tasks / LAFCO Action
March 14 - April 6	Notice period, Draft Budget posted on LAFCO website and available for review and comment
April 6	LAFCO public hearing on adoption of Draft Budget
April 7	Draft Budget, draft apportionments and LAFCO public hearing notice on Final Budget transmitted to agencies
June 1	Public hearing and adoption of Final Budget
June 1 - July 1	Final Budget transmitted to agencies; Auditor requests payment from agencies

LAFCO FINANCE COMMITTEE

At its February 3, 2016 LAFCO meeting, the Commission appointed Commissioners Tucker, Wasserman and Wilson, 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 4, 2016. Commissioners Wasserman and Wilson attended the Finance Committee meeting. 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 Finance Committee discussed the need for additional staffing; concurred with staff recommendation that increased staffing levels are necessary to allow LAFCO to meet its responsibilities; and recommended that staff develop three staffing options for the full commission's consideration.

Please see discussion (starting on Page 4) of the alternative staffing options and their fiscal implications to the LAFCO budget and its funding agencies.

STATUS OF CURRENT YEAR (FISCAL YEAR 2016) WORK PLAN AND BUDGET

Attachment A depicts the current status of the work items/projects in the Fiscal Year 2016 Work Program. The major focus of LAFCO's work in FY 2016 was the completion of service reviews and sphere of influence updates for the 15 cities; and the review and evaluation of large, complex urban service area amendment applications. The LAFCO

Annual Report which will be published at the end of the current fiscal year will document all the applications processed by LAFCO and the various activities/projects that LAFCO has completed in Fiscal Year 2016.

Attachment B depicts the current Fiscal Year budget status. The adopted LAFCO budget for FY 2016 is \$819,843. Based on information through the end of February 2015, total year-end projected expenditures for FY 2016 would be approximately \$108,000 (13%) less than the adopted budget for FY 2016. Actual revenue for FY 2016 is projected to be approximately the same as that in the adopted budget for FY 2016. The County, the cities and the independent special districts paid their respective shares of LAFCO's FY 2016 costs as apportioned by the County Controller. The actual fund balance rolled over at the end of FY 2015 was \$187,310, which is approximately \$62,000 (\$187,310- \$124,839) more than projected in the adopted FY 2016 budget.

It is projected that there will be a savings or fund balance of approximately \$170,894 at the end of Fiscal Year 2016, which will be carried over to reduce the proposed Fiscal Year 2017 costs for the funding agencies (cities, independent special districts and the County).

$$\begin{aligned}\text{Proj. Year-End [FY 16] Fund Balance} &= (\text{Projected Year-End [FY 16] Revenue} + \text{Actual} \\ &\quad \text{Fund Balance from Previous Fiscal Year [FY 15]} + \\ &\quad \text{Funds Received from Local Agencies in FY 16}) - \\ &\quad (\text{Projected Year-End [FY 16] Expenses}) \\ &= (\$33,000 + 187,310 + \$662,004) - \$711,420 \\ &= \$170,894\end{aligned}$$

Please note that the fund balance excludes the \$150,000 set aside as a reserve, which is expected to be unused at the end of FY 2016 and will be rolled over to the next year as-is and maintained as the reserve.

PROPOSED WORK PROGRAM FOR FISCAL YEAR 2016-2017

LAFCO is mandated by the state to process jurisdictional boundary change applications in accordance with 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 preparation of service reviews and the corresponding sphere of influence review and update for each city and special district within the county.

The LAFCO work program for FY 2016- 2017 is presented in **Attachment C**. Santa Clara LAFCO has completed two rounds of service reviews for each of the cities and districts under LAFCO jurisdiction. In FY 2017, LAFCO will evaluate its previous studies and develop a work plan for conducting future service reviews. Other items that LAFCO was unable to make significant progress on during the current year due to its heavy application workload, will be pursued next year. These items include the development of a public information / communications strategy, development of or collaboration on

programs to improve our local community's understanding of the importance of preserving agricultural lands, revision of the LAFCO fee schedule, and publication of an updated wall map of city boundaries. In other areas of work, including island annexations, application processing, public outreach/communication and administration, it is similar to the work plan for the current year.

PROPOSED BUDGET: FISCAL YEAR 2016-2017

The Finance Committee recommended for the full Commission's consideration and approval –the Proposed Budget for Fiscal Year 2016-2017 (See Attachment D), based on selection of the LAFCO staffing option. 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 salary and benefits for the three current LAFCO staff positions including Executive Officer, Analyst and Clerk, which are all staffed through the County Executive's Office. **The County projects that the salaries and benefits for the three existing LAFCO position would be \$514,370 in FY 2017.** The proposed amount is based on the best available projections from the County. Any further changes to the projections for these three positions that occur within the next couple of months will be reflected in the Final LAFCO budget.

Proposed Additional Staffing for the LAFCO Program

As mentioned on Page 2 of this Staff Report, the Finance Committee concurred that increased staffing levels are necessary to allow LAFCO to meet its responsibilities, which have progressively and substantially expanded over the past 15 years, due to changes in State law, emerging issues, and related new initiatives in the county and region. Staff augmentation will greatly assist the LAFCO Office in its ongoing efforts to implement the priority goals established by the Commission in 2012, of clarifying and strengthening LAFCO's policies, providing greater oversight of local agencies, and increasing visibility and public awareness of LAFCO and its mandate. It will also allow for greater cross training of staff and support succession planning efforts that ensure consistency, continuity, and reliability in the services that LAFCO provides to affected agencies and the community.

The Finance Committee recommended that staff present the following increased staffing/funding options for the full commission's consideration. The proposed options include:

Staffing/Budget Option #1: \$674,370

Add 1.00 FTE for a LAFCO Analyst position (i.e., create a unique classification staffed at the general level of a Senior Management Analyst / Management Analyst position), and appropriate related services and supplies expenditure.

The anticipated salary and benefits cost of this recommended position is approximately \$160,000. To cover the incremental costs for services and supplies associated with this added position an additional \$2,000 in annual as well as a one-time appropriation of \$8,000 to provide needed computer, equipment, and office setup requirements, is necessary. The total ongoing cost is \$162,000. The total one-time cost is \$8,000.

As seen in Attachment D, under Option 1, this additional cost (\$170,000) of adding a 1.0 FTE position combined with a proposed \$25,000 reduction in consultant costs, will bring LAFCO's total expenditures amount for FY 2017 to \$936,227. While the proposed FY 2017 total expenditures would be more than FY 2016 adopted expenditures by approximately \$116,000, LAFCO's net operating expenses would only increase by approximately \$70,000 from the previous fiscal year. (i.e., from \$662,004 in FY 2016 to \$732,333 in FY 2017). The corresponding cost to the County will therefore increase by approximately \$23,500 and the total cities' and total special districts' shares will also increase by approximately \$23,500 from the previous fiscal year costs.

Staffing/Budget Option #2: \$594,370

Add 0.5 FTE for a LAFCO Analyst position (i.e., create a unique classification staffed at the general level of a Senior Management Analyst / Management Analyst position), and appropriate related services and supplies expenditure.

The anticipated salary and benefits cost for this position on a part-time (halftime salary and pro-rated benefits) basis is approximately \$80,000. To cover the incremental costs for services and supplies associated with this added position an additional \$2,000 in annual as well as a one-time appropriation of \$8,000 to provide needed computer, equipment, and office setup requirements, is necessary. The total ongoing cost is \$82,000. The total one-time cost is \$8,000.

Again, as seen in Attachment D, under Option 2, this additional cost (\$90,000) of adding a 0.5 FTE position will bring LAFCO's total expenditures amount to \$881,227. While the proposed FY 2017 total expenditures would be more than the FY 2016 adopted expenditures by approximately \$61,000, LAFCO's net operating expenses would only increase by approximately \$15,000 from the previous fiscal year. (i.e., from \$662,004 in FY 2016 to \$677,333 in FY 2017). The corresponding cost to the County will increase by approximately \$5,000 and the total cities' and total special districts' shares will also increase by approximately \$5,000 from the previous fiscal year costs.

Staffing / Budget Option #3: \$514,370

No change in staffing levels.

There would be no increase in salary and benefit amounts under this option. Rather, LAFCO would hire a contractor on an as-needed basis during periods of heavy workload.

This option does not address the program's needs because 1.) the need for staffing augmentation is year-round rather than for a short period of time; 2.) the nature and level of work expertise will require the new staff person to have detailed knowledge of local policies and procedures, which can only be developed over-time with training and experience within the office; 3.) training a new staff person is a significant investment of the Office's time and resources and potentially having to continuously train new contractors is not practical; 4.) contractor option would not allow for a more permanent delegation of duties, which is necessary to ultimately free up EO's time for tasks best suited for the EO. For these reasons this option is not recommended.

OBJECT 2. SERVICES AND SUPPLIES

5255100 INTRA-COUNTY PROFESSIONAL \$45,000

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

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. It is estimated that 250 to 300 hours of service will be required in the next fiscal year.

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 \$65,000

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). The monthly retainer for FY 2017 increases to \$5,034, based on a 2.6% increase in the Consumer Price Index for the prior calendar year 2015.

5255500 CONSULTANT SERVICES \$75,000 or \$100,000 based on Selected Budget Option

This item is allocated for hiring consultants to assist LAFCO with special projects. This year, the amount is allocated for hiring consultants to develop a public information /

communications strategy and for programs to improve our local community's understanding of the importance of preserving agricultural lands.

5285700 MEAL CLAIMS \$750

This item is being maintained at \$750.

5220200 INSURANCE \$7,000

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. Workers Compensation coverage costs are estimated at \$6,200 and General Liability insurance costs are estimated at \$700 in Fiscal Year 2017.

5250100 OFFICE EXPENSES \$2,000 or \$12,000 based on Selected Budget Option

This item includes funds for purchase of books, periodicals, small equipment and supplies throughout the year, including computer and office set up needs for new staffing.

5255650 DATA PROCESSING SERVICES \$5,000

This item includes costs associated with County Information Services Department providing IT services to the LAFCO program which include: Techlink Center Services, Integrated Workplace Management System, Enterprise Content Management, Security and Privacy and Claranet – the County network. Additionally, this item also includes costs associated with hosting the LAFCO website by an outside provider.

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 in the Fiscal Year 2017.

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 \$8,107

This amount includes funding for membership dues to CALAFCO - the California Association of LAFCOs. The CALAFCO Board, in July 2015, voted to increase LAFCO member dues by 7% for two years beginning in FY 2016-2017. At their meeting in February 2016, the Board considered and decided not to also increase the dues by the CPI increase as allowed by its bylaws. As a result, the 2017 CALAFCO dues will increase to \$8,107.

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. The Executive Officer 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) \$1,000

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

5281600 OVERHEAD (\$666)

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 2016 Cost Allocation Plan which is based on actual overhead costs from FY 2015 – the most recent year for which actual costs are available. This amount totals to \$19,910 and includes the following charges from:

County Executive's Office:	\$588
Controller-Treasurer:	\$4,863
Employee Services Agency:	\$2,948
OBA:	\$1,573
Other Central Services:	\$130
ISD Intergovernmental Service:	\$5,272
ISD:	\$4,529
Procurement:	\$7

Secondly, a "roll forward" is applied which is calculated by comparing FY 2015 Cost Plan estimates with FY 2015 actuals. The FY 2015 cost estimates were higher than the actuals by \$20,576. As noted above, the FY 2016 cost is only \$19,910; the difference of \$666 will therefore be credited to LAFCO in the FY 2017 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.

5701000 RESERVES \$0

No additional funds are budgeted for reserves in FY 2017.

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 \$3,000

It is estimated that LAFCO will receive an amount of approximately \$3,000 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. No additional funds are budgeted for this purpose in FY 2017.

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

FY 2017 Net Operating Expenses = (Proposed FY 2017 Expenditures) - (Proposed FY 2017 Fee & Interest Revenues + Projected Fund Balance from FY 2016)
= \$732,333 (Budget Option 1)
= \$677,333 (Budget Option 2)
= \$587,333 (Budget Option 3)

Please note that the projected operating expenses for FY 2017 are 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 2017 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 2017.

Proposed FY 2017 Budget Options				
Cost to Agencies	FY 2016	Option 1	Option 2	Option 3
County of Santa Clara	\$220,668	\$244,111	\$225,778	\$195,778
City of San Jose	\$110,334	\$122,055	\$112,889	\$97,889
Remaining 14 Cities in the County	\$110,334	\$122,055	\$112,889	\$97,889
17 Independent Special Districts	\$220,668	\$244,111	\$225,778	\$195,778

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 2016 Work Plan
Attachment B:	Status of FY 2016 Budget
Attachment C:	Proposed Work Program for Fiscal Year 2017
Attachment D:	Proposed LAFCO Budget for Fiscal Year 2017
Attachment E:	Estimated Costs to Agencies Based on the Proposed Budget

AGENDA ITEM # 5

Status of Current Year (FY 2016) WORK PLAN

Attachment A

	PROJECTS	Status
SERVICE REVIEWS & SPHERE OF INFLUENCE UPDATES	Cities Service Review	Complete, December 2015
	Follow up on implementation of recommendations from Cities Service Review	TBD
	Follow up from Special Districts Service Review	Complete
	Follow up on Water Service Review Report recommendations	In progress, potential dissolution of Pacheco Pass Water District
	Follow up on Fire Service Review Report recommendations: Los Altos Hills Fire District reserves	TBD
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
LAFCO APPLICATIONS	Process applicant initiated LAFCO proposals	Ongoing, Morgan Hill USA application
	Comment on potential LAFCO applications, City General Plan updates and/ or related environmental documents	Ongoing, Morgan Hill, Gilroy GP Updates and USA amendment projects
	Respond to public enquiries re. LAFCO policies, procedures and filing requirements for LAFCO applications	Ongoing, as needed
PUBLIC OUTREACH / COMMUNICATION	Maintain boundaries of cities and special districts in GIS	Ongoing, as needed
	Develop a public information / communications strategy	TBD
	Publish updated wall map of cities	In progress
	Participate in CALAFCO conferences / workshops	Ongoing, as needed
	Conduct workshops and/or make presentations re. LAFCO program, policies and procedures to local agencies, organizations, commissioners, community groups, staff	Ongoing, as needed
	Participate in local, regional, statewide organizations: SDA, SCCAPO, CALAFCO, GIS Working Group	Ongoing, as needed
ADMINISTRATION	Track LAFCO related legislation (CALAFCO Legislative Committee)	Ongoing, as needed
	Maintain and enhance LAFCO Website /mapping	Ongoing, as needed
	Maintain LAFCO database	Ongoing, as needed
	Maintain LAFCO's electronic document management system (archiving LAFCO records)	Ongoing, as needed
	Prepare Annual Report	October 2015
	Staff training and development	Ongoing, as needed
	Staff performance evaluation	April 2016
	Prepare budget, work plan, fee schedule revisions	Ongoing, Fee Schedule revision in progress
OTHER	Review and update policies and procedures	Ongoing, comprehensive effort- TBD
	Mapping Mutual Water companies	In progress
	Program to improve community's understanding of the importance of agriculture to future of Santa Clara County	Ongoing - TBD

FY 2016 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	APPROVED 2016	YEAR TO DATE 2/25/2016	YEAR END PROJECTIONS 2016
EXPENDITURES												
	Salary and Benefits	\$356,009	\$400,259	\$406,650	\$413,966	\$393,194	\$411,929	\$450,751	\$466,755	\$499,823	\$298,144	\$480,000
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	\$45,000	\$2,036	\$7,000
5255800	Legal Counsel	\$0	\$9,158	\$67,074	\$52,440	\$48,741	\$56,791	\$53,550	\$52,854	\$59,000	\$24,396	\$75,000
5255500	Consultant Services	\$19,372	\$75,000	\$76,101	\$58,060	\$102,349	\$59,563	\$35,602	\$37,250	\$100,000	\$31,975	\$50,000
5285700	Meal Claims	\$0	\$368	\$277	\$288	\$379	\$91	\$228	\$209	\$750	\$45	\$350
5220100	Insurance	\$491	\$559	\$550	\$4,582	\$4,384	\$4,378	\$4,231	\$4,338	\$5,600	\$4,135	\$5,600
5250100	Office Expenses	\$1,056	\$354	\$716	\$639	\$1,212	\$536	\$850	\$783	\$2,000	\$187	\$1,000
5256500	Data Processing Services	\$8,361	\$3,692	\$3,505	\$1,633	\$3,384	\$1,663	\$3,311	\$9,024	\$7,100	\$2,450	\$7,100
5225500	Commissioners' Fee	\$5,700	\$5,400	\$3,500	\$3,400	\$4,000	\$4,900	\$5,800	\$4,900	\$10,000	\$2,700	\$8,000
5260100	Publications and Legal Notices	\$1,151	\$563	\$1,526	\$363	\$916	\$222	\$378	\$2,484	\$2,500	\$393	\$1,000
5245100	Membership Dues	\$5,500	\$7,000	\$7,000	\$7,000	\$7,000	\$14,473	\$0	\$7,428	\$7,577	\$7,577	\$7,577
5250750	Printing and Reproduction	\$5	\$0	\$0	\$0	\$0	\$0	\$9	\$177	\$1,500	\$0	\$1,000
5285800	Business Travel	\$7,238	\$8,415	\$4,133	\$8,309	\$3,095	\$4,777	\$5,800	\$4,042	\$15,000	\$3,989	\$8,000
5285300	Private Automobile Mileage	\$1,016	\$704	\$832	\$1,185	\$615	\$424	\$409	\$396	\$2,000	\$136	\$600
5285200	Transportation&Travel (County Car Us	\$894	\$948	\$629	\$0	\$384	\$250	\$371	\$293	\$1,000	\$302	\$500
5281600	Overhead	\$42,492	\$62,391	\$49,077	\$46,626	\$60,647	\$43,133	\$42,192	\$34,756	\$49,993	\$24,997	\$49,993
5275200	Computer Hardware	\$0	\$451	\$0	\$83	\$2,934	\$1,791	\$2,492	\$0	\$3,000	\$106	\$3,000
5250800	Computer Software	\$0	\$0	\$626	\$314	\$579	\$3,124	\$933	\$1,833	\$4,000	\$854	\$4,000
5250250	Postage	\$1,160	\$416	\$219	\$568	\$309	\$589	\$246	\$597	\$2,000	\$244	\$700
5252100	Staff Training Programs	\$0	\$665	\$491	\$250	\$300	\$0	\$0	\$1,431	\$2,000	\$0	\$1,000
5701000	Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES		\$516,530	\$633,691	\$636,478	\$604,238	\$640,540	\$613,895	\$612,816	\$633,929	\$819,843	\$404,666	\$711,420
REVENUES												
4103400	Application Fees	\$46,559	\$41,680	\$35,576	\$48,697	\$37,426	\$45,458	\$63,561	\$27,386	\$30,000	\$26,559	\$30,000
4301100	Interest: Deposits and Investments	\$24,456	\$16,230	\$6,688	\$4,721	\$4,248	\$3,416	\$2,674	\$2,844	\$3,000	\$2,518	\$3,000
Savings/Fund Balance from previous FY		\$271,033	\$368,800	\$334,567	\$275,605	\$209,987	\$208,219	\$160,052	\$226,111	\$124,839	\$187,310	\$187,310
TOTAL REVENUE		\$342,048	\$426,711	\$376,831	\$329,023	\$251,661	\$257,092	\$226,287	\$256,341	\$157,839	\$216,387	\$220,310
NET LAFCO OPERATING EXPENSES		\$174,482	\$206,980	\$259,648	\$275,215	\$388,879	\$356,802	\$386,529	\$377,588	\$662,004	\$188,279	\$491,110
3400800	RESERVES			\$100,000	\$100,000	\$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	\$220,668	\$220,668
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	\$220,668	\$220,668
	Special Distrcits							\$296,892	\$187,521	\$220,668	\$220,668	\$220,668

AGENDA ITEM # 5
Attachment B

March 3, 2016

AGENDA ITEM # 5
Attachment C

PROPOSED WORK PLAN FOR FISCAL YEAR 2017

	PROJECTS	TIME FRAME	RESOURCES
SERVICE REVIEWS & SPHERE OF INFLUENCE	Special Studies / Service Reviews	TBD	Consultant
	Follow up on implementation of recommendations from Cities Service Review	TBD	Staff
	Follow up on Water Service Review Report recommendations: PPWD	In progress	Staff
	Follow up on Fire Service Review Report recommendations: Los Altos Hills Fire District reserves	TBD	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
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 extensive work, as needed	Staff
	Respond to public enquiries re. LAFCO policies, procedures and filing requirements for LAFCO applications	Ongoing, as needed	Staff
PUBLIC OUTREACH / COMMUNICATION	Maintain boundaries of cities and special districts in GIS	Ongoing, as needed	Staff
	Develop a public information /communications strategy	TBD	Consultant / staff
	Participate in CALAFCO conferences / workshops	Ongoing, as needed	Staff
	Conduct workshops and/or make presentations re. LAFCO program, policies and procedures to local agencies, organizations, commissioners, community groups, staff	Ongoing, as needed	Staff
	Participate in local, regional, statewide organizations: SDA, SCCAPO, CALAFCO, GIS Working Group	Ongoing, as needed	Staff
ADMINISTRATION	Track LAFCO related legislation (CALAFCO Legislative Committee)	Ongoing, as needed	Staff
	Maintain and enhance LAFCO Website / mapping	Ongoing, as needed	Staff
	Maintain LAFCO database	Ongoing, as needed	Staff
	Maintain LAFCO's electronic document management system (archiving LAFCO records)	Ongoing, as needed	Staff
	Prepare Annual Report	August 2016	Staff
	Staff training and development	Ongoing	Staff
	Staff performance evaluation	February - April 2017	Staff, LAFCO
	Prepare budget, work plan, fee schedule revisions	Ongoing, as needed	Staff
OTHER	Review and update policies and procedures	Ongoing	Staff
	Mapping Mutual Water companies	Ongoing	Staff
	Program to improve community's understanding of the importance of agriculture to future of Santa Clara County / Participation in the County / OSA's SALC Plan	In progress - TBD	Consultant/ staff

**PROPOSED LAFCO BUDGET
FISCAL YEAR 2016 - 2017**

**AGENDA ITEM # 5
Attachment D**

				PROPOSED FY 2017 BUDGET			
ITEM #	TITLE	APPROVED BUDGET FY 2016	ACTUALS Year to Date 2/25/2016	PROJECTED Year End 2016	OPTION 1:	OPTION 2:	OPTION 3:
					Add 1.0 FTE	Add 0.5 FTE	No Staffing Change
EXPENDITURES							
Object 1: Salary and Benefits		\$499,823	\$298,144	\$480,000	\$674,370	\$594,370	\$514,370
Object 2: Services and Supplies							
5255100	Intra-County Professional	\$45,000	\$2,036	\$7,000	\$45,000	\$45,000	\$45,000
5255800	Legal Counsel	\$59,000	\$24,396	\$75,000	\$65,000	\$65,000	\$65,000
5255500	Consultant Services	\$100,000	\$31,975	\$50,000	\$75,000	\$100,000	\$100,000
5285700	Meal Claims	\$750	\$45	\$350	\$750	\$750	\$750
5220100	Insurance	\$5,600	\$4,135	\$5,600	\$7,000	\$7,000	\$7,000
5250100	Office Expenses	\$2,000	\$187	\$1,000	\$12,000	\$12,000	\$2,000
5255650	Data Processing Services	\$7,100	\$2,450	\$7,100	\$5,000	\$5,000	\$5,000
5225500	Commissioners' Fee	\$10,000	\$2,700	\$8,000	\$10,000	\$10,000	\$10,000
5260100	Publications and Legal Notices	\$2,500	\$393	\$1,000	\$2,500	\$2,500	\$2,500
5245100	Membership Dues	\$7,577	\$7,577	\$7,577	\$8,107	\$8,107	\$8,107
5250750	Printing and Reproduction	\$1,500	\$0	\$1,000	\$1,500	\$1,500	\$1,500
5285800	Business Travel	\$15,000	\$3,989	\$8,000	\$16,000	\$16,000	\$16,000
5285300	Private Automobile Mileage	\$2,000	\$136	\$600	\$2,000	\$2,000	\$2,000
5285200	Transportation (County Car Usage)	\$1,000	\$302	\$500	\$1,000	\$1,000	\$1,000
5281600	Overhead	\$49,993	\$24,997	\$49,993	\$0	\$0	\$0
5275200	Computer Hardware	\$3,000	\$106	\$3,000	\$3,000	\$3,000	\$3,000
5250800	Computer Software	\$4,000	\$854	\$4,000	\$4,000	\$4,000	\$4,000
5250250	Postage	\$2,000	\$244	\$700	\$2,000	\$2,000	\$2,000
5252100	Staff/Commissioner Training Progr:	\$2,000	\$0	\$1,000	\$2,000	\$2,000	\$2,000
5701000	Reserves	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES		\$819,843	\$404,666	\$711,420	\$936,227	\$881,227	\$791,227
REVENUES							
4103400	Application Fees	\$30,000	\$26,559	\$30,000	\$30,000	\$30,000	\$30,000
4301100	Interest: Deposits and Investments	\$3,000	\$2,518	\$3,000	\$3,000	\$3,000	\$3,000
TOTAL REVENUE		\$33,000	\$29,077	\$33,000	\$33,000	\$33,000	\$33,000
3400150	FUND BALANCE FROM PREVIOUS FISCAL YEAR	\$124,839	\$187,310	\$187,310	\$170,894	\$170,894	\$170,894
NET OPERATING EXPENSES		\$662,004	\$188,279	\$491,110	\$732,333	\$677,333	\$587,333
3400800	RESERVES	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
COSTS TO AGENCIES							
5440200	County	\$220,668	\$220,668	\$220,668	\$244,111	\$225,778	\$195,778
4600100	Cities						
	San Jose 50% + Other cities 50%	\$220,668	\$220,668	\$220,668	\$244,111	\$225,778	\$195,778
4600100	Special Districts	\$220,668	\$220,668	\$220,668	\$244,111	\$225,778	\$195,778

AGENDA ITEM # 5
Attachment E

LAFCO C O S T A P P O R T I O N M E N T: County, Cities, Special Districts
Estimated Costs to Agencies Based on the Proposed 2017 LAFCO Budget

Proposed LAFCO Net Operating Expenses for 2017				\$732,333
Jurisdictions	Revenue per 2012/2013 Report*	Percentage of Total Revenue	Allocation Percentages	Allocated Costs
County	N/A	N/A	33.3333333%	\$244,111.00
Cities Total Share			33.3333333%	\$244,111.00
San Jose	N/A	N/A	50.0000000%	\$122,055.50
Other cities share			50.0000000%	\$122,055.50
Campbell	\$45,748,435	2.2424301%		\$2,737.01
Cupertino	\$67,464,803	3.3068914%		\$4,036.24
Gilroy	\$69,772,278	3.419959%		\$4,174.29
Los Altos	\$43,811,921	2.1475089%		\$2,621.15
Los Altos Hills	\$10,119,375	0.4960168%		\$605.42
Los Gatos	\$41,851,063	2.0513944%		\$2,503.84
Milpitas	\$114,364,889	5.6057715%		\$6,842.15
Monte Sereno	\$2,536,991	0.1243545%		\$151.78
Morgan Hill	\$73,750,274	3.6149835%		\$4,412.29
Mountain View	\$193,117,780	9.4659660%		\$11,553.73
Palo Alto	\$471,680,558	23.1201504%		\$28,219.42
Santa Clara	\$572,714,606	28.0724902%		\$34,264.02
Saratoga	\$21,788,228	1.0679836%		\$1,303.53
Sunnyvale	\$311,406,350	15.2640628%		\$18,630.63
Total Cities (excluding San Jose)	\$2,040,127,551	100.0000000%		\$122,055.50
Total Cities (including San Jose)				\$244,111.00
Special Districts Total Share			33.3333333%	\$244,111.00
Aldercroft Heights County Water District		0.06233%		\$152.15
Burbank Sanitary District		0.15593%		\$380.64
Cupertino Sanitary District		2.64110%		\$6,447.22
El Camino Healthcare District		4.90738%		\$11,979.45
Guadalupe Coyote Resource Conservation District		0.04860%		\$118.64
Lake Canyon Community Services District		0.02206%		\$53.85
Lion's Gate Community Services District		0.22053%		\$538.34
Loma Prieta Resource Conservation District		0.02020%		\$49.31
Midpeninsula Regional Open Space District		5.76378%		\$14,070.02
Purissima Hills Water District		1.35427%		\$3,305.92
Rancho Rinconada Recreation and Park District		0.15988%		\$390.28
San Martin County Water District		0.04431%		\$108.17
Santa Clara County Open Space Authority		1.27051%		\$3,101.45
Santa Clara Valley Water District		81.44126%		\$198,807.09
Saratoga Cemetery District		0.32078%		\$783.06
Saratoga Fire Protection District		1.52956%		\$3,733.82
South Santa Clara Valley Memorial District		0.03752%		\$91.59
Total Special Districts		100.00000%		\$244,111.00
Total Allocated Costs				\$732,333.00

* As of March 24, 2016, SCO has not posted the FY13-14 Annual Cities Report.

LAFCO COST APPORTIONMENT: County, Cities, Special Districts
Estimated Costs to Agencies Based on the Proposed 2017 LAFCO Budget

Proposed LAFCO Net Operating Expenses for 2017				\$677,333
Jurisdictions	Revenue per 2012/2013 Report*	Percentage of Total Revenue	Allocation Percentages	Allocated Costs
County	N/A	N/A	33.3333333%	\$225,777.67
Cities Total Share			33.3333333%	\$225,777.67
San Jose	N/A	N/A	50.0000000%	\$112,888.84
Other cities share			50.0000000%	\$112,888.83
Campbell	\$45,748,435	2.2424301%		\$2,531.45
Cupertino	\$67,464,803	3.3068914%		\$3,733.11
Gilroy	\$69,772,278	3.4199959%		\$3,860.79
Los Altos	\$43,811,921	2.1475089%		\$2,424.30
Los Altos Hills	\$10,119,375	0.4960168%		\$559.95
Los Gatos	\$41,851,063	2.0513944%		\$2,315.80
Milpitas	\$114,364,889	5.6057715%		\$6,328.29
Monte Sereno	\$2,536,991	0.1243545%		\$140.38
Morgan Hill	\$73,750,274	3.6149835%		\$4,080.91
Mountain View	\$193,117,780	9.4659660%		\$10,686.02
Palo Alto	\$471,680,558	23.1201504%		\$26,100.07
Santa Clara	\$572,714,606	28.0724902%		\$31,690.71
Saratoga	\$21,788,228	1.0679836%		\$1,205.63
Sunnyvale	\$311,406,350	15.2640628%		\$17,231.42
Total Cities (excluding San Jose)	\$2,040,127,551	100.0000000%		\$112,888.83
Total Cities (including San Jose)				\$225,777.67
Special Districts Total Share			33.3333333%	\$225,777.66
Aldercroft Heights County Water District		0.06233%		\$140.73
Burbank Sanitary District		0.15593%		\$352.06
Cupertino Sanitary District		2.64110%		\$5,963.01
El Camino Healthcare District		4.90738%		\$11,079.77
Guadalupe Coyote Resource Conservation District		0.04860%		\$109.73
Lake Canyon Community Services District		0.02206%		\$49.81
Lion's Gate Community Services District		0.22053%		\$497.91
Loma Prieta Resource Conservation District		0.02020%		\$45.61
Midpeninsula Regional Open Space District		5.76378%		\$13,013.33
Purissima Hills Water District		1.35427%		\$3,057.64
Rancho Rinconada Recreation and Park District		0.15988%		\$360.97
San Martin County Water District		0.04431%		\$100.04
Santa Clara County Open Space Authority		1.27051%		\$2,868.53
Santa Clara Valley Water District		81.44126%		\$183,876.16
Saratoga Cemetery District		0.32078%		\$724.25
Saratoga Fire Protection District		1.52956%		\$3,453.40
South Santa Clara Valley Memorial District		0.03752%		\$84.71
Total Special Districts		100.00000%		\$225,777.66
Total Allocated Costs				\$677,333.00

* As of March 24, 2016, SCO has not posted the FY13-14 Annual Cities Report.

LAFCO C O S T A P P O R T I O N M E N T: County, Cities, Special Districts
Estimated Costs to Agencies Based on the Proposed 2017 LAFCO Budget

Proposed LAFCO Net Operating Expenses for 2017				\$587,333
Jurisdictions	Revenue per 2012/2013 Report*	Percentage of Total Revenue	Allocation Percentages	Allocated Costs
County	N/A	N/A	33.3333333%	\$195,777.67
Cities Total Share			33.3333333%	\$195,777.67
San Jose	N/A	N/A	50.0000000%	\$97,888.84
Other cities share			50.0000000%	\$97,888.83
Campbell	\$45,748,435	2.2424301%		\$2,195.09
Cupertino	\$67,464,803	3.3068914%		\$3,237.08
Gilroy	\$69,772,278	3.4199959%		\$3,347.79
Los Altos	\$43,811,921	2.1475089%		\$2,102.17
Los Altos Hills	\$10,119,375	0.4960168%		\$485.55
Los Gatos	\$41,851,063	2.0513944%		\$2,008.09
Milpitas	\$114,364,889	5.6057715%		\$5,487.42
Monte Sereno	\$2,536,991	0.1243545%		\$121.73
Morgan Hill	\$73,750,274	3.6149835%		\$3,538.67
Mountain View	\$193,117,780	9.4659660%		\$9,266.12
Palo Alto	\$471,680,558	23.1201504%		\$22,632.04
Santa Clara	\$572,714,606	28.0724902%		\$27,479.83
Saratoga	\$21,788,228	1.0679836%		\$1,045.44
Sunnyvale	\$311,406,350	15.2640628%		\$14,941.81
Total Cities (excluding San Jose)	\$2,040,127,551	100.0000000%		\$97,888.83
Total Cities (including San Jose)				\$195,777.67
Special Districts Total Share			33.3333333%	\$195,777.66
Aldercroft Heights County Water District		0.06233%		\$122.03
Burbank Sanitary District		0.15593%		\$305.28
Cupertino Sanitary District		2.64110%		\$5,170.68
El Camino Healthcare District		4.90738%		\$9,607.55
Guadalupe Coyote Resource Conservation District		0.04860%		\$95.15
Lake Canyon Community Services District		0.02206%		\$43.19
Lion's Gate Community Services District		0.22053%		\$431.75
Loma Prieta Resource Conservation District		0.02020%		\$39.55
Midpeninsula Regional Open Space District		5.76378%		\$11,284.19
Purissima Hills Water District		1.35427%		\$2,651.36
Rancho Rinconada Recreation and Park District		0.15988%		\$313.01
San Martin County Water District		0.04431%		\$86.75
Santa Clara County Open Space Authority		1.27051%		\$2,487.37
Santa Clara Valley Water District		81.44126%		\$159,443.78
Saratoga Cemetery District		0.32078%		\$628.02
Saratoga Fire Protection District		1.52956%		\$2,994.54
South Santa Clara Valley Memorial District		0.03752%		\$73.46
Total Special Districts		100.00000%		\$195,777.66
Total Allocated Costs				\$587,333.00

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