



**LAFCO MEETING MINUTES  
WEDNESDAY, JUNE 1, 2016**

**CALL TO ORDER**

The meeting was called to order at 1:03 p.m.

**1. ROLL CALL**

The following commissioners were present:

- **Vice Chairperson Mike Wasserman**
- **Commissioner Sequoia Hall**
- **Commissioner Ash Kalra**
- **Commissioner Linda J. LeZotte**
- **Commissioner Tara Martin-Milius**
- **Commissioner Susan Vicklund Wilson**
- **Commissioner Ken Yeager**
- **Alternate Commissioner Yoriko Kishimoto**
- **Alternate Commissioner Rob Rennie**
- **Alternate Commissioner Terry Trumbull**

The following staff members were present:

- **LAFCO Executive Officer Neelima Palacherla**
- **LAFCO Assistant Executive Officer Dunia Noel**
- **LAFCO Counsel Malathy Subramanian**
- **LAFCO Counsel Sarah Owsowitz**

**2. WELCOME NEW LAFCO COMMISSIONERS**

**Vice Chairperson Wasserman** welcomed new commissioners Ash Kalra and Tara Martin-Milius, and Alternate Commissioner Rob Rennie.

**\*4. TAKEN OUT OF ORDER: RESOLUTION OF COMMENDATION FOR FORMER COMMISSIONER JOHNNY KHAMIS**

The Commission adopted and presented the Resolution of Commendation to Commissioner Khamis.

**3. APPOINTMENT OF NEW LAFCO CHAIRPERSON AND VICE-CHAIRPERSON FOR THE REMAINDER OF 2016**

**Commissioner Yeager** moved to appoint Commissioner Wasserman as Chairperson and **Commissioner LeZotte** seconded. **Commissioner Wilson** offered to amend the motion to appoint Commissioner Milius as Vice Chairperson in order to allow the new members to become familiar with LAFCO before assuming the role of chair.

A brief discussion ensued relating to the deviation from the rotation schedule and fairness for all members, and it was decided that the Commission will consider these issues when it makes 2017 appointments at its December 2016 meeting.

The Commission appointed Commissioner Wasserman as Chairperson and Commissioner Milius as Vice-Chairperson for the remainder of 2016, and directed that the item be included on the agenda of the December meeting.

Motion: Yeager

Second: LeZotte

AYES: Hall, Kalra, LeZotte, Milius, Wasserman, Wilson, Yeager

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED

**5. RESOLUTION OF COMMENDATION FOR FORMER COMMISSIONER CAT TUCKER**

The Commission adopted the Resolution of Commendation for Commissioner Cat Tucker.

Motion: Kalra

Second: LeZotte

AYES: Hall, Kalra, LeZotte, Milius, Wasserman, Wilson, Yeager

NOES: None

ABSTAIN: None

ABSENT: None

MOTION PASSED

**6. PUBLIC COMMENTS**

Steve Burch, a resident of 23310 Mora Glen Drive in an unincorporated area outside of Los Altos Hills, expressed dissatisfaction over the time it has taken to connect his property to the Town's sewer line. He stated that he has done everything necessary and has paid the annexation fees to the Town but he is still waiting. He requested the Commission to address this problem.

**Chairperson Wasserman** indicated that the Executive Officer's Report (Item 11.1) addresses this topic. Upon the request of **Commissioner LeZotte**, the item was taken out-of-order.

**\*11.1 TAKEN OUT OF ORDER: UPDATE ON REQUEST FOR SEWER SERVICE TO 23310 MORA GLEN DRIVE**

Ms. Palacherla informed that the staff report includes detailed background and the current status of the request. She advised that the Town must include five other properties to establish contiguity for Mr. Burch's property. She indicated that the some owners have indicated that they may oppose the annexation eventhough they previously signed an agreement with the Town to waive their right to protest the annexation of their properties. She informed that the Town Council has continued the public hearing to June 16.

6. **CONTINUED: PUBLIC COMMENTS**

**Chairperson Wasserman** ordered the resumption of public comments.

Bruce Tichinin stated that he represents Borina-Tennant Enterprises, LLP, and is also representing its General Partner, Julie Borina Driscoll. He indicated that his client owns a five-acre parcel on the northwest corner of Hill Road and Tennant Avenue outside Morgan Hill. He directed attention to the packet he provided to the Commission and stated that the first page includes the proposed corrections to March 11<sup>th</sup> minutes to accurately reflect Ms. Driscoll's comments during the public hearing. He informed that the second page is a copy of his June 24, 2014 letter to the Morgan Hill Planning Commission requesting the inclusion of Ms. Driscoll's lands into the Southeast Quadrant project.

7. **APPROVE MINUTES OF MARCH 11, 2016 LAFCO MEETING**

The Commission approved the minutes of March 11, 2016 LAFCO meeting.

Motion: Wilson

Second: Hall

AYES: Hall, Kalra, LeZotte, Milius, Wasserman, Wilson, Yeager

NOES: None

ABSTAIN: None

ABSENT: None

**MOTION PASSED**

8. **REQUEST FOR RECONSIDERATION OF MARCH 11, 2016 LAFCO ACTION TO DENY CITY OF MORGAN HILL URBAN SERVICE AREA AMENDMENT 2015**

Ms. Palacherla presented the staff report.

Upon the request of the Chairperson, **Commissioner Milius** informed that she was present at the March 11<sup>th</sup> hearing, had met with the proponents, and read emails from various organizations and individuals. **Commissioner Kalra** informed that he has read the minutes, reviewed the agenda packets, discussed the reconsideration request with LAFCO staff and his policy aides, and has met with interested parties.

**Chairperson Wasserman**, there being no objection, allotted 15 minutes for the presentation by the applicant, two minutes for each member of the public, and another five minutes for the applicant's rebuttal.

Bart G. Hechtman stated that he is counsel for the the Catholic high school, the applicant. He directed attention to the State law and indicated that LAFCO must not impose a two-step process and informed that there are new and different facts.

Mr. Hechtman indicated that at the March meeting, staff misinformed the Commission by stating that the Commission could not make CEQA findings limited to the high school only alternative but that the Commission must make the findings on the entire EIR. He informed that the February 15<sup>th</sup> staff report does not include that statement. He indicated that State law directs LAFCO, as a responsible agency, to make findings for project alternatives particularly where such project alternative is environmentally better than the main project studied in the EIR. Mr. Hechtman indicated that the LAFCO Counsel has prepared a memo that LAFCO could not make CEQA findings for the high school only alternative because the EIR did not adequately analyze the 22-acre portion.

He stated that the LAFCO Counsel's memo is factually wrong because the EIR has considered the 22-acre portion in the high school only alternative and, having been unchallenged, the EIR is deemed adequate.

Grant Gruber stated that he is City of Morgan Hill's environmental consultant for the SEQ project and informed that the EIR includes a high school only alternative, and it indicates that the high school only alternative is 60 acres, comprised of 38 acres for the high school site and 22 acres that must be included to make the high school parcels contiguous to the city limits. He informed that when the draft EIR was circulated for public review, the comments provided by LAFCO were silent on the high school only alternative. He pointed out that LAFCO did not challenge the EIR and so it is presumed as adequate for the purposes of LAFCO.

Mr. Gruber further stated that contrary to staff's position that the EIR does not address the impact of the 22-acre portion, the EIR indicates that the high school only alternative is 60 acres. He informed that regardless of the EIR, the 22-acre portion is exempt from CEQA since the properties are currently zoned as agricultural and rural-residential and will be annexed as non-confirming land uses. He summarized his presentation by stating that the EIR's high school only alternative includes the 22-acres which is exempt from CEQA review.

Mr. Hechtman concluded that his letter and testimony set forth new and different facts that could not be raised before the close of the March 11<sup>th</sup> public hearing and noted that it is uncertain if the statute allows a two-step reconsideration process. He urged LAFCO to let the reconsideration go forward to ensure that there is due process.

Mr. Hechtman also requested LAFCO to waive the processing fees in excess of the \$2,619 deposit. He noted that the deposit has been paid and that they now withdraw their protest to pay it. He also noted that the processing fees are now at least \$5,000 in excess of the deposit and he requested that LAFCO waive the fees because (1) the reconsideration request is being made due to staff's misstatement, and (2) staff has not prepared a balanced report.

This, being the time and place set for a public hearing, **Chairperson Wasserman** declared the public hearing open.

Angelo Grestoni stated that he owns lands contiguous to the proposed high school site which he will use to build a gymnasium to provide after-school activity for grades 5 to 12 kids. He noted that his land is too small to farm and is surrounded by urban development, and he requested that the Commission vote in favor of the project.

Scott Higgins expressed his support for the Catholic high school requested its approval, and stated that it is a gift for the children.

David Puliafico stated that his family owned lands adjacent to the expansion area and he expressed support for the high school as it will benefit the community. He indicated that the community would benefit more if the lands are used for the high school rather than for growing crops.

Chuck Berghoff indicated that he is the co-chair for fundraising for the Catholic high school and the services director of the Rotary Club. He thanked LAFCO members for meeting with him and he expressed understanding of LAFCO goals. He urged LAFCO

to approve the USA expansion as its benefits outweigh the potential adverse environmental impacts. He informed that the proposal would meet the needs of the community as thousands of students and their families travel long distances to attend Catholic schools. He asked LAFCO to recognize that the location being proposed is the best and only viable solution for the high school.

Julie Hutcheson, Committee for Green Foothills, reminded the Commission that it had carefully weighed and discussed this application at its March 11<sup>th</sup> hearing, and voted to deny it in its entirety or any portion of it. She stated that downsizing the application does not alter the fact that it is inconsistent with LAFCO policies. She directed attention to letters that the Commission received from the public detailing why the request should be denied. She urged LAFCO to deny this renewed attempt to annex SEQ lands.

Father Kim stated that he represents Bishop Patrick McGrath. He directed attention to Bishop McGrath's May 26<sup>th</sup> letter and offered to answer any questions. He informed that the only intention of the Diocese of San Jose was to build the high school for the benefit of the community. He urged the Commission to see the high school site as separate from the larger SEQ project and requested Commission's approval.

In response to the inquiry by **Chairperson Wasserman**, Mr. Hechtman stated he has no rebuttal to the public testimony.

**Chairperson Wasserman** noted that there are no more members of the public who would like to speak on the item and declared the public hearing closed.

**Commissioner Yeager** thanked the members of the public for their participation and noted that no one on LAFCO is against education or the high school but that is not the issue. He read excerpts from the minutes of March 11<sup>th</sup> meeting where staff described that the approval of the high school only option would require LAFCO to make findings on the entire SEQ EIR, and that all the reasons for denial of Area 1 also apply to the high school only option. He indicated that the EIR has not changed and there is no new information. He informed that while there may be different interpretations of the statutory provisions for the reconsideration process, LAFCO is allowing the applicant to present new evidence and is discussing it.

**Commissioner Wilson** expressed understanding of the community's need as her daughter commuted to San Jose to attend Presentation High School. She agreed with Commissioner Yeager on the issues about the EIR. She indicated that regardless of the EIR, LAFCO has its own policies that must be followed. She stated that staff has gone out of their way to release a fair report in a timely manner and that she agrees with Commissioner Yeager that there is no new or different information to reconsider.

**Commissioner Hall** expressed agreement with Commissioners Yeager and Wilson. He directed attention to a letter from the Morgan Hill Unified School District and noted that Morgan Hill should plan for schools within the city. He observed that when a school is built on the city's edge it will make farming go out of business and will induce growth. He stated that LAFCO's approval of the Catholic high school site years ago was based on the assertion that a school would be built there but using those lands to build homes is an example of Morgan Hill not following its own plans. He observed that the applicant has brought no new information to reconsider. He apologized for being unable

to meet with any group or return phone calls as he had limited time prior to the meeting but he reported that he had read everything that was provided in writing.

**Commissioner LeZotte** thanked all those members of the public who addressed the Commission. She disclosed that she met with Andy Passby and Chuck Berghoff, and she reported that she had read all the documents and letters. She informed that she does not have anything to add to what was said at the March 11<sup>th</sup> meeting, and she expressed agreement that there is no new or different information. She indicated that she would be violating LAFCO policy if she voted in favor of the 60-acre annexation.

**Commissioner Wasserman** stated that he has a different perspective on the reconsideration request as he recalled that after the denial of the application, there was a discussion about the EIR for the high school only alternative and the attorneys had different opinions. He indicated that the issue at this time is whether the request for reconsideration should be granted in order to allow due process. He expressed his support for reconsideration.

In response to an inquiry by **Chairperson Wasserman**, Ms. Owsowitz indicated that the EIR has been unchallenged, was certified by the city and its analysis is now presumed adequate. She advised that if LAFCO approves the annexation of 60 acres, comprising of the high school site and its adjoining parcels, it would have to make findings pursuant to that EIR. She advised that the EIR has repeatedly analyzed the development impact of the 38-acre high school only alternative but it did not analyze the 22-acre parcels. She indicated that since the city has pre-zoned that portion to sports, leisure and recreational (SLR), that area would not remain agricultural. She informed that APN 817-13-008 has been proposed for a sports facility and has been analyzed as such in the EIR. She informed that since the EIR does not discuss the 22-acre portion in its high school only alternative, if LAFCO approves the 60 acres it would have to use Morgan Hill's programmatic findings.

**Chairperson Wasserman** requested staff to clarify the two-step reconsideration process. Ms. Subramanian informed that the CKH Act requires applicants to present new or different facts that could not have been previously presented. She informed that prior to 2000, anyone could request reconsideration without explanation but the Commission on Local Governance for the 21st Century recommended the requirement for new information in order to limit abuse and to permit LAFCO to evaluate whether or not a new hearing would be productive. She advised that the better interpretation of the law is a two-step process where LAFCO obtains the new information and determines if a new reconsideration hearing is warranted.

**Commissioner Yeager** moved to deny the request for reconsideration and **Commissioner Wilson** seconded.

**Commissioner Milius** informed that she listened to the deliberations and asked questions of staff and the proponents prior to the meeting, and she expressed support for the motion as the request does not meet the criteria for reconsideration and it is against LAFCO policies.

The Commission found that there were no new or different facts that could not have been presented previously that are claimed to warrant the reconsideration and denied the request for reconsideration.

Motion: Yeager

Second: Wilson

AYES: Hall, Kalra, LeZotte, Milius, Wilson, Yeager

NOES: Wasserman

ABSTAIN: None

ABSENT: None

**MOTION PASSED**

**Commissioner Yeager** recognized that there is a cost to processing this application. He noted that he would not like to encourage frivolous applications but given the good cause of the applicant, he moved to waive the fees in excess of the \$2,619 deposit.

**Chairperson Wasserman** seconded.

**Commissioner Wilson** expressed concern that the fee waiver sets a negative precedent since it would be unfair to the cities, the County and special districts to pay for it. She observed that the increase in cost was due to the fairly complex legal issues that had to be researched in response to the applicant. She noted that a waiver would set a precedent as applicants with similar criteria will refuse to pay for their applications. She expressed her opposition to the motion.

**Commissioner Hall** expressed support for the motion and noted that the best use for funds of the Catholic Diocese is for community service and in finding a suitable high school site in the South County. **Commissioner Kalra** expressed support for the motion as LAFCO has discretion to waive fees on a case-by-case basis although he agreed that a fee waiver could set a precedent.

Ms. Subramanian advised that if LAFCO goes forward with the motion, it would have to make a finding that the fee waiver would not be detrimental to public interest and advised that Commissioner Hall's comments may reflect the finding.

**Commissioner Yeager** clarified that his motion is for the waiver of fees in excess of the \$2,619 initial deposit.

LAFCO waived \$7,194.65 in LAFCO fees, in excess of the initial deposit amount of \$2,619, that were incurred by LAFCO in processing the request for reconsideration pursuant to Government Code Section 56383(d); and found that the full payment of LAFCO fees in this specific case would be detrimental to the public interest, in that the San Jose Diocese, the non-profit entity paying for the application, does serve a better community good; and that requiring the full payment of LAFCO fees would not promote the applicant finding a suitable school site in South County.

Motion: Yeager

Second: Wasserman

AYES: Hall, Kalra, LeZotte, Milius, Wasserman, Yeager

NOES: Wilson

ABSTAIN: None

ABSENT: None

**MOTION PASSED**

**\*10. TAKEN OUT-OF-ORDER: NOTICE FROM COUNTY TO RELOCATE LAFCO OFFICE TO CHARCOT ROAD**

Upon the request of **Commissioner Hall**, there being no objection, **Chairperson Wasserman** ordered that Item No. 10 be taken out of order.

Ms. Noel presented the staff report.

**Commissioner Yeager** informed that he and Chairperson Wasserman are aware of the County's recommendation to move the LAFCO office to Charcot Road, and informed that the County has purchased property across from the County Government Center but there is no guarantee that LAFCO could be relocated there. He expressed support for the creation of a space committee and indicated that the move to Charcot Road cannot be postponed. **Chairperson Wasserman** indicated that there may be no need for a space committee given the finality of the office relocation.

**Commissioner Hall** recommended to retain the LAFCO office close to the County Government Center due to regular contact with the Planning Office and other County agencies and also because the role LAFCO plays requires it to have a high-level presence. He encouraged the County delegates to locate LAFCO in close proximity to the Government Center. **Chairperson Wasserman** informed that the County has a chain-of-command and the decision for the relocation was made by the County Executive. He indicated that the cost for relocation would be paid for by the County.

**Commissioner Wilson** stated that LAFCO should be located in the Government Center and expressed concern that space in the newly acquired building is not guaranteed. She informed that many LAFCOs lease their own space but that LAFCO was provided little notice in this instance. She expressed support for the creation of the Space Committee to look at alternatives, including a lease agreement with the County or for lease in a private building. She also proposed that the County be requested to postpone the relocation while the Space Committee is working on the alternatives. She observed that LAFCOs have become more independent over the years and leasing its own office space will be the next step towards independence. She indicated that postponement of the move to Charcot Road would allow the LAFCO office to be moved only once.

**Commissioner Milius** expressed concern about moving the LAFCO twice as there has been an increase in LAFCO activities. She observed that it would be more challenging for staff to keep the same level of work standards while the office is relocated multiple times. She expressed hope that the County would defer the relocation until alternatives are found.

**Commissioner LeZotte** expressed agreement and requested the Chairperson send a letter asking the County to postpone the relocation for six months. She opined that the County delegates to LAFCO could influence the decision of the County Executive and suggested that they should settle this issue so staff is not distracted from their work by the double move. She also informed that while the relocation has no fiscal impact to LAFCO, it has costs to staff morale. She expressed support for the creation of the Space Committee to discuss various options, including lease of a private space.

**Chairperson Wasserman** indicated that while the County Board of Supervisors as a body can direct the County Executive, individual board members only make requests.



He noted that the Commission could certainly choose to move the LAFCO office to a private building where it must pay rent and the associated costs. In response to an inquiry by **Chairperson Wasserman**, Ms. Palacherla proposed that if LAFCO is relocated to a County facility closer to the Government Center, there should be a lease agreement specific to the property. In response to a follow-up inquiry by **Chairperson Wasserman**, Ms. Palacherla informed that staff has been notified that they may tour the Charcot Office in the first week of June.

**Commissioner Yeager** noted that a lease agreement for office space across the County Government Center may be possible and he expressed support for the creation of a Space Committee to determine LAFCO's space requirements.

**Chairperson Wasserman** nominated Commissioner Wilson to serve on the Committee. **Commissioner Wilson** expressed agreement and indicated that she will be available for Committee meetings after June 18<sup>th</sup>.

**Commissioner Wilson** moved to request the County delegates to continue their efforts for a leased space in the building across the Government Center, create the Space Committee to look at space alternatives, including a lease of a private office space, and to authorize the Chairperson to send a letter to the County requesting for a six-month postponement of the move to Charcot offices. She indicated that her preference is for LAFCO to stay in a County facility guaranteed by a lease. In response to an inquiry by **Chairperson Wasserman, Commissioners Hall and LeZotte** offered to serve on the Space Committee.

The Commission established the Ad-Hoc Space Committee composed of Commissioners Hall, LeZotte and Wilson, to review LAFCO's space requirements, explore alternatives which includes lease of a private space, and to report to the full Commission.

The Commission requested the County delegates to continue their efforts in exploring a leased space for LAFCO in the building across the County Government Center, and authorized the Chairperson to sign a letter to the County requesting a six-month postponement in the relocation of the LAFCO office to Charcot Road.

Motion: Wilson

Second: Yeager

AYES: Hall, Kalra, LeZotte, Milius, Wasserman, Wilson, Yeager

NOES: None

ABSTAIN: None

ABSENT: None

**MOTION PASSED**

**9. PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2017**

Ms. Palacherla presented the staff report.

This, being the time and place set for a public hearing, **Chairperson Wasserman** declared the public hearing open, determined that there are no members of the public who would like to speak on the item, and declared the public hearing closed.

**Chairperson Wasserman** moved for the approval of Option #1 to keep the reserves at \$150,000 and reimburse the \$104,000 in unexpected revenues to the County, cities and special districts. There was no second.

In response to an inquiry by **Commissioner Yeager**, Ms. Palacherla informed that both options #1 and #2 include the half-time position and that a full-time position costs an additional \$80,000. **Commissioner Yeager** noted that since LAFCO deals with complicated issues, the additional position must be full-time to avoid staff turnover.

**Commissioner Yeager** moved for the approval of the budget, plus \$80,000 for a full-time position. **Commissioner Wilson** offered to amend the motion to state that the remaining \$24,000 be set aside to address the office space situation. **Commissioner Yeager** accepted the amendment and **Commissioner Wilson** seconded the motion.

**Commissioner Milius** agreed that no refunds should be made to member agencies until the office space issue is resolved. **Commissioner Wasserman** expressed his opposition to the motion. He recalled that at the last meeting, the Commission has approved the hiring of a half-time staff with \$150,000 in reserve, and he expressed concern that the cost of a full-time position in the subsequent years will come out from agency contributions. **Commissioner Hall** informed that he was not present to vote on staffing level at the last meeting and he expressed support for adequate staffing to deal with the workload. He recalled how staff spent long hours on a recent project without being paid for the overtime work and he stated that a successful agency should have enough staff to get its job done during normal business hours. **Commissioner Wasserman** recalled that at the last meeting, the consensus was to hire a half-time staff that could be made full-time when needed. He noted that the recent upsurge in LAFCO revenues is unusual and creating a full-time position will be a long-term commitment. He indicated that the County office space has no associated cost to LAFCO so there is no need to retain additional reserves. **Commissioner Milius** stated that she would not normally use the one-time revenue surge to fund recurrent costs but she noted that there is a need for additional staff. She stated that based on the analysis made for hiring a full-time versus part-time staff, she is in support of a full-time position. She also indicated her support for reimbursements to the agencies after LAFCO has addressed all of its responsibilities.

The Commission:

- a. Approved the Fiscal Year 2017 budget; authorized the allocation of \$80,000 for salaries and benefits to hire an additional 1.0 FTE position, instead of a 0.5 FTE position; and authorized the allocation of \$24,000 to reserves in order to address the LAFCO office space issue, bringing the total reserves to \$174,000.
- b. Found that the Final LAFCO Budget for Fiscal Year 2017 is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
- c. Authorized staff to transmit the Final LAFCO Budget adopted by the Commission, including the estimated agency costs to the cities, the special districts, the County, the Cities Association and the Special Districts Association.
- d. Directed the County Auditor–Controller to apportion LAFCO costs to the cities; to the special districts; and to the County; and to collect payment pursuant to Government Code §56381.

Motion: Yeager

Second: Wilson

AYES: Hall, Kalra, LeZotte, Milius, Wilson, Yeager

NOES: Wasserman

ABSTAIN: None

ABSENT: None

**MOTION PASSED**

**11. EXECUTIVE OFFICER'S REPORT**

**11.2 UPDATE ON REQUEST TO ANNEX 3343 ALPINE ROAD TO WEST BAY SANITARY DISTRICT**

The Commission noted the report.

**11.3 LAFCO ORIENTATION SESSION FOR ALTERNATE COMMISSIONER RENNIE**

The Commission noted the report.

**11.4 SANTA CLARA COUNTY ASSOCIATION OF PLANNING OFFICIALS (SCCAPO) MEETING**

The Commission noted the report.

**11.5 INTER-JURISDICTIONAL GIS WORKING GROUP MEETING**

The Commission noted the report.

**12. CALAFCO RELATED ACTIVITIES**

**12.1 REPORT ON THE 2016 CALAFCO STAFF WORKSHOP (MARCH 30-APRIL 1)**

The Commission noted the report.

**12.2 2016 CALAFCO ANNUAL CONFERENCE ON OCTOBER 26-28**

The Commission authorized commissioners and staff to attend the Annual Conference and directed that associated travel expenses be funded by the LAFCO Budget for Fiscal Year 2017.

Motion: Hall

Second: Wilson

AYES: Hall, Kalra, LeZotte, Milius, Wasserman, Wilson, Yeager

NOES: None

ABSTAIN: None

ABSENT: None

**MOTION PASSED**

**12.3 REPORT ON THE CALAFCO LEGISLATIVE COMMITTEE MEETINGS**

The Commission noted the report.

**13. PENDING APPLICATIONS / UPCOMING PROJECTS**

Ms. Palacherla announced the receipt of an application from Monte Sereno for the expansion of its Sphere of Influence and Urban Service Area boundaries. She reported that a similar application was denied by LAFCO in 2013. She reported that staff has had extensive conversations with the City and the property owner relating to LAFCO policies and the circumstances surrounding the application; however, the applicant has decided to go forward with the application.

**14. COMMISSIONER REPORTS**

**Commissioner Hall** proposed that the start time of LAFCO meetings be changed back to the 1:00 p.m., and he requested that this item be included in the agenda of the next meeting.

**15. NEWSPAPER ARTICLES / NEWSLETTERS**

The Commission noted the CALAFCO Quarterly Report.

**16. WRITTEN CORRESPONDENCE**

There was none.

**17. CLOSED SESSION  
PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

The Commission adjourned to Closed Session at 3:02 p.m., and reconvened to an open meeting at 3:34 p.m.

**18. ADJOURN**

The Commission adjourned at 3:35 p.m., to a regular LAFCO meeting on Wednesday, August 3, 2016, at 1:00 PM in the Board Meeting Chambers, 70 West Hedding Street, San Jose.

Approved on August 3, 2016.

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Mike Wasserman, Chairperson  
Local Agency Formation Commission of Santa Clara County

By: \_\_\_\_\_  
Emmanuel Abello, LAFCO Clerk