



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Terry Trumbull
Mark Turner

Alternate Commissioners
Pamela Campos
Helen Chapman
Betty Duong
Zach Hilton
Teresa O'Neill

Executive Officer
Neelima Palacherla

REGULAR MEETING

Board of Supervisors' Chambers, 70 West Hedding Street, First Floor, San Jose
and

City Administration Conference Room, Gilroy City Hall, 7351 Rosanna St, Gilroy

October 1, 2025 • 1:15 PM

AGENDA

Chairperson: Sylvia Arenas ▪ Vice-Chairperson: Rosemary Kamei

PUBLIC ACCESS AND PARTICIPATION

This meeting will be held in person at the location listed above. As a courtesy, and technology permitting, members of the public may also attend by virtual teleconference. However, LAFCO cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option. To attend the meeting by virtual teleconference, access the meeting at <https://sccgov-org.zoom.us/j/87698046398> or by dialing **(669) 900-6833** and entering **Meeting ID 876 9804 6398#** when prompted.

PUBLIC COMMENT INSTRUCTIONS

Written Public Comments may be submitted by email to LAFCO@ceo.sccgov.org. Written comments will be distributed to the Commission and posted to the agenda on the LAFCO website as quickly as possible but may take up to 24 hours.

Spoken public comments may be provided in-person at the meeting. Persons who wish to address the Commission on an item are requested to complete a Request to Speak Form and place it in the designated tray near the dais. Request to Speak Forms must be submitted prior to the start of public comment for the desired item. For items on the Consent Calendar or items added to the Consent Calendar, Request to Speak Forms must be submitted prior to the call for public comment on the Consent Calendar. Individual speakers will be called to speak in turn. Speakers are requested to limit their comments to the time limit allotted.

Spoken public comments may also be provided through the teleconference meeting. To address the Commission virtually, click on the link <https://sccgov-org.zoom.us/j/87698046398> to access the meeting and follow the instructions below:

- You will be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you when it is your turn to speak.
- When the Chairperson calls for the item on which you wish to speak, click on "raise hand" icon. The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak. Call-in attendees press *9 to request to speak, and *6 to unmute when prompted.
- When called to speak, please limit your remarks to the time limit allotted.

NOTICE TO THE PUBLIC

- Pursuant to Government Code §84308, no LAFCO commissioner shall accept, solicit, or direct a contribution of more than \$500 from any party, or a party's agent; or any participant or the participant's agent if the commission knows or has reason to know that the participant has a financial interest, while a LAFCO proceeding is pending, and for 12 months following the date a final decision is rendered by LAFCO. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than \$500 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days from the time the commissioner knows or should have known, about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than \$500 within the preceding 12 months by the party, or the party's agent, to a LAFCO commissioner. For forms, visit the LAFCO website at www.santaclaralafco.org. No party, or the party's agent and no participant, or the participant's agent, shall make a contribution of more than \$500 to any LAFCO commissioner during the proceeding and for 12 months following the date a final decision is rendered by LAFCO.
- Pursuant to Government Code Sections 56100.1, 56300, 56700.1, 57009 and 81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of \$1,000 or more or expend(s) a total of \$1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act (See also, Section 84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275- 3772).
- Pursuant to Government Code §56300(c), LAFCO adopted lobbying disclosure requirements which require that any person or entity lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. Additionally, every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. For forms, visit the LAFCO website at www.santaclaralafco.org.
- Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commissioners less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office, 777 North First Street, Suite 410, San Jose, California, during normal business hours. (Government Code §54957.5.)
- In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to meeting at (408) 993- 4709.

1. ROLL CALL

2. PUBLIC COMMENTS

This portion of the meeting provides an opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off-agenda items unless authorized by law. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

3. APPROVE CONSENT CALENDAR

The Consent Calendar includes Agenda Items marked with an asterisk (*). The Commission may add to or remove agenda items from the Consent Calendar.

All items that remain on the Consent Calendar are voted on in one motion. If an item is approved on the Consent Calendar, the specific action recommended by staff is adopted. Members of the public who wish to address the Commission on Consent Calendar items should comment under this item.

***4. APPROVE MINUTES OF AUGUST 6, 2025 LAFCO MEETING**

PUBLIC HEARING

5. COMPREHENSIVE REVIEW AND UPDATE OF LAFCO POLICIES – PHASE 2

Recommended Action:

1. Approve the proposed structure for the Santa Clara LAFCO Policies and Procedures Manual.
2. Adopt the proposed “Part 1. LAFCO Bylaws.”
3. Adopt the proposed “Part 2. LAFCO Operational Policies and Procedures.”
4. Adopt the proposed “Part 4. LAFCO Administrative Policies.”
5. Rescind the existing “Policies for Use of LAFCO Issued Electronic Devices” as they are no longer applicable.
6. Determine that the proposed update of LAFCO policies is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines §15060(c)(2) and §15060(c)(3).

ITEMS FOR ACTION / INFORMATION

6. COUNTYWIDE WATER AND WASTEWATER SERVICE REVIEW

Recommended Action:

1. Direct staff to prepare a Draft Request for Proposals (RFP) for a professional services firm to conduct a Countywide Water and Wastewater Service Review, for the Commission’s consideration at the December 2025 LAFCO meeting.

2. Appoint two LAFCO Commissioners to serve on the Countywide Water and Wastewater Service Review Technical Advisory Committee.
7. **FY 2024-2025 LAFCO ANNUAL REPORT**
Recommended Action: Accept the FY 2024-2025 LAFCO Annual Report.
- *8. **EXECUTIVE OFFICER'S REPORT**
Recommended Action: Accept report and provide direction, as necessary.
 - 8.1 **Quarterly Special Districts Association Meeting**
 - 8.2 **Quarterly Meeting with County Planning Department**
 - 8.3 **Santa Clara County Association of Planning Officials' Meeting**
- *9. **CALAFCO RELATED ACTIVITIES**
For Information only.
 - 9.1 **Proposed Amendments to CALAFCO Bylaws**
10. **COMMISSIONER REPORTS**
11. **NEWSPAPER ARTICLES / NEWSLETTERS**
12. **WRITTEN CORRESPONDENCE**
 - 12.1 Letter from the Special District Risk Management Authority regarding the President's Special Acknowledgement Awards (August 11, 2025)

CLOSED SESSION

13. **PERFORMANCE EVALUATION**
Public Employee Performance Evaluation (Government Code §54957)
Title: LAFCO Executive Officer
14. **REPORT OUT OF CLOSED SESSION**
15. **ADJOURN**
Adjourn to the regular LAFCO meeting on December 3, 2025 at 1:15 PM in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.



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Teresa O'Neill

Executive Officer

Neelima Palacherla

ITEM # 4

**LAFCO MEETING MINUTES
WEDNESDAY, AUGUST 6, 2025**

CALL TO ORDER

The meeting was called to order at 1:15 p.m.

1. ROLL CALL

Commissioners

- Sylvia Arenas, Chairperson
- Rosemary Kamei, Vice Chairperson
- Jim Beall
- Yoriko Kishimoto
- Otto Lee
- Terry Trumbull
- Mark Turner (Absent)

Alternate Commissioners

- Pamela Campos (Absent)
- Helen Chapman
- Betty Duong (Absent)
- Zach Hilton (Absent)
- Teresa O'Neill

Staff

- Neelima Palacherla, Executive Officer
- Dunia Noel, Assistant Executive Officer
- Emmanuel Abello, Analyst
- Sonia Humphrey, Clerk
- Mala Subramanian, Counsel

2. PUBLIC COMMENTS

There were none.

3. APPROVE CONSENT CALENDAR

MOTION: Arenas	SECOND: Kishimoto	
AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Trumbull		
NOES: None	ABSTAIN: None	ABSENT: Turner

Commission Action: The Commission added #9 and #10 to the consent calendar and approved the Consent Calendar, including Items #4, #6, #9 and #10.

4. TAKEN ON CONSENT: APPROVE MINUTES OF JUNE 4, 2025 LAFCO MEETING

The Commission approved the minutes of the June 4, 2025 meeting.

PUBLIC HEARING

5. COMPREHENSIVE REVIEW AND UPDATE OF LAFCO POLICIES – PHASE 2

MOTION: Kamei	SECOND: Trumbull	
AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Trumbull		
NOES: None	ABSTAIN: None	ABSENT: Turner

Commission Action:

1. The Commission adopted the proposed updated Chapter 10: Service Review Policies including an additional text change (a new 10.8.4c: Prior Service Review: Evaluation Criteria: Where appropriate, establish specific evaluation criteria to be used in making the required service review determinations.).
2. The Commission adopted the proposed updated Chapter 11: Policies and Procedures for Processing Proposals Affecting More than One County.
3. The Commission adopted the proposed updated Chapter 12: LAFCO Indemnification Policy.
4. The Commission adopted the proposed updated Chapter X: Records Retention Policy and Schedule.
5. The Commission determined that the proposed update of LAFCO policies is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines §15060(c)(2) and §15060(c)(3).

ITEMS FOR ACTION / INFORMATION

6. TAKEN ON CONSENT: EXECUTIVE OFFICER'S REPORT

Commission Action: The Commission accepted the report.

7. CALAFCO RELATED ACTIVITIES

7.1 CALAFCO UNIVERSITY (U) COURSES

For Information Only.

7.2 2025 CALAFCO Annual Conference (October 22 – October 24)

For Information Only.

7.3 Nominations to the CALAFCO Board of Directors

MOTION: Arenas	SECOND: Lee	
AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Trumbull		
NOES: None	ABSTAIN: None	ABSENT: Turner

Commission Action: The Commission nominated Vice Chairperson Kamei for the CALAFCO Board of Directors.

7.4 Designate Voting Delegate and Alternate for 2025 CALAFCO Board of Directors Election

MOTION: Kamei	SECOND: Lee	
AYES: Arenas, Beall, Kamei, Kishimoto, Lee, Trumbull		
NOES: None	ABSTAIN: None	ABSENT: Turner

Commission Action: The Commission appointed Vice Chairperson Kamei as the voting delegate and Chairperson Arenas as the alternate voting delegate.

8. COMMISSIONER REPORTS

There were none.

9. NEWSPAPER ARTICLES / NEWSLETTERS

There were none.

10. WRITTEN CORRESPONDENCE

There were none.

11. ADJOURN

The Commission adjourned at 1:47 p.m. to the next regular LAFCO meeting on December 3, 2025, at 1:15 p.m., in the Board of Supervisors' Chambers, 70 West Hedding Street, San Jose.

Approved on October 1, 2025

Sylvia Arenas, Chairperson
Local Agency Formation Commission of Santa Clara County

Prepared by:

Sonia Humphrey, LAFCO Clerk



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Mark Turner

ITEM # 5

Alternate Commissioners

Pamela Campos
Helen Chapman
Betty Duong
Zach Hilton
Teresa O'Neill

Executive Officer

Neelima Palacherla

LAFCO MEETING: October 1, 2025

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer
Emmanuel Abello, Analyst**

**SUBJECT: COMPREHENSIVE REVIEW AND UPDATE OF LAFCO
POLICIES – PHASE 2**

STAFF RECOMMENDATIONS

1. Approve the proposed structure for the Santa Clara LAFCO Policies and Procedures Manual.
2. Adopt the proposed "Part 1. LAFCO Bylaws."
3. Adopt the proposed "Part 2. LAFCO Operational Policies and Procedures."
4. Adopt the proposed "Part 4. LAFCO Administrative Policies."
5. Rescind the existing "Policies for Use of LAFCO Issued Electronic Devices" as they are no longer applicable.
6. Determine that the proposed update of LAFCO policies is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines §15060(c)(2) and §15060(c)(3).

PROJECT BACKGROUND

Scope and Purpose of the Comprehensive Review and Update of LAFCO's Policies

The purpose of the comprehensive review and update of the current LAFCO policies is to:

- Better enable LAFCO to meet its legislative mandate,
- Make the policies consistent with recent changes to the CKH Act,
- Better document current/historic practices, and
- Provide better guidance to affected agencies, the public, and potential applicants; and increase clarity and transparency of LAFCO's policies and expectations.

The project is divided into two phases (Phase 1 and Phase 2).

Phase 1 Complete

On December 4, 2024, LAFCO completed the first phase of the Comprehensive Review and Update of LAFCO Policies which focused on reviewing and updating, as necessary, the key policies that apply to processing typical LAFCO applications.

Phase 2 Underway

On April 4, 2025, LAFCO approved a workplan for the second phase of the Comprehensive Review and Update of LAFCO Policies. This phase focuses on reviewing and updating, as needed, LAFCO's remaining policies — including the service review policies, indemnification policy, incorporation policies (used less frequently), and policies and procedures related to administrative functions.

PROPOSED STRUCTURE OF LAFCO POLICIES AND PROCEDURES MANUAL

Upon final completion of Phase 2 of the Comprehensive Review and Update of LAFCO Policies, staff will compile all the adopted policies and procedures into a single manual which will be available for viewing and downloading on the LAFCO website. The proposed outline for this manual is presented in **Attachment A** for the Commission's consideration and approval.

The proposed Policies and Procedures Manual is divided into four parts:

Part 1. Bylaws

Part 2. Operational Policies and Procedures

Part 3. Policies for Evaluating Proposals

Part 4. Administrative Policies

This proposed structure groups policies by subject matter to improve clarity, transparency, and ease of use. Policies relating more specifically to the organizational structure and governance of LAFCO are consolidated, policies and procedures guiding LAFCO's day-to-day operations are organized together, policies related to substantive evaluation of proposals are grouped together, and administrative policies are separated into their own section. This framework provides a logical framework that helps Commissioners, staff, affected agencies, and the public to more easily locate and understand the policies and procedures most relevant to their needs.

PROPOSED REVISIONS TO LAFCO POLICIES AND PROCEDURES

The following LAFCO policies and procedures are the subject of this staff report:

- Part 1. LAFCO Bylaws (**Attachment B**)
- Part 2. LAFCO Operational Policies and Procedures (**Attachment C**)
- Part 4. LAFCO Administrative Policies (**Attachment D**)

Please note that “Part 3. Policies for Evaluating Proposals” consists mostly of policies recently adopted by the Commission as Phase 1 of the Comprehensive Policies Review and Update project, in December 2024. The proposed update to the LAFCO’s “Incorporation Policies” will be presented at the December 3, 2025 LAFCO meeting for the Commission’s consideration and potential adoption.

The proposed Part 1. Bylaws; Part 2. Operational Policies and Procedures; and Part 4. Administrative Policies; consist primarily of existing policies drawn from the current LAFCO Bylaws and other previously adopted LAFCO policies and procedures. The policies in Parts 1, 2, and 4 include the following types of changes:

Overall Organization and Structure

Current policies have been restructured as individual numbered chapters with corresponding numbered policies and subtitles, to be part of the single Policies and Procedures Manual. Additionally, dates for the original adoption and the amendment of specific sections in each policy chapter have been added throughout the manual for greater transparency.

Consolidation and Transparency

Many provisions, requirements and clarifications that were previously documented elsewhere (e.g. application forms and meeting agenda) are now incorporated into this Manual for greater transparency and accessibility.

References to State law

Incorrect and/or expired references to State law in the current policies are removed and replaced with the correct/current references.

New references to relevant code sections of State law have been added, where appropriate.

Text changes

New language has been added to reflect recent changes in State law, and to document current and longstanding Santa Clara LAFCO practices and procedures.

The proposed revisions in Part 1. Bylaws, Part 2. Operational Policies and Procedures, and Part 4. Administrative Policies, resulted in substantial reformatting, reordering, and editing of current policies. As such, a tracked change version of the current LAFCO Bylaws and other current policies would have resulted in documents that are difficult to read and review.

Instead, an explanation has been prepared for each Part, and as necessary, a table has been provided that outlines the major text changes, the reasons for those changes, and, where applicable, the location from which the policy was moved into the Part.

Parts 1, 2, and 4 are described below.

PART 1. BYLAWS

Background

Prior to April 1, 2014, LAFCO's bylaws were contained in a document entitled LAFCO's "Rules and Procedures." At that time, staff, in consultation with LAFCO's Legal Counsel, conducted a review of LAFCO's "Rules and Procedures" and determined that this document was no longer applicable due to changes in State law and changes in Santa Clara LAFCO operations. Staff then drafted a set of proposed bylaws to replace the outdated "Rules and Procedures." These new "LAFCO Bylaws" consisted of four sections including: General Information on LAFCO, The Commission, Conduct of Commission Meetings, and Travel and Expense Reimbursement.

On April 1, 2014, LAFCO adopted these new "LAFCO Bylaws." The Commission has revised these "LAFCO Bylaws" periodically over the last ten years to add new policies to better reflect current State law and LAFCO practice, as needed.

As part of this comprehensive review and update of LAFCO Policies, staff reviewed and found that the current "LAFCO Bylaws" omit some of the Commission's other longstanding rules and procedures, and that certain sections of the "LAFCO Bylaws" would be more appropriately placed in separate new chapters (i.e. "Part 2. Operational Policies and Procedures" or "Part 4. Administrative Policies").

Proposed Revisions

Therefore, the current "LAFCO Bylaws," have been edited, reformatted, and reorganized as the proposed "Part. 1 Bylaws" (**Attachment B**) and some sections have been moved into the proposed "Part 2. Operational Policies and Procedures" or proposed "Part 4. Administrative Policies".

The proposed "Part. 1 Bylaws" includes four chapters including:

- **"Chapter 1.1 Organization"** (Text moved from current "LAFCO Bylaws." No major changes.)
- **"Chapter 1.2 Commissioners and Staff"** (Text moved from current "LAFCO Bylaws." No major changes, except as noted in table (**Attachment B-1**))
- **"Chapter 1.3 Meeting Rules and Regulations"** (Text moved from current "LAFCO Bylaws." No major changes, except as noted in table (**Attachment B-1**))
- **"Chapter 1.4 Financial and Other Reporting"** (New text added as noted in table (**Attachment B-1**))

PART 2. OPERATIONAL POLICIES AND PROCEDURES

As noted above, some sections of the current "LAFCO Bylaws" are more appropriately placed in a separate new "Part 2. Operational Policies and Procedures" (**Attachment C**). Part 2 includes 3 chapters:

- **"Chapter 2.1 Application Processing Procedures"**

- **“Chapter 2.2 Legislative and Intergovernmental Policies”**
- **“Chapter 2.3 Procedures for Preparing and Processing Environmental Documents”**

These chapters consist of existing policies and procedures that are in the current LAFCO Bylaws or adopted as individual policies or are documented elsewhere as standalone statements or requirements, all of which are now consolidated in Part 2. Please see **Attachment C-1** for a table that outlines major text changes, the reasons for those changes, and the location from which the policy was moved into this Part.

PART 4. ADMINISTRATIVE POLICIES

As noted above, some sections of the current LAFCO Bylaws are more appropriately placed in a separate new “Part 4. Administrative Policies.” Part 4 includes 3 chapters:

- **“Chapter 4.1. Travel and Expense Reimbursement”** (Includes text moved from the current “LAFCO Bylaws”. Minor text changes were made specifically correcting the timeframe for reporting business trip or event expenses to the LAFCO Office for reimbursement consistent with the County of Santa Clara Travel Policy.)
- **“Chapter 4.2. Records Retention Policy and Schedule”** (Currently standalone policies that were last updated by the Commission on August 6, 2025.)
- **“Chapter 4.3. Conflict of Interest Code”** (Currently standalone policies that are updated as required by the code reviewing body, the Santa Clara County Board of Supervisors.)

Please see **Attachment D** for the proposed “Part 4. Administrative Policies.”

NOTICE OF PUBLIC HEARING

A Notice of Public Hearing was posted on the LAFCO website and the County’s Official Bulletin Board on September 18, 2025, and published in the *San Jose Post Record* on the same day. The staff report for this agenda item will be posted on the LAFCO website by September 26, 2025 and affected agencies, interested parties, and others that have requested to receive LAFCO agendas will be noticed accordingly.

ENVIRONMENTAL ANALYSIS

The purpose of the comprehensive review and update of the current LAFCO policies is to better enable LAFCO to meet its legislative mandate, make the policies consistent with recent changes to LAFCO law, better document current/historic practices, and provide ease of use and better guidance to affected agencies, public, and potential applicants; and increase clarity and transparency of LAFCO’s policies and expectations.

The proposed Phase 2 LAFCO policies revisions include changes to the overall organization and structure of the current LAFCO policies; removal of incorrect

and/or expired references to State law and inclusion of new references to relevant code sections of State law and adopted LAFCO resolutions; and text changes to reflect changes in State law, current LAFCO practice or background information.

The approval of the proposed Phase 2 LAFCO policies revisions is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3 Section 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and, Section 15060(c)(3) (the activity is not a project as defined in Section 15378) because the proposed revisions to Santa Clara LAFCO policies reflect existing provisions of the Government Code that are already State law, existing policies of LAFCO that are already under implementation, historic or current Santa Clara LAFCO practice, or are entirely procedural (non-substantive) in nature.

NEXT STEPS

Staff will review the current "LAFCO Incorporation Policies" and propose updates as needed. Any proposed changes will be presented to the Commission for consideration and potential adoption at its December 3, 2025 meeting. As shown in **Attachment A**, the updated "Incorporation Policies" would be included in Part 3, "Policies for Evaluating Proposals," as "Chapter 3.9 Incorporation Policies."

Following the Commission's adoption of the updated Incorporation Policies, staff will compile all adopted policies into a comprehensive manual, publish it on the LAFCO website, and distribute it digitally to local agencies and interested parties.

ATTACHMENTS

Attachment A:	Outline for Santa Clara LAFCO Policies and Procedures Manual
Attachment B:	Part 1. Bylaws
Attachment B-1:	Table: Part 1. Table of Proposed Major Text Changes or New Sections
Attachment C:	Part 2. Operational Policies and Procedures
Attachment C-1:	Table: Part 2. Current Location of Policies/Procedures and Reasons for Any Text Revisions
Attachment D:	Part 4. Administrative Policies
Attachment E:	Links to Relevant Current LAFCO Policies and Procedures
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	E-2: Conducting Authority Procedures
	E-3: Legislative Policies
	E-4: Procedures for Preparing and Processing Environmental Documents
	E-5: Conflict of Interest Code
	E-6: Policies for Use of LAFCO Issued Electronic Devices

SANTA CLARA LAFCO
POLICIES AND PROCEDURES MANUAL

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- 4.1.7. Report to LAFCO
- 4.1.8. Compliance with Laws
- 4.1.9. Ethics Training

Chapter 4.2. Records Retention Policy and Schedule

Chapter 4.3. Conflict of Interest Code

PART 1. LAFCO BYLAWS

CHAPTER 1.1. ORGANIZATION

1.1.1. NAME OF COMMISSION

Originally part of LAFCO Rules and Procedures
Incorporated into LAFCO Bylaws: 04/02/2014
Amended: 10/05/2016, _____

The Local Agency Formation Commission, established in Santa Clara County pursuant to Chapter 1 of Part 1, Division 3, Title 5, of the Government Code, shall be known as the Local Agency Formation Commission of Santa Clara County ("LAFCO of Santa Clara County" or "Santa Clara LAFCO"), and hereinafter referred to as the "Commission."

1.1.2. AUTHORITY

Adopted in LAFCO Bylaws: 04/02/2014
Amended: _____

LAFCO of Santa Clara County is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et seq. of the California Government Code (GC), as amended, and hereinafter referred to as the "CKH Act." The provisions of these bylaws are not intended to preempt State law. In the event of a conflict between the provisions set forth in these bylaws and those set forth in the CKH Act, the provisions of the CKH Act shall prevail.

1.1.3. MISSION

Adopted in LAFCO Bylaws: 04/02/2014
Amended: 02/04/2016, _____

At its August 1, 2012 Meeting, the Commission adopted the following mission statement:

The mission of Santa Clara LAFCO is to promote sustainable growth and good governance in Santa Clara County by preserving agricultural lands and open space, curbing urban sprawl, encouraging efficient delivery of services, exploring and facilitating regional opportunities for fiscal sustainability, and promoting accountability and transparency of local agencies.

Santa Clara LAFCO will be proactive in raising awareness and building partnerships to accomplish this through its special studies, programs and actions.

CHAPTER 1.2. COMMISSIONERS AND STAFF

1.2.1. COMMISSION COMPOSITION

Adopted in LAFCO Bylaws: 04/02/2014

The Commission shall consist of seven (7) regular commissioners and five (5) alternate commissioners.

1.2.2. SELECTION/APPOINTMENT OF COMMISSIONERS

Adopted in LAFCO Bylaws: 04/02/2014

Amended: 06/05/2019, _____

1. The Commission membership categories and appointment procedures are as follows:
 - a. **County.** The Board of Supervisors shall appoint two regular commissioners and one alternate commissioner from the Board's membership to serve on the Commission. GC §56327(a)
 - b. **San Jose.** The City of San Jose shall appoint one regular commissioner and one alternate commissioner to serve on the Commission. Each appointee shall be the mayor or city council member. GC §56327(b)
 - c. **Cities.** The City Selection Committee shall appoint one regular commissioner and one alternate commissioner to serve on the Commission. Each appointee shall be a mayor or city council member from one of the County's other 14 cities. Such appointments shall be made in accordance with the procedure established by the City Selection Committee and described in the rules and regulations of that body. GC §56327(c)
 - d. **Special Districts.** Pursuant to GC §56327.3, in December 2012, the Commission adopted Resolution No. 2012-07, expanding its membership to include two special district members and one alternate special district member. GC §56332 requires the Independent Special Districts Selection Committee to appoint two regular commissioners and one alternate commissioner to serve on the Commission. Each appointee shall be elected or appointed members of the legislative body of an independent special district residing in the county but shall not be members of the legislative body of a city or county. On August 13, 2012, the Independent Special Districts Selection Committee of Santa Clara County adopted an alternative process for appointment of special district members to LAFCO whereby the Santa Clara Valley Water District appoints one special district member; and the Independent Special Districts Selection Committee appoints the second member and an alternate member, to serve in place of the two regular special district members.
 - e. **Public Member.** The other six commissioners shall appoint one public member and one alternate public member to serve on the Commission. Pursuant to Government Code §56327(d), each appointee shall not be a resident of a city which is already represented on the Commission. The

appointees shall be Santa Clara County residents; and not currently an officer or employee of the county or any city or district with territory in the county. The appointees shall also not concurrently hold any elected or appointed office with a local government agency that makes or informs land use decisions while serving on the Commission.

The appointment of the public member and/or alternate public member shall be made in accordance with the following procedures:

The LAFCO Executive Officer shall notify the Commission in advance of the public member's and alternate public member's term expiration or when such seat(s) becomes vacant.

- i. The LAFCO Executive Officer shall notify the Commission in advance of the public member's and alternate public member's term expiration or when such seat(s) becomes vacant.
- ii. The LAFCO Executive Officer shall prepare a notice announcing the vacancy on the Commission and seeking applications to fill the vacancy.
- iii. The notice shall be posted on the LAFCO website and provided to each local agency within the county and to interested parties.
- iv. Among other things, the notice shall include information on the mission of LAFCO, and responsibilities of a LAFCO commissioner; and indicate the application filing period and submittal requirements.
- v. Interested applicants shall be required to submit a resume and a letter of interest outlining their reasons for wanting to serve as a member of the Commission.
- vi. The current public member and alternate public member shall be eligible to apply for an upcoming vacancy of the public member and/or the alternate public member positions.
- vii. The Commission shall not appoint someone to fill a vacancy until at least 21 days after the posting of the notice.
- viii. The Commission shall review applicants' resumes and letters of interest and shall conduct a group interview of the candidates at the next available LAFCO meeting, using questions prepared beforehand.
- ix. At the close of the group interview, the Commission shall by majority vote, appoint a public member and/or an alternate public member.

1.2.3. COMMISSIONERS' TERMS OF OFFICE

Originally part of LAFCO Rules and Procedures
Incorporated into LAFCO Bylaws: 04/02/2014
Amended: _____

The term of office of each commissioner shall be four (4) years, expiring on May 31 in the year in which the term of the member expires. Any vacancy in the membership of the Commission shall be filled for the unexpired term by appointment by the body that originally appointed the member whose office has become vacant.

1.2.4. ROLE OF COMMISSIONERS

Adopted: 05/31/2006

Incorporated into LAFCO Bylaws: 04/02/2014

1. While serving on the Commission, pursuant to GC §56331.4, all commissioners shall exercise their independent judgment on behalf of the interests of the public as a whole in furthering the purposes of the CKH Act and not solely the interests of the appointing authority.
2. In each member category, the alternate member shall serve and vote in place of a regular member who is absent or who disqualifies herself or himself from participating on a specific matter before the Commission at a regular/special commission meeting or in closed session.
3. All alternate members are expected and encouraged to attend and participate in all Commission meetings, even if the regular member(s) is (are) present. Alternate members may attend and participate in closed session meetings of the Commission. However, alternate members may not vote or make a motion when the regular member is present.
4. The Brown Act allows an exception from its requirements for the attendance of a majority of the members of the Board of Supervisors at noticed meetings of the Commission, provided that a majority of the members of the Board of Supervisors do not discuss among themselves, other than as part of the Commission's scheduled meeting, business of a specific nature that is within the subject matter jurisdiction of the Board of Supervisors.
5. No person may disclose confidential information that has been acquired from LAFCO or information acquired by being present in a closed session meeting authorized pursuant to the Brown Act, to a person not entitled to receive it, unless the Commission authorizes disclosure of that confidential information.

1.2.5. COMMISSIONER PLEDGE

Adopted in LAFCO Bylaws: 10/17/2018

1. All commissioners shall sign the Commissioner Pledge acknowledging their understanding of their unique role and responsibilities as a LAFCO commissioner.
2. All newly appointed commissioners shall receive and sign a copy of the pledge prior to their first LAFCO meeting.
3. Copies of the signed pledge shall be provided to the LAFCO Clerk and retained for LAFCO records. A copy of the signed pledge shall be provided to the commissioner.
4. The LAFCO Commissioner Pledge shall read as follows:

I, _____, as LAFCO Commissioner, pledge to uphold LAFCO's mission and mandate to promote sustainable growth and good governance in Santa Clara County.

As an appointed LAFCO Commissioner, I will represent the interests of the public as a whole, and not solely the interests of my appointing authority. In doing so, I

will help LAFCO be a forward thinking agency that stewards public resources for the good of the whole county.

I will faithfully fulfill my duties as a LAFCO Commissioner, recognizing that LAFCO's work yields public benefits and that LAFCO has a unique role and responsibility in shaping the future of the county.

Commissioner Signature

Date

1.2.6. ORIENTATION FOR NEW COMMISSIONERS

Adopted: _____

Staff shall provide an orientation for newly appointed commissioners prior to their first LAFCO meeting. The purpose of the orientation is to equip commissioners with the knowledge and context necessary to carry out their responsibilities effectively and in accordance with state law and local policies. The orientation program shall include, at a minimum, an overview of the history and purpose of LAFCO, its statutory mandate and adopted policies, the respective roles of commissioners and staff, the application review process, CALAFCO activities, and major recent or upcoming projects and initiatives.

1.2.7. APPOINTMENT OF OFFICERS

Originally part of LAFCO Rules and Procedures

Amended and incorporated into LAFCO Bylaws: 04/02/2014

Amended: _____

1. The Commission shall annually appoint a Chairperson and Vice Chairperson for the next calendar year at the December meeting. The Chairperson and Vice Chairperson shall be appointed based on the following rotation schedule unless otherwise determined by the Commission:
 - a. Cities member
 - b. County member
 - c. San Jose member
 - d. Special Districts member
 - e. County member
 - f. Public member
 - g. Special Districts member
2. The Chairperson shall preside at all meetings of the Commission and the Vice Chairperson shall preside at meetings in the absence of the Chairperson.
3. In the event that the Chairperson and Vice Chairperson are absent from a Commission meeting at which a quorum is present, the voting members present shall appoint a member to act as Chair pro tempore for that meeting.

1.2.8. EXECUTIVE OFFICER AND STAFF

Originally part of LAFCO Rules and Procedures

Amended and incorporated into LAFCO Bylaws: 04/02/2014

Amended: _____

1. The LAFCO Executive Officer shall be designated in accordance with the terms of the Memorandum of Understanding between the Commission and the County of Santa Clara.
2. The Executive Officer shall carry out all orders as instructed by the Commission. The Executive Officer shall prepare or cause to be prepared an agenda for each meeting and maintain a record of all proceedings as required by law and these bylaws, and as instructed by the Commission. The Executive Officer shall set all hearing dates, publish notices and shall oversee the performance of all other clerical and administrative services required by the Commission. In addition, the Executive Officer shall by direction of the Commission and in accordance with the terms of the Memorandum of Understanding between the Commission and the County of Santa Clara, hire other staff of the Commission.
3. LAFCO staff shall comply with the County Information Technology User Responsibility Statement

1.2.9. DELEGATION OF AUTHORITIES TO EXECUTIVE OFFICER

Adopted: _____

1. **Conducting Authority Functions and Responsibilities.** By Resolution No. 01-7, the Commission delegated the conducting authority functions and responsibilities to the Executive Officer pursuant to Government Code Section 57000.
2. **Small Contract Execution.** By Resolution 2019-03, the Commission delegated purchasing authority to the Executive Officer for execution of small contracts not to exceed \$5,000.

1.2.10. LEGAL COUNSEL

Adopted in LAFCO Bylaws: 04/02/2014

1. LAFCO Counsel shall be appointed by the Commission and shall serve at the pleasure of the Commission.
2. LAFCO Counsel shall attend all meetings of the Commission, give all requested advice on legal matters and represent the Commission in legal actions unless the Commission specifically makes other arrangements.

CHAPTER 1.3. MEETING RULES AND REGULATIONS

1.3.1. SCHEDULE OF MEETINGS

Originally part of LAFCO Rules and Procedures

Amended and incorporated into LAFCO Bylaws: 04/02/2014

Amended: 04/01/2015, 10/05/2016, 10/07/2020, _____

1. Regular Commission meetings are held on the first Wednesday of February, April, June, August, October, and December at 1:15 P.M., in the Board Meeting Chambers at 70 West Hedding Street, San Jose, California, or in another designated location. As a courtesy, and technology permitting, members of the public may also attend by virtual teleconference. However, LAFCO cannot guarantee that the public's access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option.
2. The Commission shall establish a schedule of meetings for the following calendar year at its regular meeting in December.
3. Commission meetings are open to the public and the Commission welcomes public participation and input. Members of the public may provide written comment or attend LAFCO meetings to provide comment. Speakers are limited to three minutes. The Chair or the Commission by majority vote may further limit the time when appropriate.

1.3.2. QUORUM AND ACTION OF COMMISSION

Originally part of LAFCO Rules and Procedures

Amended and incorporated into LAFCO Bylaws: 04/02/2014

Amended: 06/04/2014

1. Four commissioners entitled to vote shall constitute a quorum.
2. The Commission shall act by resolution or Commission order. All final determinations of the Commission including on change of organization or reorganization proposals, USA or SOI amendments, out of agency service contracts, service reviews, shall be taken by resolution. The Commission minutes shall reflect the vote on all resolutions. The records and minutes of the Commission shall be signed by the Chairperson and LAFCO Clerk.
3. Commissioners are strongly encouraged to vote and not abstain from voting unless they are disqualified by law or because there is an appearance of conflict.

1.3.3. DISCLOSURE OF EX PARTE COMMUNICATION

Adopted in LAFCO Bylaws: 10/17/2018

1. Commissioners shall use their best efforts to track ex parte contacts pertaining to applications that are subject to a public hearing pursuant to the CKH Act.
2. Ex parte contacts include oral or written communications concerning applications that are subject to a public hearing pursuant to the Act which occur outside of a

noticed public hearing. Contacts shall include phone calls, meetings, site visits, and written communications, including emails.

3. If an ex parte communication regarding the public hearing matter occurs, the Commissioner shall verbally disclose (1) the identity of the individual(s) with whom the Commissioner had contact; and (2) the substance of the information communicated. The commissioners shall verbally disclose written communication, unless such correspondence is forwarded to LAFCO staff in advance of the public hearing for inclusion in the agenda packet.
4. Following the closure of the public hearing and prior to a final decision, commissioners shall disclose any electronic or personal communication that has taken place pertaining to the item.
5. The LAFCO meeting agenda shall note public hearing items that require disclosure of ex parte communication.

1.3.4 ORDER OF BUSINESS

Originally part of LAFCO Rules and Procedures

Amended and incorporated into LAFCO Bylaws: 04/02/2014

Amended: 10/07/2020

1. The order of business at Commission meetings shall typically include the following items, unless otherwise directed by the Commission.
 - a. Roll Call
 - b. Public Comment – An opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off-agenda items unless authorized by law. Speakers are limited to three minutes. The Chair or the Commission by majority vote may further limit the time when appropriate. All statements that require a response will be referred to staff for reply in writing.
 - c. Consideration of Minutes
 - d. Consent Calendar – Consent calendar consists of those items recommended for approval, not requiring public hearing, and in the opinion of the staff, not involving major issues or problems. A commissioner, staff or member of the public, may request that an item be removed from the Consent Calendar for public discussion.
 - e. Public Hearings
 - f. Items for Action/Discussion
 - g. Executive Officer's Report
 - h. Pending Applications/Upcoming Projects
 - i. Commissioner Reports – An opportunity for commissioners to comment on items not listed on the agenda, provided that the subject is within the jurisdiction of the Commission. No action or discussion by a quorum of the Commission may be taken on off-agenda items unless authorized by law.

- j. Newspaper Articles/Newsletters
- k. Written Correspondence
- l. Adjournment

1.3.5. MEETING AGENDA

Adopted in LAFCO Bylaws: 02/07/2018

1. The Executive Officer shall prepare, for the Chairperson's review and approval, an agenda for each regularly scheduled meeting containing the specific items of business to be transacted.
2. All reports, materials, or other matters to be submitted to the Commission at its regular meeting, as part of the agenda packet, shall be delivered to the Executive Officer no later than 12:00 p.m. (noon) on the Monday, nine days preceding a Regular Commission Meeting.
3. During the Commissioner Reports portion of the meeting, any commissioner may request consideration of an agenda item for a future meeting, and such item shall be added to a future meeting if voted for by a majority of the Commission.
4. The agenda shall be posted on the bulletin board located outside of the County of Santa Clara Government Center in San Jose and shall be available for public inspection at the LAFCO office, no later than seventy-two (72) hours prior to the regular meeting and twenty-four (24) hours prior to a special meeting..
5. The agenda packet including staff reports and other meeting materials for a Regular Commission Meeting shall be posted on the LAFCO website and shall be available for public inspection at the LAFCO office, no later than seventy-two (72) hours prior to the regular meeting and twenty four (24) hours prior to a special meeting.
6. Materials related to an agenda item submitted after the posting of the agenda shall be provided to commissioners and shall be available for public inspection at the LAFCO office and at the meeting.
7. No commissioner shall amend the agenda after the agenda has been posted. The Commission shall not take action on any items that do not appear on the posted agenda. However, the agenda may be amended to include items not appearing on the posted agenda, in accordance with Government Code Section 54954.2.

1.3.6. CLARIFICATION OF MOTION

Originally part of LAFCO Rules and Procedures
Incorporated into LAFCO Bylaws: 04/02/2014

Commissioners shall state motions in such a manner as to assure understanding of all parties as to the content of any terms and conditions to be placed on the Commission's action. It shall be the responsibility of the Chairperson to verify the wording of any motion with staff.

1.3.7. MEETING MINUTES

Adopted in LAFCO Bylaws: 04/02/2014

Amended: _____

1. The Executive Officer shall cause a member of his/her staff to prepare the draft minutes of each meeting, which will be included on the agenda of the following meeting, for approval by the Commission.
2. Minutes of meetings will be action minutes. Action minutes will include final motions with votes. The minutes will also reflect the names of speakers under the public comment item, and reasons for any legally required abstentions from voting. Commission and staff discussion, comments, and questions and answers, will not be included in the minutes.

1.3.8. RECORDINGS OF MEETINGS

Adopted: _____

All regular meetings of the Commission shall be audio or audio/video recorded and made available for public viewing, including live streaming when feasible. Special meetings of the Commission shall also be audio or audio/video recorded if the venue allows for such recordings.

1.3.9. ROSENBERG'S RULES OF ORDER

Adopted in LAFCO Bylaws: 04/02/2014

Except as herein otherwise provided, the proceedings of the Commission shall be governed by "Rosenberg's Rules of Order" on all matters pertaining to parliamentary law. No resolution, proceeding, or other action of the Commission shall be invalid or the legality thereof otherwise affected by the failure of the Commission to observe or follow such rules.

CHAPTER 1.4 FINANCIAL AND OTHER REPORTING

1.4.1. ANNUAL AUDIT

Adopted: _____

The Commission shall arrange for an annual audit of its financial statements to be conducted by an independent accounting firm (auditor). Audited financial statements, including the auditor's opinion thereon, shall be presented by the auditor to the Commission for consideration at a regular meeting. The final audit report shall be posted on the LAFCO website.

1.4.2. ANNUAL REPORT

Adopted: _____

An Annual Report shall be prepared highlighting Santa Clara LAFCO's major accomplishments, activities, projects, and upcoming work items. The Annual Report shall be posted on the LAFCO website.

PART 1. LAFCO BYLAWS
TABLE OF PROPOSED MAJOR TEXT CHANGES OR NEW SECTIONS

Proposed Major Text Changes in Part 1		REASONS FOR THE CHANGES
1.2.2.1(d)	Special Districts. Pursuant to GC §56327.3, in December 2012, the Commission adopted Resolution No. 2012-07, expanding its membership to include two special district members and one alternate special district member. GC §56332 requires the Independent Special Districts Selection Committee to appoint two regular commissioners and one alternate commissioner to serve on the Commission. Each appointee shall be elected or appointed members of the legislative body of an independent special district residing in the county but shall not be members of the legislative body of a city or county. On August 13, 2012, the Independent Special Districts Selection Committee of Santa Clara County adopted an alternative process for appointment of special district members to LAFCO whereby the Santa Clara Valley Water District appoints one special district member; and the Independent Special Districts Selection Committee appoints the second member and an alternate member, to serve in place of the two regular special district members.	Section is updated to reflect that while the CKH Act includes provisions for the appointment of special district members to LAFCO, the Independent Special Districts Selection Committee of Santa Clara County has adopted an alternative process.
1.2.6	ORIENTATION FOR NEW COMMISSIONERS Staff shall provide an orientation for newly appointed commissioners prior to their first LAFCO meeting. The purpose of the orientation is to equip commissioners with the knowledge and context necessary to carry out their responsibilities effectively and in accordance with state law and local policies. The orientation program shall include, at a minimum, an overview of the history and purpose of LAFCO, its statutory mandate and adopted policies, the respective roles of commissioners and staff, the application review process, CALAFCO activities, and major recent or upcoming projects and initiatives.	New text added to reflect both current practice and best practices.
1.2.7.3	In the event that the Chairperson and Vice Chairperson are absent from a Commission meeting at which a quorum is present, the voting members present shall appoint a member to act as Chair pro tempore for that meeting.	New text added to reflect both current practice and best practices.
1.2.8.3	LAFCO staff shall comply with the County Information Technology User Statement.	This statement replaces the current set of policies titled: “Policies for Use of

Proposed Major Text Changes in Part 1		REASONS FOR THE CHANGES
		LAFCO Issued Electronic Devices,” which are no longer applicable as LAFCO no longer issues electronic devices to commissioners. The proposed policy 1.2.8.3 therefore pertains only to LAFCO staff.
1.2.9.1	DELEGATION OF AUTHORITIES TO EXECUTIVE OFFICER Conducting Authority Functions and Responsibilities. By Resolution No. 01-7, the Commission delegated the conducting authority functions and responsibilities to the Executive Officer pursuant to Government Code Section 57000. Small Contract Execution. By Resolution 2019-03, the Commission delegated purchasing authority to the Executive Officer for execution of small contracts not to exceed \$5,000.	New text added to reflect current practices authorized by the identified adopted LAFCO Resolutions.
1.3.1.1	As a courtesy, and technology permitting, members of the public may also attend by virtual teleconference. However, LAFCO cannot guarantee that the public’s access to teleconferencing technology will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the teleconferencing option	This statement currently appears on the LAFCO Meeting agenda. This statement is now proposed for inclusion in the Policies Manual to improve accessibility and enhance transparency.
1.3.7.2	Minutes of meetings will be action minutes. Action minutes will include final motions with votes. The minutes will also reflect the names of speakers under the public comment item, and reasons for any legally required abstentions from voting. Commission and staff discussion, comments, and questions and answers, will not be included in the minutes.	New text added to reflect current practice.

Proposed Major Text Changes in Part 1		REASONS FOR THE CHANGES
1.3.8	RECORDINGS OF MEETINGS All regular meetings of the Commission shall be audio or audio/video recorded and made available for public viewing, including live streaming when feasible. Special meetings of the Commission shall also be audio or audio/video recorded if the venue allows for such recordings.	New text added to reflect both current practice and best practice.
1.4.1	ANNUAL AUDIT The Commission shall arrange for an annual audit of its financial statements to be conducted by an independent accounting firm (auditor). Audited financial statements, including the auditor’s opinion thereon, shall be presented by the auditor to the Commission for consideration at a regular meeting. The final audit report shall be posted on the LAFCO website.	New text added to reflect both current practice and best practice.
1.4.2	ANNUAL REPORT An Annual Report shall be prepared highlighting Santa Clara LAFCO’s major accomplishments, activities, projects, and upcoming work items.	New text added to reflect current practice and best practice.

PART 2. OPERATIONAL POLICIES AND PROCEDURES

CHAPTER 2.1. APPLICATION PROCESSING PROCEDURES

2.1.1. DEADLINE FOR SUBMISSION OF APPLICATIONS

Originally part of LAFCO Rules and Procedures

Amended and incorporated into LAFCO Bylaws: 04/02/2014

1. Deadlines for submitting applications will be no later than 5:00 P.M. on the Thursday immediately following a Regular LAFCO meeting in order to be considered at the next LAFCO meeting. Applications shall be submitted with correct fees on the appropriate forms and in the quantities required.
2. The Commission will not consider applications which have been submitted in violation of the deadline unless an emergency situation exists within the territory relating to the proposal which would affect public health and safety.
3. The Commission shall establish a schedule of application deadlines for the following calendar year at its regular meeting in December.

2.1.2. APPLICATION FEE POLICIES

Adopted in LAFCO Bylaws: 06/06/2018

Amended: _____

1. The Commission may establish a schedule of fees and service charges for the processing of applications filed with the Commission, pursuant to GC §56383. The schedule of fees and service charges shall not exceed the estimated reasonable cost of providing the service for which the fee is charged.
2. Deposit fees are initial payments towards the actual cost of processing applications. Staff time spent on pre-application assistance will be counted towards the deposit. Actual costs include staff time, any consultant fees, special counsel legal services and miscellaneous costs such as noticing, copying etc. If actual costs are less than deposit, LAFCO will refund the difference to the applicant. If processing costs begin to exceed the deposit, additional fees are required. Commission approval will be conditional upon final payment within 35 days of LAFCO hearing date.
3. The Commission shall regularly review and amend as necessary the schedule of fees and service charges to help ensure an appropriate level of cost-recovery.
4. All fees/deposits shall be paid at the time of the application submittal and said application shall not be deemed complete until the required fees/deposits are received.
5. In order to achieve reasonable cost-recovery and not place an undue cost burden on its funding agencies (i.e. County, cities, special districts), the Commission will not generally provide fee waivers.
6. Consistent with GC §56383(d), the Commission may reduce or waive fees if it finds that payment of such fees would be detrimental to the public interest.
7. Any request for a fee reduction or waiver must be submitted in writing to the Executive Officer.

2.1.3. APPLICATION DEEMED COMPLETE OR INCOMPLETE

Adopted: _____

Pursuant to GC §56658(c), within 30 days of receiving an application, the Executive Officer will determine whether the application is complete and acceptable for filing or whether the application is incomplete.

1. **Complete Application.** If the application is complete, the Executive Officer will issue a Certificate of Filing, confirming the application has met submission requirements and is accepted for filing.
2. **Incomplete Application.** An incomplete application will be issued an Incomplete Letter, and the applicant will be notified of the unsatisfied requirements.
3. **Inactive Application.** If the application remains incomplete for a period of twelve (12) months from the date of application submittal deadline without substantial progress being made toward its completion, the application will be closed without prejudice and may be subject to a refund if any portion of the application fee remains unused. A new application and fee will be required if the applicant chooses to resubmit such a closed application.

2.1.4. RECONSIDERATION OF A LAFCO RESOLUTION MAKING DETERMINATIONS

Adopted in LAFCO Bylaws: 10/17/2018

1. Notwithstanding Section 1.3.9 (Rosenberg's Rules of Order), any request for reconsideration of a resolution making determinations shall be processed in accordance with the CKH Act, specifically GC §56895, and not Rosenberg's Rules of Order.
2. If the LAFCO Executive Officer receives a request for reconsideration pursuant to GC §56895(a) of the CKH Act, the request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration.
3. Upon receipt of a timely request for reconsideration, the Commission shall first determine whether there are new or different facts that could not have been presented previously.
4. If the Commission determines that there are no new or different facts that could not have been presented previously, the Commission shall not reconsider the matter and shall disapprove the request for reconsideration.
5. If the Commission determines that there are new or different facts that could not have been presented previously, the Commission shall then consider the request and receive any oral or written testimony and at the conclusion of its consideration, the Commission may approve with or without amendment, wholly, partially, or conditionally, or disapprove the request for reconsideration.

2.1.5. PROCESSING PROPOSALS AFFECTING MORE THAN ONE COUNTY

Adopted: 12/11/2002

Amended: 08/06/2025

1. **Introduction.** GC §56066 sets forth that the county having all or the greater portion of the assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within a district or districts for which a change of organization or reorganization or a sphere of influence is proposed, is the principal county. GC §56123 further provides that the LAFCO of the principal county shall have jurisdiction over all boundary changes affecting that district, including changes of organization involving territory in another county. Pursuant to GC §56124, exclusive jurisdiction shall be vested in the LAFCO of the principal county, unless the principal county vests jurisdiction in the LAFCO of another affected county, and both LAFCOs agree to transfer of jurisdiction.

Santa Clara LAFCO recognizes the need to collaborate on a regional level when considering a change of organization of a district that affects another County. In order to further this collaboration and assure thorough and consistent consideration of applications affecting more than one county, this Commission adopts the following procedures for processing applications involving multi-county districts.

2. **Transfer of Jurisdiction to a LAFCO of an Affected County.** When requested by a LAFCO of an affected county, Santa Clara LAFCO will consider and determine on a case-by-case basis whether it is appropriate to transfer jurisdiction to the LAFCO of the affected County.
3. **Applications Affecting More than One County When Santa Clara LAFCO is Principal LAFCO**
 - a. Applications affecting the boundaries of a district for which Santa Clara LAFCO is principal LAFCO will be submitted to Santa Clara LAFCO including instances in which the subject territory is located in another county. Prior to application, applicants should meet with staff of principal LAFCO regarding process and application requirements. Applicant must comply with application requirements of both LAFCOs.
 - b. Upon receipt of the application involving territory in another county, staff will immediately forward a copy of the application to the LAFCO of the county containing the subject territory.
 - c. The commission of the principal county will also provide notice to the chair, each board member, and the executive office of all affected agencies of any proceedings, actions or reports on the proposed change of organization.
 - d. Santa Clara LAFCO staff will consult with the staff of the affected LAFCO and affected agencies in the county containing territory in order to gather data for the Executive Officer's report and recommendation.
 - e. The application will be scheduled for hearing by Santa Clara LAFCO so that the LAFCO of the affected county has had time to review the application and

submit a written recommendation to be included in the Executive Officer's report for Santa Clara LAFCO consideration at a public hearing.

- f. At the hearing, the Commission will consider the Executive Officer's report, the recommendation of the LAFCO containing the subject territory, and the comments of affected individuals and agencies in making its determination.
- g. Following the conclusion of the hearing, the Executive Officer will forward any resolutions and written report of Commission action to the chair, each board member, the executive office of all affected agencies and the LAFCOs of the affected county.

4. **Applications Affecting More Than One County When Santa Clara Lafco Is Not Principal Lafco**

Upon receipt by Santa Clara LAFCO of a notice and referral from a LAFCO of another county of an application for change of organization affecting territory in Santa Clara County, staff will place the application and report and recommendation on Santa Clara LAFCO's next possible agenda so that the Commission may consider the application and forward a recommendation to the LAFCO of the principal county. Said applications will be processed and a staff report will be prepared consistent with Santa Clara LAFCO's Policies and Procedures.

2.1.6. INDEMNIFICATION POLICY

Adopted: 06/03/2009

Amended: 08/06/2025

To further good government practices and policies of the Commission, and protect the Commission from the costs associated with legal challenges, it is the policy of this Commission that:

- 1. As a condition of submitting any application for action or determination by the Commission, the applicant(s) shall submit a signed agreement in which the applicant(s) agree to indemnify, defend and hold harmless the Commission, its agents, officers, attorneys, and employees from any legal challenges or appeals brought to challenge approval of their application in the form prescribed in Exhibit "A", attached hereto and incorporated herein by reference. In the event a lawsuit is brought to challenge the approval of an application by the Commission, the Commission shall notify the applicant(s) promptly and no later than three (3) business days after the Commission has been served.
- 2. The Executive Officer shall not issue a Certificate of Filing for an application if an indemnification agreement in the form prescribed in Exhibit "A" has not been executed and submitted to the Executive Officer by the applicant(s).

**Exhibit A
INDEMNIFICATION AGREEMENT**

As a condition of submitting any application for consideration by the Commission, Applicant and its successors and assigns, shall indemnify, defend and hold harmless, Santa Clara LAFCO and its officials, officers, employees, agents,

representatives, contractors, and assigns from and against any and all claims, demands, liability, judgments, damages (including consequential damages), awards, interest, attorneys' fees, costs, and expenses of whatsoever kind or nature, at any time arising out of, or in any way connected with, any legal challenges to or appeals associated with, LAFCO's approval of the Application (collectively, "Indemnification Costs"). Applicant's obligation to indemnify, defend and hold harmless Santa Clara LAFCO and its officials, officers, employees, agents, representatives, contractors, and assigns under this Agreement shall apply regardless of fault, to any acts or omissions, or negligent conduct, whether active or passive, on the part of the Applicant, Santa Clara LAFCO, or its officials, officers, employees, agents, representatives, contractors or assigns. Applicant's obligation to defend Santa Clara LAFCO or its officials, officers, employees, agents, representatives, contractors, and assigns under this Agreement shall be at Applicant's sole expense, and using counsel selected or approved by Santa Clara LAFCO in Santa Clara LAFCO's sole discretion. In the event of a lawsuit, Applicant will be notified by Santa Clara LAFCO within three (3) business days of being served.

APPLICANT SIGNATURE: _____ Date: _____
PRINT NAME: _____ Title: _____

2.1.7. LOBBYING DISCLOSURE POLICY

Adopted: 02/14/2001

1. **Definition of "lobbyist".** A lobbyist is an individual or entity who is compensated and who communicates directly with regular or alternate LAFCO commissioners, and/or the Executive Officer to influence, on behalf of his client or employer, the Commission's or the Executive Officer's action. Communication includes ex parte communications as well as presentations at Commission meetings. This definition does not include:
 - a. Any elected public official acting in his official capacity, or any employee of governmental agency acting in the scope of his/her employment.
 - b. Any employee of a newspaper or other periodical of general circulation, or radio or television station, acting within the scope of their employment.
2. **Filing Schedule.** As allowed for under GC §56300(c), any person or entity meeting this definition and who is lobbying the Commission or Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. In addition to submitting a declaration, any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them.

Additionally every applicant shall file a declaration under penalty of perjury listing all lobbyists that they have hired to influence the action taken by LAFCO on their application. This affidavit is due at the time of application filing and is to be updated, if necessary, one week prior to the hearing date of the application. The declaration shall be made on a form provided by LAFCO and shall include the name of the lobbyist, the name of the application of interest and the name of the

person or entity paying the lobbyist in regard to the application. The declaration shall be signed under penalty of perjury.

3. **Filing Office.** Declarations shall be submitted to the LAFCO Executive Officer and shall become part of the LAFCO application file.
4. **Enforcement.** Failure of an applicant or a lobbyist to file the declaration, or to identify oneself as a lobbyist prior to speaking on a matter, shall result in the inability of the Commission to take action on the application. In addition, failure to file the declaration or the filing of an erroneous declaration shall result in a penalty of \$500.00, said assessment to be deposited in the LAFCO budget.
5. **Effective Date.** These policies shall apply to all LAFCO applications submitted for filing after April 11, 2001.

2.1.8. DISCLOSURE OF POLITICAL EXPENDITURES UNDER THE POLITICAL REFORM ACT

Adopted: 08/07/2013

Pursuant to GC §56100.1, §56300, §56700.1, §57009 and §81000 et seq., any person or combination of persons who directly or indirectly contribute(s) a total of \$1,000 or more or expend(s) a total of \$1,000 or more in support of or in opposition to specified LAFCO proposals or proceedings, which generally include proposed reorganizations or changes of organization, may be required to comply with the disclosure requirements of the Political Reform Act beginning with GC §81000(See also, GC §84250 et seq.). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. More information on the scope of the required disclosures is available at the web site of the FPPC: www.fppc.ca.gov. Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275- 3772).

2.1.9. DISCLOSURE OF CONTRIBUTIONS TO COMMISSIONERS FROM PARTIES AND PARTICIPANTS UNDER THE LEVINE ACT

Adopted: _____
Amended: _____

LAFCOs are subject to disclosure and prohibition requirements detailed in GC §84308, and the Regulations of the Fair Political Practices Commission (FPPC), §18438 et seq. The following is a summary of those provisions in GC §84308:

1. No LAFCO commissioner shall accept, solicit, or direct a contribution of more than \$500 from any party, or a party's agent; or any participant or the participant's agent if the commission knows or has reason to know that the participant has a financial interest, while a LAFCO proceeding is pending, and for 12 months following the date a final decision is rendered by LAFCO.
2. Prior to rendering a decision on a LAFCO proceeding, any LAFCO commissioner who received a contribution of more than \$500 within the preceding 12 months from a party or participant shall disclose that fact on the record of the proceeding. If a commissioner receives a contribution which would otherwise require disqualification returns the contribution within 30 days from the time the

commissioner knows or should have known, about the contribution and the proceeding, the commissioner shall be permitted to participate in the proceeding.

3. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than \$500 within the preceding 12 months by the party, or the party's agent, to a LAFCO commissioner. For forms, visit the LAFCO website at SantaClaraLAFCO.org.
4. No party, or the party's agent and no participant, or the participant's agent, shall make a contribution of more than \$500 to any LAFCO commissioner during the proceeding and for 12 months following the date a final decision is rendered by LAFCO.
4. Definition of Terms
 - a. "Party" is defined as any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use. [GC §84308(a)(1)]
 - b. "Participant" is defined as a person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit or other entitlement for use and who has a financial interest in the decision. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the officers, or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency. [GC §84308(a)(2)]
 - c. "Agent" is defined as a person who represents a party or a participant, in connection with a proceeding in connection with a proceeding, as long as the person represents that party or participant for compensation and appears before or otherwise communicates with an agency for the purpose of influencing the proceeding on behalf of a party or participant. Agent includes lobbyist. If an individual acting as an agent is also acting in his or her capacity as an employee or member of a law, architectural, engineering, consulting firm, or a similar business entity or corporation, both the business entity or corporation, and the individual are "agents". [GC §84308(h)(1)-(3)]
 - d. To determine whether a campaign contribution of more than \$500 has been made by a person or his or her agent, the contributions of an agent shall not be aggregated with contributions from a party or participant. [GC §84308(g)]

2.1.10. CONDUCTING AUTHORITY PROCEDURES

Adopted: 04/11/2001

Amended: _____

1. Effective January 1, 2001, the CKH Act established LAFCO as the conducting authority for all proposals requiring protests proceedings.
2. In the case of city-conducted annexations, pursuant to GC §56757(b), the city council shall be the conducting authority for protest proceedings. The city proceedings shall be conducted as nearly as practicable in accordance with the CKH Act and LAFCO procedures.

3. By Resolution No. 01-7, the Commission delegated all duties, functions and responsibilities of the conducting authority to the Executive Officer pursuant to GC §57000.
4. Unless protest proceedings are waived consistent with the CKH Act, a protest hearing will be held following the Commission's approval of a proposal. The following are procedural guidelines for the conduct of a protest proceeding:
 - a. Within 35 days following adoption of the Commission's resolution making determinations, the Executive Officer shall set the proposal for a protest hearing and give notice of that hearing.
 - b. The date of the protest hearing must be within 60 days, but not less than 21 days, from the date the notice of hearing is given (GC §57002). The hearing shall not be held prior to the expiration of the 30-day period specified in GC §56895(b) during which a reconsideration could be requested.
 - c. The notice of hearing shall be mailed, published, and posted pursuant to GC §57025.
 - d. The notice shall contain information as specified in GC §57026.
 - e. Pursuant to GC §57050, the protest hearing shall be held on the date and at the time specified in the notice given by the Executive Officer. The hearing may be continued from time to time but may not exceed 60 days from the date specified for the hearing in the notice.
 - f. At the protest hearing, pursuant to GC §57050(b), the Executive Officer shall summarize the Commission's resolution making determinations and shall hear and receive any oral or written protests, objections, or evidence that is made, presented or filed.
 - g. Written protests may be filed with LAFCO at any time prior to the conclusion of the protest hearing and must include all the required information pursuant to GC §57051. Anyone who has filed a written protest may withdraw that protest prior to the conclusion of the hearing.
 - h. If written protests have been filed, pursuant to GC §57052, within 30 days of the protest hearing, the Executive officer shall determine the value of written protests filed and not withdrawn.
 - i. To determine the value of the written protests filed and not withdrawn, the Executive Officer shall cause the names of the signers of the protests to be compared with either the voters' register in the County Registrar of Voters Office (GC §56707) or the names of the owners of land on the most recent assessment roll pursuant to GC §56708 and GC §56710.
 - j. Upon determination of the value of written protests filed and not withdrawn, the Executive Officer shall take one of the following actions, depending on the nature of the change of organization and the level of protest:
 - i. Issue a Certificate of Termination, terminating proceedings. (GC §57179)

- ii. Adopt a resolution making determinations and ordering a change of organization without an election.
 - iii. Adopt a resolution making determinations and ordering a change of organization subject to confirmation by the voters.
- k. If election is required, the Executive Officer shall, pursuant to GC §57000(d), inform the board of supervisors and the election official of the affected county, or the city council and elections official of the affected city and request the legislative body to direct the elections official to conduct the necessary election. GC §57000(e) requires a Board of Supervisors or a City Council to perform specified tasks directly related to the calling of an election.
- l. After ordering a change of organization without an election or confirming an order for a change of organization after confirmation by the voters, the Executive Officer shall file a Certificate of Completion pursuant to GC §57200(a)
- m. The Executive Officer shall inform the Commission of the action taken as a result of the protest proceedings. The Executive Officer shall include it as an Information Only item with no action required on the Commission's next agenda.
- n. In the case of a city conducted annexation, after ordering a change of organization without an election or confirming an order for a change of organization after confirmation by the voters, the city shall forward the necessary paperwork to the Executive Officer for finalization.

CHAPTER 2.2. LEGISLATIVE AND INTERGOVERNMENTAL POLICIES

2.2.1. COMMUNICATING A POSITION ON PROPOSED LEGISLATION

Adopted in LAFCO Bylaws: 04/06/2022

1. The Commission shall adopt legislative policies to guide its actions related to legislative matters. Following adoption of the legislative policies, the Commission shall, at a minimum, annually review the legislative policies of the California Association of LAFCOs (CALAFCO) and its own legislative policies, and revise its own policies, as needed.
2. The Executive Officer shall provide to the full Commission for its consideration and action, any proposed legislation of relevance to LAFCO including a recommended position, as appropriate.
3. In situations when proposed legislation of relevance to LAFCO cannot be considered by the full Commission due to timing:
 - a. The Executive Officer shall consult with LAFCO Counsel and LAFCO Chair (or Vice-Chair if the Chair is unavailable) and prepare a position letter, consistent with current adopted legislative policies of LAFCO.
 - b. At their discretion, the Chair (or Vice-Chair if the Chair is unavailable) may sign the position letter on behalf of LAFCO. The letter shall not be submitted without said signature.
 - c. The Executive Officer shall provide a copy of the written comments to the full Commission.
 - d. The next regular LAFCO meeting agenda shall include an item that allows the Commission to discuss the proposed legislation and submitted comments.

2.2.2. PROVIDING WRITTEN COMMENTS ON DOCUMENTS OR PROJECTS OF RELEVANCE TO LAFCO

Adopted in LAFCO Bylaws: 04/06/2022

1. The Executive Officer is authorized to provide written comments on documents or projects of relevance to LAFCO including but not limited to CEQA documents and local/regional/state agency plans, policies, and programs. Such comments shall refer to, and be consistent with, currently adopted LAFCO policies and State law. The Executive Officer shall provide a copy of the submitted written comments to the full Commission and include them in the next regular LAFCO meeting agenda.
2. However, on Regional Housing Needs Assessment (RHNA) or other similar projects the Executive Officer shall present the matter to the Chair (or Vice-Chair if the Chair is unavailable) to determine at their discretion whether or not the matter should be agendized for the Commission's consideration prior to submittal of comments.

2.2.3. LEGISLATIVE POLICIES

Adopted: 04/06/2022

Amended: _____

These legislative policies shall guide Santa Clara LAFCO's actions related to legislative matters. On an annual basis, as needed, LAFCO shall review these policies and the CALAFCO Legislative Policies, to consider any potential revisions.

1. LAFCO Purpose and Authority

- a. Support legislation that enhances LAFCO authority and powers to carry out the legislative findings and authority in Government Code §56000 et seq. Oppose legislation that diminishes LAFCO authority.
- b. Support authority for each LAFCO to establish local policies to apply Government Code §56000 et seq. based on local needs and conditions. Oppose any limitations to that authority.
- c. Oppose additional LAFCO responsibilities that require expansion of current local funding sources. Oppose unrelated responsibilities that dilute LAFCO ability to meet its primary mission.
- d. Support alignment of responsibilities and authority of LAFCO and regional agencies that may have overlapping responsibilities in orderly growth, agricultural and open space preservation, and municipal service delivery. Oppose legislation or policies that create conflicts or hamper those responsibilities.
- e. Oppose grants of special status to any individual agency or proposal to circumvent the LAFCO process.
- f. Support individual commissioner responsibility that allows each commissioner to independently vote his or her conscience on issues affecting his or her own jurisdiction.

2. LAFCO Organization

- a. Support LAFCO independence from local agencies.
- b. Oppose the re-composition of any LAFCO to create special seats and recognize the importance of balanced representation provided by cities, the county, the public, and special districts in advancing the public interest.
- c. Support representation of special districts on all LAFCOs in counties with independent districts and oppose removal of special districts from any LAFCO.
- d. Support communication and collaborative decision-making among neighboring LAFCOs when growth pressures and multicounty agencies extend beyond an individual LAFCO's boundaries.

3. Agricultural and Open Space Protection

- a. Support legislation that clarifies LAFCO authority to identify, encourage and ensure the preservation of agricultural and open space lands.

- b. Encourage a consistent definition of agricultural and open space lands.
- c. Support policies that encourage cities, counties, and special districts to discourage development on all types of agricultural lands, including prime agricultural lands and open space lands.
- d. Support policies and tools that protect all types of agricultural lands, including prime agricultural lands and open space lands.
- e. Support the continuance of the Williamson Act and restoration of program funding through State subvention payments.

4. Orderly Growth

- a. Support the recognition and use of spheres of influence as a planning tool pertaining to growth and development, and the preservation of agricultural and open space lands.
- b. Support recognition of LAFCO spheres of influence by other agencies involved in determining and developing long-term growth and infrastructure plans.
- c. Support orderly boundaries of local agencies and the elimination of islands within the sphere of influence and boundaries of agencies.
- d. Support communication among cities, counties, special districts, stakeholders and affected parties through a collaborative process that resolves service, infrastructure, housing, land use, and fiscal issues, prior to application to LAFCO.
- e. Support cooperation between counties and cities on decisions related to development within a city's designated sphere of influence.
- f. Support cooperation between cities and special districts on decisions related to development within city and district spheres of influence that overlap.
- g. Support the recognition of extreme natural disasters and disaster preparedness when considering growth and service delivery issues.

5. Service Delivery and Local Agency Effectiveness

- a. Support the use of LAFCO resources to review Regional Transportation Plans, with a focus on sustainable communities strategies and other growth plans to ensure reliable services, orderly growth, and conformity with LAFCO's legislative mandates. Support efforts that enhance meaningful collaboration between LAFCOs and regional planning agencies.
- b. Support LAFCO authority as the preferred method of local governance. Support the availability of LAFCO tools that provide options for local governance and efficient service delivery, including the authority to impose conditions that assure a proposal's conformity with LAFCO's legislative mandates.
- c. Support a deliberative and open process for the creation or reorganization of local governments that evaluates the proposed new or successor agency's

long-term financial viability, governance structure and ability to efficiently deliver proposed services.

- d. Support the availability of tools for LAFCO to insure equitable distribution of revenues to local government agencies consistent with their service delivery responsibilities.
- e. Support legislation and collaborative efforts among agencies and LAFCOs that encourage opportunities for sharing of services, staff, and facilities to provide more efficient and cost-effective services.

CHAPTER 2.3. PROCEDURES FOR PREPARING AND PROCESSING ENVIRONMENTAL DOCUMENTS

Adopted: 02/12/2003

Amended: _____

2.3.1. INTRODUCTION

The California Environmental Quality Act (CEQA) (Public Resources Code (PRC) §21080 and the CEQA Guidelines §15020) require all California public agencies to comply with the environmental review requirements set forth in the statute and CEQA Guidelines.

As an independent public agency of the State of California, Santa Clara LAFCO is subject to the requirements of CEQA. LAFCO may function as "Lead Agency" (CEQA Guidelines §15050) where it undertakes primary responsibility for environmental review, or LAFCO may function as a "Responsible Agency" (CEQA Guidelines §15096) where its CEQA role is typically limited to review of environmental documentation prepared by another public agency.

CEQA Guidelines §15022 requires each agency to develop local procedures for complying with the requirements of CEQA. These rules are adopted pursuant to that authority. As to matters not specifically covered by these procedures, the procedures set forth in the CEQA Guidelines shall control.

CEQA only applies to projects that require discretionary approval by a public agency. Discretionary approval requires use of judgment or subjective criteria on the part of the approving agency. CEQA does not apply to non-discretionary (ministerial) projects. A "project" is defined as the whole of an action that has the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment [CEQA Guidelines §15378(a)]. These procedures will be used when preparing and processing environmental documents for Santa Clara LAFCO projects, including but not limited to:

1. Changes of organization or reorganizations,
2. Sphere of Influence (SOI) Establishment, and SOI Updates and Amendments,
3. Urban Service Area Amendments,
4. Out of Agency Service Contracts,
5. Incorporations of Cities,
6. Formations of Special Districts, and
7. All other discretionary projects as defined in PRC §21065 and CEQA Guidelines §15378.

CEQA requires that a Responsible Agency or Lead Agency conduct environmental assessment and prepare environmental documentation consistent with the specific time limits established in the CEQA Guidelines. A summary of typical time limits is provided in *Exhibit 2.3-C*.

2.3.2. CEQA PROCEDURES WHERE SANTA CLARA LAFCO IS THE RESPONSIBLE AGENCY

The Responsible Agency is a public entity, other than the Lead Agency, which has responsibility for carrying out or approving a project (PRC §21069). When a project is proposed for which Santa Clara LAFCO will act as the Responsible Agency, ensure that the Lead Agency receives any information needed to prepare an environmental document that provides full disclosure of Santa Clara LAFCO's issues, and permits informed decision. Comments will be provided consistent with the requirements and timelines contained in PRC §21080.3, §21080.4, and CEQA Guidelines §15096. Procedures for processing of environmental documents for LAFCO proposals are included in this Chapter.

1. Participation in Lead Agency Environmental Review Process

- a. **Response to Consultation.** When Santa Clara LAFCO is a Responsible Agency, it will respond to consultation requests by the Lead Agency in order to assist the Lead Agency in preparing adequate environmental documents for the project. As part of the consultation process, LAFCO will:
 - i. Explain its reasons for recommending whether the Lead Agency should prepare an Environmental Impact Report (EIR) or a Negative Declaration (ND). If LAFCO disagrees with the Lead Agency's proposal to prepare a ND, LAFCO will identify the significant environmental impacts on which it bases its disagreement and recommend to the Lead Agency either that an EIR be prepared or that the project be modified to eliminate the possible significant impacts.
 - ii. As soon as possible, but not longer than 30 days after receiving a Notice of Preparation from the Lead Agency, send a written reply by certified mail to the Lead Agency specifying the scope and content of the environmental information which would be germane to Santa Clara LAFCO's statutory responsibilities as the Responsible Agency in connection with the proposed project.
 - iii. Attend any meetings requested by the Lead Agency or by Santa Clara LAFCO to discuss the scope and content of the EIR.
- b. **Comments on Draft EIRs and NDs.** Review and comment on draft EIRs and NDs that have been released for public comment for projects for which Santa Clara LAFCO will later be asked to issue approvals. Comments should focus on any shortcomings in the EIR, the appropriateness of using a ND, or on additional alternatives or mitigation measures which the EIR should include. The comments shall be limited to comments regarding those project activities which are within Santa Clara LAFCO's area of expertise, which would be required to be carried out or approved by LAFCO, or which will be subject to the exercise of powers by LAFCO. Follow up with the Lead Agency as to LAFCO comments to ensure that any information requested is adequately included in the final environmental document.

- c. **Adequacy of EIR or Negative Declaration (CEQA Guidelines §15096(e)-(f)).** If Santa Clara LAFCO believes that the final EIR or ND prepared by the Lead Agency is not adequate for its use as the Responsible Agency, it must either:
 - i. File a CEQA lawsuit within 30 days after the Lead Agency Files a Notice of Determination or be deemed to have waived any objection to the adequacy of the EIR or ND;
 - ii. Prepare a subsequent or supplemental EIR if permissible under CEQA Guidelines §15162 or §15163; or
 - iii. Assume the Lead Agency role as provided in CEQA Guidelines §15052(a)(3).
- d. **LAFCO Consideration of an EIR or Negative Declaration (CEQA Guidelines §15096(f)-(g)).**
 - i. Before reaching a decision on an approval related to a project for which a Lead Agency has certified an EIR or adopted a ND, the Commission must consider the environmental effects of the project as shown in the EIR or ND.
 - ii. When issuing an approval, the Commission must acknowledge that it reviewed and considered the information in the EIR or ND.
 - iii. Santa Clara LAFCO, as a Responsible Agency, has responsibility for mitigating or avoiding only the direct or indirect environmental effects of those parts of the project which LAFCO proposes to carry out, finance, or approve.
 - iv. When an EIR has been prepared for a project, if the Commission finds that any alternatives or mitigation measures within its powers are feasible and would substantially lessen or avoid a significant effect of the project, it may not approve the project as proposed but must adopt those mitigation measures or alternatives. Where another public agency has exclusive responsibility for a mitigation measure, the Commission can find under PRC §21081(a) that the measure is within the responsibility and jurisdiction of another public agency and has been, or can and should be, adopted by that other agency.
 - v. With respect to a project which includes housing development, the Commission shall not reduce the proposed number of housing units as a mitigation measure if it determines that there is another feasible specific mitigation measure available that will provide a comparable level of mitigation.
- e. **Adopt Findings and Statement of Overriding Considerations (CEQA Guidelines §15096 (h)-(i)).** When Santa Clara LAFCO is the Responsible Agency, before it can issue an approval for a project for which an EIR was prepared and certified, the Commission must:
 - i. Adopt findings for those effects within the scope of LAFCO's jurisdiction. The Commission must identify those significant effects and

make the findings required under CEQA Guidelines §15091, accompanied by a brief explanation of the rationale for each finding.

- ii. If the project being approved includes significant and unavoidable environmental impacts, adopt a Statement of Overriding Considerations that complies with CEQA Guidelines §15093. Such a statement must be included in the record of the project approval and mentioned in the notice of determination filed by the Commission.
- iii. Adopt a reporting or monitoring program for the changes to the project that the Commission has adopted or made a condition of its approval.
- f. **File Notice of Determination** File a notice of determination stating that LAFCO issued its approval pursuant to the EIR or ND certified or adopted by the Lead Agency. The Notice of Determination need not state that the EIR or ND complies with CEQA.
- g. **Grounds for Requiring Subsequent Environmental Documentation (CEQA Guidelines §15162).** The grounds for requiring a Subsequent environmental review, in those instances where LAFCO has shifted, under §15052 of the CEQA Guidelines, in designation from a Responsible Agency to the Lead Agency, are any one of the following concerns listed in CEQA Guidelines §15162, on the basis of substantial evidence in the light of the whole record:
 - i. Substantial changes are proposed in the project that will require major revisions of the original environmental document due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects
 - ii. Substantial changes occurred with respect to the circumstances under which the project is undertaken which will require major revisions of the original environmental documentation due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.
 - iii. New information of substantial importance, which was known and could not have been known with the exercise of reasonable diligence at the time the original environmental documentation was adopted, shows any of the following:
 - (1) The project will have one or more significant effects not discussed in a previous environmental document.
 - (2) Significant effects previously considered will be substantially more severe than shown in a previous environmental document.
 - (3) Mitigation measures or alternatives previously found infeasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative.
 - (4) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would

substantially lessen one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

An Initial Study should be used to determine whether subsequent environmental review is required. A subsequent EIR or subsequent ND shall be given the same notice and public review as required under CEQA Guidelines §15087 or §15072. A subsequent EIR or ND shall state where the previous document is available and can be reviewed.

- h. **Grounds for Requiring Supplemental Environmental Documentation (CEQA Guidelines §15163).** The Commission may undertake Supplemental rather than Subsequent environmental review if:

- i. Any of the conditions described in CEQA Guidelines §15162 would require the preparation of subsequent environmental review, and
- ii. Only minor additions or changes would be necessary to make the previous environmental document adequately apply to the project in the changed situation.

A supplement to an EIR shall be given the same kind of notice and public review as is given to a draft EIR under CEQA Guidelines §15087. A supplement to an EIR may be circulated by itself without recirculating the previous draft or final EIR. When the Commission decides whether to approve the project, it shall consider the previous EIR as revised by the supplemental EIR. A finding under CEQA Guidelines §15091 shall be made for each significant effect shown in the previous EIR as revised.

- i. **Grounds for Requiring Addendum to EIR or Negative Declaration (CEQA Guidelines §15164).** An addendum to a previously certified EIR shall only be prepared by the Commission if some changes or additions are necessary but none of the conditions described in CEQA Guidelines §15162 calling for preparation of a subsequent EIR have occurred.

An addendum to an adopted Negative Declaration (ND) may be prepared if only minor technical changes or additions are necessary or none of the conditions described in CEQA Guidelines §15162 calling for the preparation of a subsequent EIR or ND have occurred.

An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted ND.

The Commission shall consider the addendum with the final EIR or adopted ND prior to making a decision on the project.

A brief explanation of the decision not to prepare a subsequent EIR pursuant to CEQA Guidelines §15162 should be included in an addendum to an EIR, the Commission's findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.

2.3.3. CEQA PROCEDURES WHERE LAFCO IS THE LEAD AGENCY

1. LAFCO's Role as a Lead Agency

- a. **General Policy.** The Lead Agency is the entity that has the principal responsibility for approving or carrying out a project (PRC §21067). In most cases, Santa Clara LAFCO expects that other agencies will carry out Lead Agency obligations, with LAFCO reviewing the environmental documents as a Responsible Agency.

When acting as Lead Agency, Santa Clara LAFCO will ensure that all required elements of the CEQA process are completed and conducted consistent with the requirements of CEQA.

- b. **LAFCO as Lead Agency.** Santa Clara LAFCO will function as the Lead Agency when:
 - i. It is the first agency to act on an application
 - ii. It initiates a proposal (e.g: Sphere of Influence Amendment or a Service Review)
 - iii. It enters into an agreement, pursuant to CEQA Guidelines §15051(d), to act as the Lead Agency; or
 - iv. The proposal involves any of the following:
 - (1) The incorporation of a new city
 - (2) The formation of a new special district
 - (3) The adoption of a new sphere of influence for an agency
- c. **Questions Concerning Lead Agency Status.** If there is a question regarding whether or not LAFCO will be Lead Agency or whether the proposal is statutorily or categorically exempt, an *Environmental Information Form* (available on the LAFCO website) will need to be completed and signed before meeting with LAFCO staff to determine lead agency status or whether a proposal is exempt.

2. **Application Submittal.** Where Santa Clara LAFCO is to act as the Lead Agency for CEQA processing, the applicant shall submit a completed application, including a fully completed *Environmental Information Form* (available on the LAFCO website). LAFCO shall determine whether the application is complete enough to prepare environmental documentation and may request additional information needed to complete an adequate environmental review under CEQA, as the need arises.
3. **Initial Review and Informal Consultation with Other Agencies .** Once the application is sufficiently complete to initiate environmental review, informally consult with other interested public agencies to obtain their views regarding the potential environmental impacts of the project. This consultation is in addition to a formal consultation required prior to the determination on the appropriate environmental documentation that LAFCO, as the Lead Agency, will prepare. See sections under *Preparation of an Initial Study*.

4. **Making Initial Determinations.** Determine whether the project qualifies for an exemption from preparation of additional environmental documents pursuant to CEQA Guidelines §15061 or whether an Initial Study is needed to determine if the project requires a ND, Mitigated ND, or EIR.
 - a. **Determining Whether the Project is Exempt from CEQA (CEQA Guidelines §15061).** Prepare a staff report that includes a description of the project, identifies the applicable exemption in the law or CEQA Guidelines, presents reasons supporting the finding of exemption and a recommendation that the Commission approve the exemption for the project.
 - b. **Notice of Exemption (CEQA Guidelines §15062).** If LAFCO determines that the project is exempt, prepare and file a Notice of Exemption (NOE) as described in CEQA Guidelines §15062. Such a NOE shall be filed with the County Clerk-Recorder and the State Clearinghouse. A copy of the NOE will be placed in the project file. The County Clerk-Recorder's Office shall post the NOE within 24 hours of receipt and for at least thirty (30) calendar days following receipt. If a NOE is filed, the statute of limitations is 35 days from the date of the Lead Agency's decision to approve the project, as opposed to 180 days if an NOE is not filed.
 - c. **Typical LAFCO Related Categorical and Statutory Exemption.** Please see *Exhibit 2.3-B* for a list of typical LAFCO related categorical and statutory exemptions to CEQA.
 - d. **Exceptions or Limitations on the Use of Exemptions.** Please see *Exhibit 2.3-B* for information about limitations on the use of exemptions.
5. **Preparation of an Initial Study**
 - a. **Conducting of the Initial Study (CEQA Guidelines §15063).** If Santa Clara LAFCO determines that a project is not exempt, then prepare an Initial Study pursuant to CEQA Guidelines §15063, including completion of an Initial Study Checklist to determine whether the project will be processed with a ND, Mitigated ND, or EIR. LAFCO may use information provided in the *Environmental Information Form* prepared by the applicant, and information from any other appropriate source.
 - b. **Formal Consultations with Responsible and Trustee Agencies (PRC §21080.3).** Prior to determining whether a ND, Mitigated ND, or EIR is required for a project, consult with all responsible agencies, trustee agencies, and with any other public agency which has jurisdiction by law over natural resources affected by the project which are held in trust for the people of the State of California. Prior to that required consultation, LAFCO may informally contact any such agency.
 - c. **AB 52 Tribal Consultation (PRC §21080.3.1).** Within 14 days of determining that an application for a project is complete or a decision by LAFCO to undertake a project, provide formal written notice to the designated contact of California Native American tribes that have requested notice of proposed projects. Such written notice shall include a brief description of the proposed project and its location, the LAFCO's contact

information, and a notification that the California Native American tribe has 30 days to request consultation pursuant to this section.

Prior to the release of a ND, Mitigated ND, or EIR for a project, begin consultation with a California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed project if: (1) the California Native American tribe requested to Santa Clara LAFCO, in writing, to be informed by LAFCO through formal notification of proposed projects in the geographic area that is traditionally and culturally affiliated with the tribe, and (2) the California Native American tribe responds, in writing, within 30 days of receipt of the formal notification, and requests the consultation.

- d. **Environmental Determination (CEQA Guidelines §15064).** Based on the Initial Study and any consultations, determine whether to prepare a ND, Mitigated ND, or EIR for the project, and provide notice of that decision to the project applicant.

6. **Negative Declaration/Mitigated Negative Declaration Process**

- a. **Determining Whether to Prepare a Negative Declaration (ND) or Mitigated Negative Declaration (MND) (CEQA Guidelines §15070-§15075).** A ND or MND may be prepared when the Initial Study shows that:
 - i. There is no substantial evidence that the project may have a significant effect;
 - ii. The Initial Study identified potentially significant effects but changes in the project proposal were made which eliminated the effects;
 - iii. Changes to the project have been proposed for adoption by LAFCO which eliminate adverse effects, or render them less than significant; or
 - iv. There is no substantial evidence that the project as revised may have significant effects on the environment.
- b. **Contents of the Negative Declaration (ND) or Mitigated Negative Declaration (MND) (CEQA Guidelines §15071).** The ND or Mitigated ND must consist of the following:
 - i. A brief description of the project, including a commonly used name for the project,
 - ii. The location of the project (preferably shown on a map) and the name of the project proponent,
 - iii. Statement finding that the project will not have a significant effect on the environment,
 - iv. Attached copy of the Initial Study documenting reasons to support the above finding, and
 - v. Presentation of mitigation measures, if any, included in the project to avoid potentially significant effects.

- c. **Notice of Intent to Adopt Negative Declaration and Public Review Period (CEQA Guidelines §15072).** A Notice of Intent to adopt or consider a ND or Mitigated ND must be provided to the public, responsible agencies, trustee agencies, and the county clerk of each county within which the proposed project is located, not less than twenty (20) days in advance of the hearing. When a proposed ND or Mitigated ND and Initial Study are submitted to the State Clearinghouse for review by state agencies, the public review period must not be less than 30 days, unless a shorter period is approved by the State Clearinghouse. The shortened review period must not be less than twenty (20) days. If a public agency comments upon the ND or Mitigated ND, that agency will be provided with notice of public hearings on the project. The notice must satisfy the requirements of PRC §21092.

The Notice of Intent must be provided pursuant to CEQA Guidelines §15072:

- i. By mail to all organizations and individuals who previously requested notice in writing. (CEQA Guidelines §15072(b))
- ii. By publication at least one time in a newspaper of general circulation in the area affected by the project. (CEQA Guidelines §15072(b)(1))
- iii. The notice must be posted in the County Clerk-Recorder's Office of each county within which the proposed project is located for a period of at least 20 days. (CEQA Guidelines §15072(d))
- iv. In the case of a project of statewide, regional, or areawide significance, the lead agency shall also provide notice to:
 - (1) Transportation planning agencies and public agencies which have transportation facilities within their jurisdictions which could be affected by the project as specified in PRC §21092.4(a) and CEQA Guidelines §15072(e), and
 - (2) The State Clearinghouse as specified in CEQA Guidelines §15073(d). See *Exhibit 2.3-A* for additional guidance.
- v. If the United States Department of Defense or any branch of the United States Armed Forces has given Santa Clara LAFCO written notification of the specific boundaries of a low-level flight path, military impact zone, or special use airspace and provided LAFCO with written notification of the military contact office and address for the military service pursuant to subdivision (b) of §15190.5, then notice shall also be given to specified military contact office.

See CEQA Guidelines §15072(g) for information that is required to be included in a Notice of Intent.

- d. **Determination of Adequacy of the ND or Mitigated ND By the Commission (CEQA Guidelines §15074)**

- i. Public hearings must be held on all Negative Declarations.
- ii. Prior to approval of the project, the Commission must consider the proposed ND or Mitigated ND together with any comments received

during the public review process and must find that the ND or Mitigated ND is adequate and complete, that the project will not have a significant effect on the environment, and that the ND or Mitigated ND reflects the Commission's independent judgement and analysis. In the case of Mitigated NDs or other projects that have been modified to reduce or eliminate one or more significant effects, assure that such modification is a part of the project record and is included as a condition or other requirement of approval.

- iii. When adopting a ND or Mitigated ND, the Commission shall specify the location and custodian of the documents or other material which constitute the record of proceedings upon which its decision is based.
 - iv. When adopting a Mitigated ND, the Lead Agency shall adopt a program for reporting on and monitoring changes which it has either required in the project or made a condition of approval to mitigate or avoid significant environmental effects.
 - v. If the Commission decides not to adopt mitigation measures or revisions that remediate potential adverse environmental impacts to a less than significant level, and desires to consider approving the project; an EIR must be prepared prior to the consideration of the project.
 - vi. The Commission shall not adopt a ND or Mitigated ND for a project within the boundaries of a comprehensive airport land use plan or, if a comprehensive airport land use plan has not been adopted, for a project within two nautical miles of a public airport or public use airport, without first considering whether the project will result in a safety hazard or noise problem for persons using the airport or for persons residing or working in the project area..
- e. **Mitigation Monitoring and Reporting Program (MMRP) (CEQA Guidelines §15097).** The MMRP shall include:
- i. A list of mitigation measures stated exactly as adopted by the Commission;
 - ii. For each mitigation measure, actions that need to be taken by the project proponent, other public agencies and LAFCO will be listed;
 - iii. For each mitigation measure, every action needed to complete the mitigation measure shall be clearly described and include an anticipated date or timetable for completion;
 - iv. For each mitigation measure, a section where field notes, status information and problem resolution data can be entered;
 - v. For each mitigation measure, required Santa Clara LAFCO verification action.

- f. **Filing of the Notice of Determination (CEQA Guidelines §15075).** If the Commission decides to carry out or approve the project, prepare a Notice of Determination (NOD) substantially in the form prescribed in CEQA Guidelines §15094(b). The filing of the NOD starts a 30-day statute of limitation on court challenges to the approval under CEQA. The NOD can be filed only with either an exemption from the Fish and Game fees, or a check for the current fee. An Environmental Declaration form indicating the fee status must be filed with all NODs that go to the County Clerk at the Recorder's Office. If it appears that the proposed project will not impact wildlife habitat, no fees are required. However, LAFCO is required to request and receive a California Department of Fish and Game "No Effect Determination." The NOD and the "No Effect Determination" must be:
 - i. Filed with the County Clerk-Recorder within 5 working days after the approval of the project. The County Clerk-Recorder will post the NOD within 24 hours of receipt and keep it posted for 30 days.
 - ii. Posted on the Santa Clara LAFCO website.
 - iii. Electronically filed with the State Clearinghouse within 5 working days after approval of the project.
- g. **Rejecting the Negative Declaration or Mitigated Negative Declaration (MND). (PRC §21157.5 and CEQA Guidelines §15073.5(d))** If the Commission determines that an Environmental Impact Report (EIR) is needed for a project for which a ND or Mitigated ND has previously been prepared or filed, prepare a Draft EIR. The Commission will continue the hearing on the project to a future date whereupon the Draft EIR will be available.

2.3.4 ENVIRONMENTAL IMPACT REPORT PROCESS (CEQA GUIDELINES §15080-§15096)

1. Draft Environmental Impact Report (EIR) Process

- a. **Submission of Additional Information.** If the Initial Study indicates the need for an EIR, ask the applicant to submit additional information needed to prepare the Draft EIR. Preparation of the Draft EIR will not commence until LAFCO has determined that all necessary information has been received.
- b. **Notice of Preparation (NOP) (PRC §21080.4 and CEQA Guidelines §15082).** After determining that an EIR is required, complete a NOP stating that an EIR will be prepared pursuant to CEQA Guidelines §15082. The NOP will be sent to each known Responsible Agency, Trustee Agency, the State Clearinghouse, every federal agency involved in approving or funding the project, and the military contact office (if applicable), and filed with the county clerk of each county in which the project will be located. The NOP will provide Responsible Agencies with sufficient information describing the project and environmental effects to enable them to provide meaningful responses. The NOP must include:
 - i. A description of the project.
 - ii. The location of the project indicated on an attached map.

- iii. The probable environmental effects of the project.
- iv. A copy of the Initial Study when appropriate.
- c. **EIR Scoping (PRC §21080.4).** In addition to any formal or informal consultations, consult with affected agencies, technical experts, or interested persons and groups in order to maximize the quality of, and disclosures contained in, the environmental document. When requested by a Responsible Agency, Trustee Agency or project applicant, convene a meeting to discuss the scope and content of the proposed EIR as soon as possible, but not later than thirty (30) days after the meeting is requested. Meetings may also be held with interested individuals, technical experts, CEQA professionals or others who can contribute to completion of an adequate CEQA document.
- d. **Preparation of the Draft EIR.** The Draft EIR must contain all the information required by Article 9 of the CEQA Guidelines (§15120-§15132).
- e. **Notice of Completion.** As soon as the Draft EIR is completed, file a Notice of Completion with the State Clearinghouse as provided in CEQA Guidelines §15085.
- f. **Public Notice of Availability of Draft EIR (CEQA Guidelines §15087 and §15105).** A public notice of the availability of the Draft EIR must be provided at the same time as a Notice of Completion is sent to the State Clearinghouse. The public review period for the Draft EIR must be not less than (30) days nor should it be longer than (60) days in advance of the hearing.

When a proposed Draft EIR is submitted to the State Clearinghouse for review by state agencies, the public review period must not be less than 45 days unless a shorter period is approved by the State Clearinghouse. The shortened review period must not be less than thirty (30) days. If a public agency comments upon the Draft EIR, that agency will be provided with notice of public hearings on the project. The notice must satisfy the requirements of PRC §21092. The Notice of Availability of Draft EIR must be provided:

- i. By mail to all organizations and individuals who previously requested notice in writing,
- ii. By publication in a newspaper of general circulation in the area affected by the project,
- iii. Posted in the County Clerk-Recorder's offices for a period of at least 30 days, and
- iv. Electronically filed with the State Clearinghouse. See *Exhibit 2.3-A* for additional guidance.
- g. **Seeking Comments on Draft EIR (CEQA Guidelines §15086).** Santa Clara LAFCO shall consult with and request comments on the Draft EIR from:
 - i. Responsible Agencies,
 - ii. Trustee Agencies with resources affected by the project,

- iii. Any other State, Federal, and local agencies which have jurisdiction by law with respect to the project or agencies with resources affected by the project, including water agencies,
 - iv. Any city or county which borders on a city or county within which the project is located,
 - v. For a project of statewide, regional, or areawide significance, the transportation planning agencies and public agencies which have transportation facilities within their jurisdictions which could be affected by the project and public transit agencies with facilities within one-half mile of the proposed project
 - vi. For a subdivision project located within one mile of a facility of the State Water Resources Development System, the California Department of Water Resources.
- h. **Written Comments on the Draft EIR (CEQA Guidelines §15088).** During the Public Review Period any interested person may submit written comments on the draft EIR to the Commission.
 - i. **Response to Written Comments on Draft EIR (CEQA Guidelines §15088).** Evaluate comments on environmental issues received from persons who reviewed the draft EIR and prepare a written response by revising the Draft EIR or by including a separate section with responses in the Final EIR. The proposed response must be provided to the commentor 10 days prior to the Commission's certification of the EIR. The responses shall comply with the requirements set forth in CEQA Guidelines §15088(c).
- 2. **EIR/Final EIR Contents (CEQA Guidelines §15132).** The EIR must contain the following:
 - a. The Draft or revised Draft EIR,
 - b. Comments and recommendations received on the Draft EIR either verbatim or in summary,
 - c. A list of persons, agencies and organizations commenting on the Draft EIR,
 - d. Responses to significant environmental points raised during the review and consultation processes, and
 - e. Any information added, or corrections made, by the Lead Agency
 - 3. **EIR Distribution.** Distribute the Final EIR to those agencies and persons who submitted comments on the Draft EIR.
 - 4. **EIR Public Hearing.** At the public hearing, the Commission shall consider the contents of the EIR; consider written comments and the responses provided, and any oral testimony. If no substantive questions are raised regarding the content or adequacy of the EIR, certify the EIR as a Final EIR. If the EIR is substantially questioned as to content or if testimony received requires responses, continue the hearing and prepare responses that will be incorporated into a Final EIR (CEQA Guidelines §15088).

5. **Final Environmental Impact Report (FEIR) Process**

- a. **Submission of Additional Information.** As a result of questions raised during the Draft EIR process, the project applicant may be required to submit additional information necessary for preparation of the Final EIR.
- b. **Final EIR Public Hearing.** At the public hearing, the Commission shall consider the Final EIR; hear any testimony relative to the Final EIR from those in attendance at the hearing; certify that the Final EIR has been completed in compliance with CEQA and State Guidelines, and that the Commission has reviewed and considered the information contained in the Final EIR; and adopt any findings as required by this section (CEQA Guidelines §15091). The Final EIR must be certified prior to action upon the project.
- c. **Additional Information.** If the Commission intends to approve a project for which the Final EIR identifies one or more significant effects, it may require the proponent of the project to provide and submit evidence into the record to substantiate the need to approve the project notwithstanding the identification of the significant environmental effects of the project as proposed.
- d. **FEIR Certification (CEQA Guidelines §15090).** Prior to approving a project the Commission shall certify that:
 - i. The Final EIR has been completed in compliance with CEQA and CEQA Guidelines; and
 - ii. The document reflects the independent judgment and analysis of LAFCO; and
 - iii. LAFCO has reviewed and considered the information contained in the FEIR prior to approving the project.

6. **Significant Effects-Finding Required**

- a. **Findings (CEQA Guidelines §15091).** The Commission must not approve a project for which a Final EIR has been certified and which identifies one or more significant environmental effects of the project unless it makes one or more written findings for each of those significant effects, accompanied by a brief explanation of the rationale for each finding (CEQA Guidelines §15091). Oral findings may be made and approved by the Commission as part of the hearing process, provided the findings are transcribed and placed in the project file.

Each finding must be supported by substantial evidence in the record. No action on a project will be considered final until findings are adopted.

Possible findings are:

- i. Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant environmental effects thereof as identified in the Final EIR (§15091(a)(1));

- ii. Such changes or alterations are within the responsibility and jurisdiction of another public agency and have been adopted by such other agency, or can and should be adopted by such other agency (§15091(a)(2)); and
 - iii. Specific overriding public health and safety, economic, legal, social, economic, technological or other benefits of the project outweigh the significant effects on the environment and identified considerations render proposed mitigation measures or project alternatives identified in the Final EIR infeasible. Each finding must include a description of the specific reasons for rejecting identified mitigation measures and project alternatives. (§15091(a)(3))
- b. **Mitigation Monitoring and Reporting Program (MMRP).** If mitigation measures are adopted by the Commission for the purpose of reducing the environmental impacts of a project, a mitigation monitoring and reporting program must be prepared and adopted by the Commission prior to the approval of a proposed project and pursuant to PRC §21081.6.
- The MMRP must include:
- i. A list of mitigation measures stated exactly as adopted by the Commission.
 - ii. For each mitigation measure, actions that need to be taken by the project proponent, other public agencies and Santa Clara LAFCO will be listed.
 - iii. For each mitigation measure, every action needed to complete the mitigation measure must be clearly described and include an anticipated date or timetable for completion.
 - iv. For each mitigation measure, a section where field notes, status information and problem resolution data can be entered.
 - v. For each mitigation measure, required LAFCO verification action.
- c. **Statement of Overriding Considerations (CEQA Guidelines §15093).** When the Commission approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the Commission shall state in writing the specific reasons to support its action based on the Final EIR and/or other information in the record. Such statement is referred to as the Statement of Overriding Considerations. The Statement of Overriding Considerations should explain how specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects. The Statement of Overriding Considerations shall be supported by substantial evidence in the record. The Statement of Overriding Considerations should be included in the record of the project approval and should be mentioned in the notice of determination.

- d. **Filing of the Notice of Determination (CEQA Guidelines §15094).** If the Commission decides to carry out or approve the project, prepare a Notice of Determination (NOD) substantially in the form prescribed in CEQA Guidelines §15094(b). The filing of the NOD starts a 30-day statute of limitation on court challenges to the approval under CEQA. The NOD must be:
- i. Filed with the County Clerk-Recorder within 5 working days after the approval of the project. The County Clerk-Recorder shall post the NOD within 24 hours of receipt and keep it posted for 30 days. The County Clerk-Recorder will return the notice to Santa Clara LAFCO with a notation of the period during which it was posted. Santa Clara LAFCO will retain the notice for not less than twelve (12) months.
 - ii. Electronically filed with the State Clearinghouse within 5 working days.

EXHIBIT 2.3-A

2.3.5 REVIEW BY STATE AGENCIES

1. **State Clearinghouse Review.** EIRs and NDs to be reviewed by State agencies must be submitted to the State Clearinghouse as prescribed in CEQA Guidelines §15205 and §15206.
 - a. **State Agency Review of Projects of Statewide, Regional or Areawide Significance.** State review will proceed according to the following provisions:
 - i. EIRs and Negative Declarations must be submitted to the State Clearinghouse, as prescribed in CEQA Guidelines §15206, whenever it is determined that a project may be of statewide, regional or areawide significance.
 - ii. Request that the State Clearinghouse transmit a copy of each project's State Clearinghouse distribution list to Santa Clara LAFCO.
 - b. **State Fish and Game Department Environmental Review Fees.** If the State Clearinghouse distribution list indicates that a project has been reviewed by the State Department of Fish and Wildlife, the project will be determined to have an effect on fish and wildlife. LAFCO may also determine that a project will have an effect on fish and wildlife, and may submit a project to the State Department of Fish and Wildlife specifically for environmental review purposes, independent of action by the State Clearinghouse. In either case, the project will be subject to State Fish and Game fees pursuant to PRC §21089 and §711.4 of the State Fish and Game Code regulations. LAFCO shall notify the project proponent of the need to pay State Fish and Game fees.

LAFCO shall not approve a project for which an EIR or Negative Declaration has been prepared and which will have an effect on fish and wildlife until State Fish and Game Department fees have been paid. Pursuant to State law, a project found to have an effect on fish and wildlife cannot be vested or approved until Fish and Game fees have been paid.

LAFCO may continue any hearing so that the applicant can remit required fees as permitted by the CKH Act. Unless otherwise ordered by the Commission, any public hearing continued solely for the purpose of collecting fees shall be deemed closed and additional evidence and testimony shall not be taken. The Commission may place a condition of approval on the project requiring payment prior to finalizing the proposal.

If a project is found to have an effect on fish and wildlife, and fees have been paid, Santa Clara LAFCO must note in the public record that Fish and Game fees have been paid pursuant to PRC §21089. LAFCO shall maintain proof of fee payment in the project history file. LAFCO will also include the final approving body's findings and record of fee payment on the Notice of Determination for a project. Fees will be deposited with the County Clerk-Recorder.

EXHIBIT 2.3-B

2.3.6 CATEGORICAL AND STATUTORY EXEMPTIONS

1. Typical LAFCO Related Categorical Exemptions

There are currently thirty-three Categorical Exemptions that have been created by the State of California pursuant to PRC §21084 and CEQA Guidelines §15300.4. The following is a list of typical LAFCO related categorical exemptions:

- a. Class 1 - Existing Facilities (CEQA Guidelines § 15301).
- b. Class 2 - Replacement or Reconstruction (CEQA Guidelines §15302).
- c. Class 3 - New Construction or Conversion of Small Structures (CEQA Guidelines §15303).
- d. Class 4 - Minor Alterations to Land (CEQA Guidelines §15304).
- e. Class 6 - Information Collection (CEQA Guidelines §15306).
- f. Class 7 - Actions by Regulatory Agencies for Protection of Natural Resources (CEQA Guidelines §15307).
- g. Class 8 - Actions by Regulatory Agencies for Protection of the Environment (CEQA Guidelines §15308).
- h. Class 19 - Annexations of Existing Facilities and Lots for Exempt Facilities (CEQA Guidelines §15319). Class 19 applies to two types of annexations:
 - i. Annexations to a city or special district of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning of either the gaining or losing governmental agency whichever is more restrictive, provided however that the extension of utility services to the existing facilities would have the capacity to serve only the existing facilities.
 - ii. Annexations of individual small parcels of the minimum size for facilities exempted by CEQA Guidelines §15303, New Construction or Conversion of Small Structures.
- i. Class 20 - Changes in Organization of Local Agencies (CEQA Guidelines §15320).

Class 20 consists of changes in the organization or reorganization of local agencies that do not change the geographical area in which previous existing powers are exercised. Examples include but are not limited to:

- i. Establishment of subsidiary district;
- ii. Consolidation of two or more districts having identical powers; and
- iii. Merger with a city of a district lying entirely within the boundaries of the city.

2. Statutory Exemptions

There are several types of projects, such as emergency repairs, fee adoption, ministerial projects, and feasibility or planning studies, which are statutorily declared exempt from the requirements of CEQA. All statutory exemptions are listed in CEQA Guidelines §15260-15285.

3. Exceptions or Limitations on the Use of Exemption (CEQA Guidelines §15300.2)

The following are limitations on the use of exemptions:

- a. Class 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located - a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, EXCEPT where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state or local agencies [§15300.2(a)].
- b. All exemptions are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant[§15300.2(b)].
- c. A categorical exemption cannot be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances [§15300.2(c)].
- d. A categorical exemption cannot be used for a project that may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements that are required as mitigation by an adopted negative declaration or certified EIR. [§15300.2(d)]
- e. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to GC §65962.5. [§15300.2(e)].
- f. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource. [§15300.2(f)].

EXHIBIT 2.3-C

2.3.7 TYPICAL CEQA TIME LIMITS

LAFCO must follow the time limits set forth in CEQA Guidelines, Article 8, §15100-15112, in processing environmental documents. CEQA Guidelines §15111 provides that where the principal act governing a public agency's consideration provides for time limits for processing an application that are shorter than those authorized under CEQA, then the application must not be deemed accepted under the principal act until CEQA compliance has occurred. Santa Clara LAFCO is governed by the CKH Act. GC §56658(h) of the CKH Act sets a mandatory ninety (90) calendar-day time period from acceptance of an application to time of hearing before the Commission. Since this is inadequate time to complete certain environmental review processes, applications for the purposes of compliance with CKH Act must not be deemed complete until the CEQA process has reached a point where it can be completed within the ninety (90) calendar-day time limits of CKH Act. See table below for typical CEQA timelines.

Trigger Event	Action Required	Time Period	Code Section
As soon as the application is deemed complete for CEQA review purposes	Lead Agency is encouraged to consult with responsible agencies before and during preparation of an EIR so that the document will meet the needs of all agencies which will use it.	Before and during the preparation of an EIR	§15060.5 CEQA Guidelines
As soon as Lead Agency has determined that an initial study will be required for the project	Lead Agency shall consult informally with all responsible agencies and all trustee agencies responsible for resources affected by the project to obtain the recommendations of those agencies as to whether an EIR or a negative declaration should be prepared.		§15063(g) CEQA Guidelines
After receiving a consultation or scoping request from a Lead Agency.	Responsible Agency provides contact name, consults with Lead Agency, explains reasons for supporting or opposing an environmental determination, identifies issues, may attend meetings.	30 days	§15096 (b)(1) and (c) CEQA Guidelines
After LAFCO/other agency/applicant requests a scoping meeting.	Convene a meeting/consultation.	30 days	§15104 CEQA Guidelines

Trigger Event	Action Required	Time Period	Code Section
After receiving a Notice of Preparation from a Lead Agency.	Responsible Agency comments on the scope and content of the review of issues pertinent to its authorities.	As soon as possible but within 30 days	§15096 (b)(2) CEQA Guidelines
Conducting an Initial Study.	Make environmental determination (ND or EIR).	30 days (with 15 day extension option)	§15102 CEQA Guidelines
After application is deemed complete.	Prepare and adopt a Negative Declaration.	180 days	§15107 CEQA Guidelines
	Prepare and certify an EIR.	1 year with a 90 day extension (private initiated projects)	§15108 CEQA Guidelines
Hiring a consultant after environmental determination.	Hire the consultant.	45 days (applicant can consent extension)	PRC §21151.5(b)
After completing a ND or MND.	Begin public review period.	20 days	§15105(b) CEQA Guidelines
		30 days if sent to Clearinghouse	
After completing a Draft EIR.	File a Notice of Completion.	As soon as the Draft EIR is issued	§15085(a) CEQA Guidelines
After completing a Draft EIR.	Begin public review period.	30 days minimum and no longer than 60 days except in unusual circumstances	§15105(a) CEQA Guidelines
		Not less than 45 days, unless a shorter period (not less than 30 days) is approved by the State Clearinghouse	
Provide public notice of public review period.	Post, publish, and/or mail notice of public review period.	At least the number of days required for public review	§15072(a) and §15087(a) CEQA Guidelines
Provide public notices.	Post notice in County Recorder's Office	Within 24 hours of receipt, 20 days (ND), 30 days (EIR)	PRC §21092.3

Trigger Event	Action Required	Time Period	Code Section
Receive comments from a public agency.	Respond to Comments on a Draft EIR in writing.	Provide responses to public agency 10 days before Final EIR certified	PRC §21092.5(a) and (b)
	Notify public agency of hearing on ND for which responses were received.	Is satisfied if public hearing notice provided to agency	
After project approval.	File/Post Notice of Determination with County Recorder.	Within 5 working days of approval, post within 24 hours	§15094(a) and (e) CEQA Guidelines
After project approval.	File/Post Notice of Exemption with County Recorder to change legal challenge period from 180 to 35 days.	After approval	§15062(d) CEQA Guidelines
Notice of Determination filed/posted.	File legal challenges.	35 calendar days from filing date	§15094 CEQA Guidelines

PART 2: OPERATIONAL POLICIES AND PROCEDURES
CURRENT LOCATION OF POLICIES/PROCEDURES AND REASONS FOR ANY TEXT REVISIONS

CONTENTS OF PART 2		CURRENT LOCATION OF POLICIES/PROCEDURES AND REASONS FOR TEXT REVISIONS, IF ANY
2.1.1.	DEADLINE FOR SUBMISSION OF APPLICATIONS	Moved from current LAFCO Bylaws. No text changes proposed.
2.1.2.	APPLICATION FEE POLICIES	Moved from current LAFCO Bylaws. New Policy #2.1.2.2 added to document current and longstanding Santa Clara LAFCO practice. The proposed policy provides transparency and clarity for applicants and property owners.
2.1.3.	APPLICATION DEEMED COMPLETE OR INCOMPLETE	Entire new Section added to reflect State law, and document current and longstanding Santa Clara LAFCO practice. The proposed Section provides transparency and better clarity for applicants, public agencies, and property owners.
2.1.4.	RECONSIDERATION OF A LAFCO RESOLUTION MAKING DETERMINATIONS	Moved from current LAFCO Bylaws. No text changes proposed.
2.1.5.	PROCESSING PROPOSALS AFFECTING MORE THAN ONE COUNTY	Currently a standalone policy, amended by LAFCO on 8/6/2025. No text changes proposed.
2.1.6.	INDEMNIFICATION POLICY	Currently a standalone policy, amended by LAFCO on 8/6/2025. No text changes proposed.
2.1.7.	LOBBYING DISCLOSURE POLICY	Currently a standalone policy, adopted by LAFCO on 2/14/2001 and included as part of its application filing requirements. No text changes proposed. This policy is proposed for inclusion in the Policies Manual to improve accessibility and enhance transparency.

CONTENTS OF PART 2		CURRENT LOCATION OF POLICIES/PROCEDURES AND REASONS FOR TEXT REVISIONS, IF ANY
2.1.8.	DISCLOSURE OF POLITICAL EXPENDITURES UNDER THE POLITICAL REFORM ACT	This requirement currently appears on the LAFCO agenda as a notification statement. After enforcement responsibility for this requirement was transferred to the FPPC in 2008, the Commission rescinded its policy and instead added the standalone statement to the LAFCO Meeting agenda to inform the public and others of this requirement. This statement is now proposed for inclusion in the Policies Manual to improve accessibility and enhance transparency.
2.1.9	DISCLOSURE OF CONTRIBUTIONS TO COMMISSIONERS FROM PARTIES AND PARTICIPANTS UNDER THE LEVINE ACT	This requirement has been a part of LAFCO application filing materials since 2001, when it was developed to comply with State law. The requirement (updated in consultation with LAFCO Counsel, to reflect recent changes in State law) is now proposed for inclusion in the Policies Manual to make it more readily available and for additional transparency.
2.1.10	CONDUCTING AUTHORITY PROCEDURES	Currently a standalone policy, adopted by LAFCO on April 11, 2001. The current policy is reformatted, reorganized and edited for transparency and clarity. The proposed text revisions to the policy reflect changes in State law, and document current and longstanding Santa Clara LAFCO policies and practices.
2.2.1.	COMMUNICATING A POSITION ON PROPOSED LEGISLATION	Moved from current LAFCO Bylaws. No text changes proposed.
2.2.2.	PROVIDING WRITTEN COMMENTS ON DOCUMENTS/PROJECTS OF RELEVANCE TO LAFCO	Moved from current LAFCO Bylaws. No text changes proposed.

CONTENTS OF PART 2		CURRENT LOCATION OF POLICIES/PROCEDURES AND REASONS FOR TEXT REVISIONS, IF ANY
2.2.3	LEGISLATIVE POLICIES	Currently a standalone policy, adopted by LAFCO on 4/6/2022. The current policy is amended with a brief introduction to state the purpose of the policies.
2.3	PROCEDURES FOR PREPARING AND PROCESSING ENVIRONMENTAL DOCUMENTS	Currently standalone policy/procedures, adopted by LAFCO on February 12, 2003. The current procedure is reformatted, reorganized and updated in consultation with LAFCO Counsel, to reflect changes in State law, and to document current and longstanding Santa Clara LAFCO policies and practices.

PART 4. ADMINISTRATIVE POLICIES

CHAPTER 4.1. TRAVEL AND EXPENSE REIMBURSEMENT

Adopted in LAFCO Bylaws: 04/02/2014

Amended: _____

4.1.1. AUTHORIZED EXPENSES

1. LAFCO funds, equipment, supplies (including letterhead), titles, and staff time must only be used for authorized LAFCO business. In addition to the day to day business activities of LAFCO, expenses incurred in connection with the following types of activities generally constitute authorized expenses.
 - a. Communicating with representatives of local, regional, state and national government on LAFCO business
 - b. Attending educational seminars designed to improve skills and information levels
 - c. Participating in local, regional, state and national organizations whose activities affect LAFCO's interests
 - d. Recognizing service to LAFCO (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost)
 - e. Attending LAFCO or CALAFCO events
2. All other expenditures incurred will require prior approval by the Commission.
3. Any questions regarding the propriety of a particular type of expense should be resolved before the expense is incurred.

4.1.2. MEETING PER DIEM/STIPEND

Consistent with LAFCO Resolution # 2006-06, LAFCO commissioners including alternate commissioners will receive a \$100 per diem for attendance at LAFCO meetings. This compensation is in lieu of reimbursement for travel and other expenses incurred in attending the LAFCO meetings.

4.1.3. LAFCO COMMISSIONER ATTENDANCE AT CALAFCO CONFERENCE

Regular LAFCO commissioners will be given first priority for attending the CALAFCO Annual Conference. If regular commissioners are unable to attend, alternates may attend.

4.1.4. TRANSPORTATION, LODGING, MEALS, AND OTHER INCIDENTAL/PERSONAL EXPENSES

1. Reimbursement for authorized transportation, lodging, meals and other incidental expenses shall be provided in conformance with the current County of Santa Clara Travel Policy.
- b. Registration and travel arrangements including airline reservations must be coordinated through the LAFCO Office.

4.1.5. EXPENSE REPORTING

Within 30 calendar days of return from a LAFCO business trip or event, travelers must submit their travel documents to the LAFCO Office to be eligible for any reimbursement. Receipts are required for processing reimbursement. LAFCO staff will then complete the necessary forms and submit to the appropriate County department in compliance with the County of Santa Clara Travel Policy.

4.1.6. AUDITS OF EXPENSE REPORTS

All expenses are subject to verification that they comply with this policy.

4.1.7. REPORT TO LAFCO

At the following LAFCO meeting, a report shall be presented on meetings attended at LAFCO expense.

4.1.8. COMPLIANCE WITH LAWS

Some expenditures may be subject to reporting under the Political Reform Act and other laws. LAFCO expenditures, expense report forms and supporting documentation are public records subject to disclosure under the Public Records Act.

4.1.9. ETHICS TRAINING

LAFCO is not a local agency whose officials are required to comply with the requirement of ethics training pursuant to Government Code Section 53235. Since LAFCO provides reimbursement for expenses, LAFCO commissioners, Executive Officer and Analysts are encouraged to receive ethics training. LAFCO commissioners who are County supervisors, city council members or special districts board members will receive this training in their respective roles as county, city or special district officials. LAFCO staff will advise the public members of opportunities to receive the training.

CHAPTER 4.2. RECORDS RETENTION POLICY AND SCHEDULE

Adopted: 10/14/2009
Amended: 08/06/2025

4.2.1 INTRODUCTION

1. Records must be kept indefinitely in original, photographic, or electronic form pursuant to Government Code §56382.
2. The Commission authorizes the destruction of original records more than two years old, if a photographic or electronic copy of the original record is made and preserved in compliance with Government Code §56382, which shall be considered permanently retained pursuant to the Records Retention Schedule. Documents that are not herein defined as “records” are not “records” pursuant to Government Code §56382 and will be retained and disposed of according to the Records Retention Schedule in Exhibit A.
3. For purposes of compliance with Government Code §56382 and implementation of the Commission’s Records Retention Schedule as set forth in Exhibit A, “records” include the following:
 - Santa Clara LAFCO Meeting Minutes
 - Santa Clara LAFCO Resolutions
 - Documents related to Santa Clara LAFCO proposals such as the:
 - Application, petition or other initiating documents
 - Assessor’s Statement of Property Valuation
 - Agreement to Pay / Indemnification
 - Certificate of Completion
 - Certificate of Filing
 - Environmental Review/CEQA documents such as Initial Study, Exemptions, Notices of Completion and Determination, Comments and Response to Comments, Negative Declaration, mitigation monitoring, Statements of Overriding Consideration
 - Map and Legal Description
 - Notices
 - Order for Change of Organization
 - Staff Reports
 - Statement of Boundary Change
 - Statement of Tax Rate Area

EXHIBIT A
RECORDS RETENTION SCHEDULE

TYPE OF RECORD/ DOCUMENT	DESCRIPTION OR EXAMPLE OF RECORD/DOCUMENT	LEGAL AUTHORITY	MINIMUM LEGAL RETENTION PERIOD
ADMINISTRATIVE DOCUMENTS			
Accounts Payable	Invoices and back-up documents, purchase orders, travel expense reimbursements, petty cash, postage, check requests, receipt books, etc.	CCP 337 26 CFR 31.6001-1(e)(2); Sec. of State Guidelines recommendation	Until audited + 4 years
Accounts Receivable	Invoices, checks, reports, investments, receipt books	26 CFR 31.6001-1(e)(2)	Until audited + 4 years
Agreements/ Contract	Original contracts and agreements and back-up materials, including leases, rentals and any amendments	CCP 337 CCP 337.2	4 years after termination/ completion
Annual Reports		GC 34090; CCP 337; CCP 343; Sec. of State Local Gov't. Records Retention Guidelines	Current + 4 years
Audit Reports	Financial services; internal and/or external reports; independent auditor analyses	GC 34090; CCP 337; CCP 343; Sec. of State Local Gov't. Records Retention Guidelines	Current + 4 years
Brochures/ Publications			2 years or longer for historical value

TYPE OF RECORD/ DOCUMENT	DESCRIPTION OR EXAMPLE OF RECORD/DOCUMENT	LEGAL AUTHORITY	MINIMUM LEGAL RETENTION PERIOD
Budget, Annual	Adjustments, journal entries, account transfers, budget preparation documents including adopted budgets		Until audited + 2 years
Claims Against the Commission	Paid/denied		Until settled + 2 years
Correspondence (General)	General correspondence, including letters, and various files not otherwise specifically covered by the retention schedule; compliments, complaints and inquiries; transmittal letters; requests for comments and responses	GC 26202	2 years
Economic Interest Statements - Form 700 (copies)	Copies of statements forwarded to Fair Political Practices Commission	GC 81009(f), (g)	4 years (can image after 2 years)
Economic Interest Statements - Form 700 (originals)	Originals of statements of designated employees	GC 81009(c), (g)	7 years (can image after 2 years)

CCP Code of Civil Procedure (CA)

GC Government Code (CA)

CFR Code of Federal Regulations

CHAPTER 4.3 CONFLICT OF INTEREST CODE

The Political Reform Act, California Government Code sections 81000, et seq. (the "Act"), requires each state and local government agency to adopt and promulgate a conflict of interest code. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations section 18730), that contains the terms of a standard conflict of interest code, which can be incorporated by reference into an agency's code. After public notice and hearing Regulation 18730 may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730, and the attached Appendix designating positions and establishing disclosure categories, shall collectively constitute the Conflict of Interest Code (the "Code") of the Local Agency Formation Commission of Santa Clara County ("LAFCO").

All officials and designated positions shall file their statements of economic interests with the LAFCO Clerk, as LAFCO's Filing Official. If a statement is received in signed paper format, the LAFCO Clerk shall make and retain a copy and forward the original of this statement to the filing officer, the County of Santa Clara Clerk of the Board of Supervisors. If a statement is electronically filed using the County of Santa Clara's Form 700 e-filing system, both the LAFCO Clerk and the County of Santa Clara Clerk of the Board of Supervisors will receive access to the e-filed statement simultaneously. The LAFCO Clerk will make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code section 81008.)

Amended per County Counsel Notice dated July 18, 2022.

Approved by the County of Santa Clara Board of Supervisors Date: January 10, 2023.

EXHIBIT A

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

LAFCO Officials who manage public investments, as defined by 2 California Code of Regulations section 18700.3, are NOT subject to LAFCO's Code, but must file disclosure statements under Government Code section 87200, et seq. (2 California Code Regulations. §18730(b)(3).) These positions are listed here for informational purposes only.

It has been determined that LAFCO currently has no officials who manage public investments.

DESIGNATED POSITIONS GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITIONS' TITLE OR FUNCTION	DISCLOSURE CATEGORY ASSIGNED
Commissioner	1
Alternate Commissioner	1
Executive Officer	1
Assistant Executive Officer / Senior LAFCO Analyst	1
LAFCO Analyst	1
Newly Created Position	*

*Newly Created Positions

A newly created position that makes or participates in the making of decisions that may foreseeably have a material effect on any financial interest of the position-holder, and which specific position title is not yet listed in an agency's conflict of interest code is included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation: The Executive Officer may determine in writing that a particular newly created position, although a "designated position," is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the broadest disclosure requirements, but instead must comply with more tailored disclosure requirements specific to that newly created position. Such written determination shall include a description of the newly created position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

As soon as the Commission has a newly created position that must file statements of economic interests, the Commission shall contact the County of Santa Clara Clerk of the Board of Supervisors Form 700 division to notify it of the new position title to be added in the County's electronic Form 700 record management system, known as eDisclosure. Upon this notification, the Clerk's office shall enter the actual position title of the newly created position into eDisclosure and the Commission shall ensure that the name of any individual(s) holding the newly created position is entered under that position title in eDisclosure.

Additionally, within 90 days of the creation of a newly created position that must file statements of economic interests, the Commission shall update this conflict-of-interest code to add the actual position title in its list of designated positions, and submit the amended conflict of interest code to the County of Santa Clara Office of the County Counsel

for code-reviewing body approval by the County Board of Supervisors. (Gov. Code Sec. 87306.)

EXHIBIT B

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.

Disclosure Category 1: (a) All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, that do business in, or own real property within the jurisdiction of LAFCO; and (b) All interests in real property which is located in whole or in part within, or not more than two miles outside, the jurisdiction of LAFCO, or of any land owned or used by LAFCO.

Disclosure Category 2: Individuals serving as a consultant as defined in FPPC Reg 18701 must file under the broadest disclosure set forth in this Code subject to the following limitation:

The Executive Officer may determine that, due to the range of duties or contractual obligations, it is more appropriate to designate a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. The Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

ATTACHMENT E

Links to Relevant Current LAFCO Policies and Procedures

- E-1: [LAFCO Bylaws](#)
- E-2: [Conducting Authority Procedures](#)
- E-3: [Legislative Policies](#)
- E-4: [Procedures for Preparing and Processing Environmental Documents](#)
- E-5: [Conflict of Interest Code](#)
- E-6: [Policies for Use of LAFCO Issued Electronic Devices](#)



**Local Agency
Formation Commission
of Santa Clara County**
777 North First Street
Suite 410
San Jose, CA 95112
SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Terry Trumbull
Mark Turner

ITEM # 6

Alternate Commissioners
Pamela Campos
Helen Chapman
Betty Duong
Zach Hilton
Teresa O'Neill
Executive Officer
Neelima Palacherla

LAFCO MEETING: October 1, 2025

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

**SUBJECT: COUNTYWIDE WATER AND WASTEWATER SERVICE
REVIEW**

STAFF RECOMMENDATION

1. Direct staff to prepare a Draft Request for Proposals (RFP) for a professional services firm to conduct a Countywide Water and Wastewater Service Review, for the Commission's consideration at the December 2025 LAFCO meeting.
2. Appoint two LAFCO Commissioners to serve on the Countywide Water and Wastewater Service Review Technical Advisory Committee.

BACKGROUND

At the December 2, 2020 LAFCO meeting, the Commission revised the LAFCO Service Review work plan as follows (listed from highest priority to lowest priority):

- a. Countywide Fire Service Review
- b. Countywide Water and Wastewater Service Review
- c. Special Districts Service Review
- d. Cities Service Review

At the October 4, 2023 LAFCO meeting, the Commission adopted its Countywide Fire Service Review (Report), which included many recommendations for fire and emergency medical response service providers to consider and potentially implement. LAFCO staff then contacted affected agencies to encourage implementation of the Report's recommendations and to monitor their efforts.

At the August 6, 2025 LAFCO meeting, the Commission adopted the proposed updated Service Review Policies which guide the Commission's preparation of service reviews pursuant to Government Code §56430.

Consistent with the Commission's Service Review Work Plan priorities, staff is making the necessary preparations to conduct a Countywide Water and Wastewater Service Review.

PROPOSED COUNTYWIDE WATER AND WASTEWATER SERVICE REVIEW

What is a Service Review?

A service review is a comprehensive review of services within a designated geographic area and include steps to obtain information about services in the geographic area, evaluate provision of services from a comprehensive perspective, and recommend actions when necessary, to promote the efficient provision of those services. In Santa Clara County, service reviews are intended to serve as a tool to help LAFCO, the public and other agencies better understand public service governance and delivery and evaluate options for the provisions of efficient and effective public services.

LAFCO's Service Review Responsibilities

The Cortese Knox Hertzberg Local Government Reorganization Act (CKH Act) mandates that LAFCO conduct service reviews prior to or in conjunction with sphere of influence updates and requires that LAFCO once every five years, as necessary, review and update the sphere of influence of each city and special district [Government Code §56430]. The Service Review must include an analysis and written statement of determination regarding each of the following seven categories:

- Growth and population projections for the affected area
- Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
- Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence
- Financial ability of agencies to provide services
- Status of, and opportunities for, shared facilities
- Accountability for community service needs, including governmental structure and operational efficiencies
- Any other matter related to effective or efficient service delivery, as required by LAFCO policy

Additionally, as part of the sphere of influence updates LAFCO must prepare an analysis and written statement of determinations for each city and special district regarding certain factors. [Government Code §56425(e)]

Overview of Timeline and Process for the Proposed Countywide Water and Wastewater Service Review

The Countywide Water and Wastewater Service Review will be a yearlong process, commencing in December 2025 with the formation of a Technical Advisory Committee (TAC) and the Commission's approval and release of a Draft RFP for a consultant to conduct this service review. It is anticipated that potential consultants would be interviewed in early January 2026 and selection of a preferred consultant and signing of a contract would follow soon after. The consultant would begin working with LAFCO staff and the TAC by early February 2026 and their work would conclude by February 2027.

The following is a summary of the key steps in the service review process, per Section 10.8 of LAFCO's [Service Review Policies](#).

Project Initiation

- » Begin identifying and contacting stakeholders
- » Create a dedicated webpage for service review
- » Prepare and circulate Draft RFP to affected agencies and stakeholders for their review and comment
- » Establish a TAC to select consultant and provide advice on the project
- » LAFCO finalizes and issues RFP
- » LAFCO retains consultant

Request for Information

- » Working with the TAC, establish specific evaluation criteria to be used in making the required service reviews determinations
- » Consultant collects necessary data and interviews affected agencies
- » Consultant compiles data and prepares a profile each of the affected agencies
- » Each agency verifies their own agency profile for accuracy

Data Analysis & Findings

- » Consultant prepares data analysis, preliminary findings, and Administrative Draft Report

Draft Report for Public Review

- » LAFCO releases Draft Report for public review and comment
- » Consultant responds to comments

LAFCO Public Hearings

- » LAFCO holds public hearing on Draft Report and receives public testimony
- » Consultant revises Draft Report, as necessary, and LAFCO releases Revised Draft Report for public review and comment
- » LAFCO holds public hearing on Revised Draft Report / Final Report and adopts Report

Implementation

- » LAFCO staff follows up with agencies to encourage implementation of service review recommendations
- » LAFCO staff monitors agencies' progress and reports back to Commission
- » LAFCO considers next steps and determines if further LAFCO action is needed

Scope of Proposed Countywide Water and Wastewater Service Review

The Water and Wastewater Service Review will involve a comprehensive review of water and wastewater service provision in Santa Clara County. The Service Review Report will provide an overview of all the agencies that provide water services (including recycled water), wastewater services, and stormwater management in the County; evaluate the provision of these services; and recommend actions to promote efficient service delivery. At a minimum, the following agencies and entities will be included in the countywide service review:

Water Districts

1. Aldercroft Heights County Water District
2. Pacheco Pass Water District
3. Purissima Hills Water District
4. San Martin County Water District
5. Santa Clara Valley Water District

Special Districts that Provide Wastewater Services

1. Burbank Sanitary District
2. County Sanitation District 2-3
3. Cupertino Sanitary District
4. West Bay Sanitary District
5. West Valley Sanitation District
6. Lions Gate Community Services District
7. Lake Canyon Community Services District

Cities (specific to water service, wastewater service, and stormwater management service)

1. Campbell
2. Cupertino
3. Gilroy
4. Los Altos
5. Los Altos Hills
6. Los Gatos
7. Milpitas
8. Monte Sereno
9. Morgan Hill
10. Mountain View
11. Palo Alto
12. San Jose
13. Santa Clara
14. Saratoga
15. Sunnyvale

Other Service Providers (included for comprehensiveness and/or to address a focus issue)

Private Water Companies

- San Jose Water Company
- California Water Service Company
- Great Oaks Water Company
- West San Martin Water Works (purchased by California American Water)

Miscellaneous

- Stanford University
- San Francisco Public Utilities Commission
- Bay Area Water Supply and Conservation Agency
- Small Water Systems
- County Department of Environmental Health

In addition to including the required analysis and written statement of service review determinations and sphere of influence updates, the Report will follow up on the issues and options for addressing those issues that were identified in the prior applicable service reviews, which remain relevant.

Focus Issue

The service review will also consider the following issue and identify potential options/opportunities for addressing this issue in Santa Clara County:

Small Water Systems in the Unincorporated Area

The State Water Resources Control Board's Department of Drinking Water (DDW) staff have identified many small water systems in south Santa Clara County that from time-to-time experience technical, managerial, and financial difficulties. In response, there have been many interagency discussions on potential options for helping these current systems, including the potential consolidation of these struggling systems with better managed or maintained systems located nearby. However, there does not appear to be any readily available solution.

Discussions concerning the feasibility and practicality of consolidation or infrastructure extension to these existing systems noted various challenges, including the long distances involved, terrain challenges, high costs, lack of funding sources, water supply availability, and overall uncertainty. Furthermore, it is important that any such solutions are consistent with LAFCO law, and LAFCO's mandate to preserve agricultural lands and open space, curb urban sprawl, and encourage efficient delivery of services; and local/affected agencies' policies.

Other Issues

Should other potential focus issues emerge through LAFCO staff's initial discussions with affected agencies and other stakeholders, staff will seek to incorporate them or inform the Commission so that it may consider if and how to incorporate them into the service review scope.

Prior Service Reviews that May be Relevant to Upcoming Service Review

Prior Santa Clara LAFCO Service Reviews that addressed water service and wastewater service in the county are as follows:

[2011 Countywide Water Service Review](#) (adopted December 2011)

[Special District Service Review: Phase 2](#) (adopted December 2013, and includes information on special districts that provide sanitary sewer services)

[Cities Service Review](#) (adopted December 2015, and includes information on wastewater and stormwater management services provided by the 15 cities in the county)

These service review reports contain specific recommendations for affected agencies to implement. Please see section entitled "Implementation of Recommendations" at each of the abovementioned links, for LAFCO's agency specific request and each agency's response to LAFCO concerning their implementation plans.

Establish a Technical Advisory Committee for the Service Review

The Technical Advisory Committee (TAC) for the Countywide Water and Wastewater Service Review will serve as a liaison with affected agencies, help select a consultant for the service review and provide technical expertise/advice throughout the process.

Staff is proposing to contact the Santa Clara County & Cities Manager's Association, the Santa Clara County Water Retailer's Group, and the Santa Clara County Municipal Public Works Officials' Association to inform them of LAFCO's plans and to seek representatives from the Associations to serve on the TAC. Traditionally, the TAC has also included LAFCO Commissioners. Staff recommends that LAFCO appoint two Commissioners to serve on the Countywide Water and Wastewater Service Review TAC.

In addition to participating in the interview of potential consultants (early January 2026), the TAC is anticipated to hold five to six meetings over the course of the service review to provide their technical expertise and guidance, with the first meeting likely occurring in late January/early February 2026.

NEXT STEPS

If directed, LAFCO staff will prepare a Draft RFP for a professional services firm to conduct a Countywide Water and Wastewater Service Review and Sphere of Influence Updates for the special districts; cities; and other local agencies and entities, as necessary; that provide any of the following services: water, wastewater, and stormwater management.

Staff will distribute the Draft RFP to affected agencies and associations, for review and comment. LAFCO staff will revise the Draft RFP, as necessary, in response to these comments. The Commission will then consider the Draft RFP including scope, budget, and project timeline for the Countywide Water and Wastewater Service Review at its December 3, 2025 meeting.

Staff will also contact the Santa Clara County & Cities Manager's Association, the Santa Clara County Water Retailer's Group, and the Santa Clara County Municipal Public Works Officials' Association to inform them of LAFCO's plans and to seek representatives from the different Associations to serve on the TAC.

ITEM # 7

Supplemental Info. No. 1

ANNUAL REPORT 2024-2025

SANTA CLARA LAFCO





**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners

Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Terry Trumbull
Mark Turner

ITEM # 8

Alternate Commissioners

Pamela Campos
Helen Chapman
Betty Duong
Zach Hilton
Teresa O'Neill

Executive Officer

Neelima Palacherla

LAFCO MEETING: October 1, 2025

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Dunia Noel, Asst. Executive Officer**

SUBJECT: EXECUTIVE OFFICER'S REPORT

STAFF RECOMMENDATION

Accept report and provide direction, as necessary.

8.1 QUARTERLY SPECIAL DISTRICTS ASSOCIATION MEETING

Commissioner Beall, Alternate Commissioner Chapman, and EO Palacherla attended the September 15, 2025 quarterly meeting of the Santa Clara County Special Districts Association. The meeting featured a presentation from SCVWD's Assistant Officer on its Water Supply Master Plan 2025.

EO Palacherla provided updates on LAFCO activities, including the anticipated conclusion of Phase 2 of the Comprehensive Review and Update of LAFCO Policies, and the upcoming Countywide Water and Wastewater Service Review.

Other attendees, including various district staff and board members, and a representative of the California Special Districts Association (CSDA), provided reports and shared information on current projects or issues of interest. The next meeting is scheduled for December 1, 2025.

8.2 QUARTERLY MEETING WITH COUNTY PLANNING DEPARTMENT

At the September 2, 2025 quarterly meeting, County Planning staff provided an update on the various Builder's Remedy applications (SB 330) proposed in the unincorporated county, and the recent difficulties that the County has experienced when trying to receive its fair share of RHNA credit from the State for housing projects that are planned in unincorporated islands that are then annexed to a city as part of the development entitlement process.

Beginning in December 2018, LAFCO staff and County Planning Department staff began having quarterly meetings to discuss issues of common interest or concern.

8.3 SANTA CLARA COUNTY ASSOCIATION OF PLANNING OFFICIALS' MEETING

EO Palacherla participated in the virtual meeting of the Santa Clara County Association of Planning Officials (SCCAPO) held on September 3, 2025. This meeting featured updates and announcements from MTC/ABAG representatives and Santa Clara County Planning Collaborative representatives; an update on the 2025 Housing/Land Use Bills from the League of California Cities Legislative Advocate; and a presentation by the City of Gilroy on the High Speed Rail Station Area Visioning Study for the Gilroy Station. Attendees also shared updates on various other matters.



**Local Agency
Formation Commission
of Santa Clara County**

777 North First Street
Suite 410
San Jose, CA 95112

SantaClaraLAFCO.org

Commissioners
Sylvia Arenas
Jim Beall
Rosemary Kamei
Yoriko Kishimoto
Otto Lee
Terry Trumbull
Mark Turner

ITEM # 9

Alternate Commissioners
Pamela Campos
Helen Chapman
Betty Duong
Zach Hilton
Teresa O'Neill

Executive Officer
Neelima Palacherla

LAFCO MEETING: October 1, 2025

TO: LAFCO

**FROM: Neelima Palacherla, Executive Officer
Emmanuel Abello, Analyst**

SUBJECT: CALAFCO ACTIVITIES

9.1 PROPOSED AMENDMENTS TO CALAFCO BYLAWS

For Information Only.

The CALAFCO Board is proposing amendments to the CALAFCO Bylaws for approval by the Membership at the Annual Business Meeting on October 23 during the CALAFCO Annual Conference in San Diego. These changes were approved for recommendation to the Membership by the Board in February and July and are a direct response to concerns raised by many Member LAFCOs. They are part of broader reform efforts aimed at building a stronger, more responsive, cohesive and effective Association.

On August 15, CALAFCO issued a memo that outlines the proposed amendments and reasons for the changes (and the draft red-lined version of the Bylaws and the proposed changes are included). The FAQ helps address anticipated questions. The short slide deck is a visual aid about the why and the what of the proposed amendments. See **Attachment A**.

CALAFCO has requested that this information be shared with the Commission.

ATTACHMENT

Attachment A: CALAFCO Memo titled "CALAFCO Board Recommending Bylaws Amendments at October 23, 2025 Annual Business Meeting". (August 15, 2025)



Memo

To: Member LAFCOs
From: CALAFCO Board of Directors and Transition Team
Date: August 15, 2025
Subject: **CALAFCO Board Recommending Bylaws Amendments at October 23, 2025 Annual Business Meeting**

Dear Member LAFCOs,

This October, you will be asked to vote on several proposed amendments to CALAFCO's Bylaws. These changes are part of the larger Association transformation effort underway and are in direct response to feedback from Member LAFCOs.

One amendment adds the four Regional Officers as voting members of the Board. This action is a vital next step in CALAFCO's ongoing transition and creates broader Board representation to enhance capacity and decision-making. (Refer to Bylaws Section 4.1.)

The proposed amendment to Bylaws Section 4.2.1 changes the term of office for newly elected Board Members to begin on December 1 in the year in which they were elected. This change allows new Board Members time for appropriate onboarding and orientation before taking office, supporting their successful governance capability.

To support the Bylaws change approved by the membership in 2024 (in Section 4.4 which addresses potential termination due to attendance), Section 4.3(C) has been added to explicitly state that a vacancy may occur as a result of the attendance matters outlined in Section 4.4.

In Section 4.5.6, it is proposed to remove the ability for a Board Member to give proxy to the Executive Director to establish a quorum for Board Meetings.

All other proposed amendments are minor and non-substantive.

Supported by the Board in February and again unanimously in July 2025, this proposal reflects a shared desire to better align Board representation with the operational knowledge and institutional insight of LAFCO Executive Officers and support new Board Members by better preparing them to take office. It is part of a broader package of reforms that began in 2024 and continue in response to concerns raised by Member LAFCOs.

These amendments do not increase costs or dues. Rather, they strengthen CALAFCO by:

- Broadening representation on the Board
- Enhancing the quality of deliberation and decision-making
- Setting the stage for full Executive Officer participation on the Board
- Strengthens Board governance and best practices

Failure to approve these changes will undermine the possibility of future inclusion of Executive Officers as voting Board members and will hamper CALAFCO's ability to properly prepare new Board Members for their role. We believe that the outcome would be detrimental to the long-term health, viability and relevance of the Association.

We urge you to review the enclosed FAQ, presentation, and proposed Bylaws changes and share this information with your Commission. For questions, please contact Transition Team member Pamela Miller at pmiller@millermcg.com, Interim Executive Director José Henríquez at jhenriquez@calafco.org, your Regional Officer or your Board Member representatives.

We truly appreciate your continued support.

Sincerely,

CALAFCO Board of Directors & Transition Team

—

Attachment: Bylaws reflecting proposed amendments in tracked changes as approved by the Board on February 7, and July 25, 2025



Proposed Bylaws Changes

To be considered at the October 2025 Annual Business Meeting

Q: What is CALAFCO proposing?

A: The Board is recommending the Membership approve the following Bylaws amendments:

- Adding the four Regional Officers as voting members of the CALAFCO Board of Directors (Section 4.1). This is an interim step toward ultimately giving Executive Officers the ability to serve as voting Board members, pending future Membership approval;
- Changing the effective date of Board Members' term of office to begin December 1 in the year of their election, beginning with the 2026 election (Section 4.2.1); and
- Other minor, non-substantive clean-up amendments.

Q: Why are these changes being proposed?

A: The proposed changes are a critical milestone in CALAFCO's organizational transition. They are in response to feedback from Member LAFCOs and are part of a larger effort that includes new leadership, updated policies and procedures, and ongoing transformation efforts. Adding Regional Officers to the Board will strengthen representation and enhance decision-making by incorporating deeper institutional and operational knowledge. Changing the effective date of assuming office allows newly elected Board Members time for proper onboarding and orientation before taking office.

Q: What are the benefits of the changes?

- Broader Representation: Balances policymaker insight with expert operational knowledge from LAFCO practitioners.
- Increased Board Capacity: Enhances institutional knowledge and brings in day-to-day LAFCO experience.
- Responsiveness: Aligns CALAFCO's governance with the evolving needs of its membership.
- Stronger Decisions: Leads to better-informed, more relevant Board deliberations and outcomes.

Q: What happens if these changes are not approved?

A: Failure to pass the amendments will likely halt further progress toward seating Executive Officers as voting Board members—an outcome that would significantly limit CALAFCO's ability to evolve and reflect its full membership; and will hamper CALAFCO's ability to properly prepare new Board Members for their role.

Q: When is the vote and who votes?

A: The vote takes place at the CALAFCO Annual Business Meeting on October 23, 2025, at 9:00 a.m., during the Annual Conference in San Diego. Each member LAFCO in good standing may designate a voting delegate to vote in person (pursuant to Bylaws Sections 3.5 through 3.7).

California Association of
Local Agency Formation Commissions



SUPPORTING SUSTAINABLE
COMMUNITY GROWTH

Strengthening the CALAFCO Board

2025 Bylaws Amendment Proposal

AUGUST, 2025



Why This Matters



Direct response
to concerns
raised by
Member LAFCOs



Part of broader
reform efforts
(staffing, policies,
governance)



Builds a stronger,
more responsive and
cohesive CALAFCO



What's Changing

Adds the four Regional Officers as **voting members** of the Board

First step toward **Executive Officers** being eligible to be elected to the Board



Why Support It?



**More inclusive
decision-making**



**Balances
policymaker and
practitioner
perspectives**



**Enhances
institutional
knowledge**



**Creates a more
responsive
Association**

What's At Stake



Risk of stalling CALAFCO's progress and responsiveness to the membership



Let's move forward – together



Final Thoughts & Discussion



BYLAWS
OF THE
CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS

ARTICLE I

OFFICES

1.1 Principal Office. The principal office of California Association of Local Agency Formation Commissions (“Corporation”) is located at California Local Agency Formation Commissions, 1451 River Park Drive, Suite 185, Sacramento, California 95815¹.

1.2 Change of Address. The Board of Directors (“Board”) (as that term is defined in Section 4.1.1 of these Bylaws) hereby is granted full power and authority to change the location of the principal office of Corporation. Any such change shall be noted by the Secretary in these Bylaws, but shall not be considered an amendment of these Bylaws.

ARTICLE II

MEMBERS

2.1 Classification and Qualifications of Members. The Corporation shall have three (3) classes of members as follows: Member Local Agency Formation Commissions (“Member LAFCOs”)~~es~~; Officers of Member LAFCOs; and Associate Members. Member LAFCOs shall be any local agency formation commission (“LAFCO”), which have paid the required annual membership dues and assessments and have indicated by appropriate action their desire to join the Corporation. Officers of Member LAFCOs shall be any regular or alternate Commissioner, executive officer, deputy executive officer, legal counsel, or deputy legal counsel of any Member LAFCO in good standing as a Member LAFCO. Associate Members of the Corporation shall be any member of the public, a government agency, a business, or an educational institution, either who or which has paid the required annual membership dues and assessments and has indicated by appropriate action ~~its~~their desire to join the Corporation. Notwithstanding any other provision in these Bylaws to the contrary, the terms generally meaning “approval of members or the membership” or “ratification by the members or membership” or “adopted by the members or membership” shall mean such approval or ratification or adoption by ~~members~~Members LAFCOs eligible to vote.

2.2 Membership Dues. The Board shall identify the privileges, and set the amount of membership dues, in accordance herewith, for membership categories during the budget adoption process. The membership dues payable to the Corporation for the admission calendar year by newly admitted members shall be payable in full at the time of admittance. The amount of membership dues and the time or times of payment may, in accordance herewith, be determined and fixed by the Board, and a member, upon learning of any change in such amount or the time or

¹ Office location changed on August 1, 2023.

times of payment, may avoid liability therefor by promptly resigning from membership.
(Amended 6 September 2006)

2.2.1 Notwithstanding the foregoing, Member LAFCO annual membership dues shall be levied based upon a formula that includes the following components:

(1) Dues are population based. The fiscal year 2020-2021 dues uses a 0.013802199 per capita rate and 2020 population estimates based on data from the California Department of Finance.

(2) A base charge as set by the Board ~~of Directors~~, which shall be the same for each Member LAFCO. The base charge for fiscal year 2020-2021 is \$1,000 per LAFCO.

(3) A population threshold as set by the Board ~~of Directors~~.

(4) Population estimates per County updated annually based on data provided by the California Department of Finance.

(5) The per capita rate shall be set by the Board ~~of Directors~~.

(6) No Member LAFCO will pay less than its current dues based on the baseline dues of fiscal year 2018-2019.

2.2.2 Based on the above-described formula, the fiscal year 2020-2021 dues for each Member LAFCO are as follows:

County	Population Estimate 2020	Population For Dues Calculation	Base Dues	Per Capita Dues	Base + Per Capita Dues	Total Per Capita Rate
ALAMEDA	1,703,660	700,000	1,000	9,662	10,662	0.0063
ALPINE	1,107	1,107	1,000	15	1,015	0.9171
AMADOR	37,560	37,560	1,000	518	1,518	0.0404
BUTTE	230,701	230,701	1,000	3,184	4,184	0.0181
CALAVERAS	44,953	44,953	1,000	620	1,620	0.0360
COLUSA	23,144	23,144	1,000	319	1,319	0.0570
CONTRA COSTA	1,178,639	700,000	1,000	9,662	10,662	0.0090
DEL NORTE	26,997	26,997	1,000	373	1,373	0.0508
ELDORADO	189,576	189,576	1,000	2,617	3,617	0.0191
FRESNO	1,033,095	700,000	1,000	9,662	10,662	0.0103
GLENN	29,691	29,691	1,000	410	1,410	0.0475
HUMBOLDT	137,711	137,711	1,000	1,901	2,901	0.0211
IMPERIAL	195,814	195,814	1,000	2,703	3,703	0.0189
INYO	18,724	18,724	1,000	258	1,258	0.0672
KERN	930,885	700,000	1,000	9,662	10,662	0.0115
KINGS	154,549	154,549	1,000	2,133	3,133	0.0203

LAKE	65,302	65,302	1,000	901	1,901	0.0291
LASSEN	30,626	30,626	1,000	423	1,423	0.0465
LOS ANGELES	10,435,036	700,000	1,000	9,662	10,662	0.0010
MADERA	162,990	162,990	1,000	2,250	3,250	0.0199
MARIN	265,152	265,152	1,000	3,660	4,660	0.0176
MARIPOSA	18,031	18,031	1,000	249	1,249	0.0693
MENDOCINO	90,175	90,175	1,000	1,245	2,245	0.0249
MERCED	286,746	286,746	1,000	3,958	4,958	0.0173
MODOC	9,422	9,422	1,000	130	1,130	0.1199
MONO	13,986	13,986	1,000	193	1,193	0.0853
MONTEREY	454,599	454,599	1,000	6,274	7,274	0.0160
NAPA	143,800	143,800	1,000	1,985	2,985	0.0208
NEVADA	99,548	99,548	1,000	1,374	2,374	0.0238
ORANGE	3,260,012	700,000	1,000	9,662	10,662	0.0033
PLACER	397,368	397,368	1,000	5,485	6,485	0.0163
PLUMAS	19,374	19,374	1,000	267	1,267	0.0654
RIVERSIDE	2,500,975	700,000	1,000	9,662	10,662	0.0043
SACRAMENTO	1,572,886	700,000	1,000	9,662	10,662	0.0068
SAN BENITO	60,067	60,067	1,000	829	1,829	0.0305
SAN BERNARDINO	2,230,602	700,000	1,000	9,662	10,662	0.0048
SAN DIEGO	3,398,672	700,000	1,000	9,662	10,662	0.0031
SAN FRANCISCO	905,637	700,000	1,000	9,662	10,662	0.0118
SAN JOAQUIN	782,662	700,000	1,000	9,662	10,662	0.0136
SAN LUIS OPIPO	284,126	284,126	1,000	3,922	4,922	0.0173
SAN MATEO	792,271	700,000	1,000	9,662	10,662	0.0135
SANTA BARBARA	460,444	460,444	1,000	6,355	7,355	0.0160
SANTA CLARA	2,011,436	700,000	1,000	9,662	10,662	0.0053
SANTA CRUZ	282,627	282,627	1,000	3,901	4,901	0.0173
SHASTA	180,198	180,198	1,000	2,487	3,487	0.0194
SIERRA	3,129	3,129	1,000	43	1,043	0.3334
SISKIYOU	44,186	44,186	1,000	610	1,610	0.0364
SOLANO	453,784	453,784	1,000	6,263	7,263	0.0160
SONOMA	515,486	515,486	1,000	7,115	8,115	0.0157
STANISLAUS	572,000	572,000	1,000	7,895	8,895	0.0156
SUTTER	101,418	101,418	1,000	1,400	2,400	0.0237
TEHAMA	65,119	65,119	1,000	899	1,899	0.0292
TRINITY	13,389	13,389	1,000	185	1,185	0.0885
TULARE	487,733	487,733	1,000	6,732	7,732	0.0159
TUOLUMNE	53,976	53,976	1,000	745	1,745	0.0323
VENTURA	869,486	700,000	1,000	9,662	10,662	0.0123
YOLO	229,023	229,023	1,000	3,161	4,161	0.0182
YUBA	79,087	79,087	1,000	1,092	2,092	0.0264

2.2.3 Dues may be increased by the Board on an annual basis to reflect changes in the Consumer Price Index (CPI) for California based on data provided by the California Department of Finance.

2.2.4 ~~Membership-Member~~ LAFCO dues may be reduced by the ~~board~~Board if financial hardship is demonstrated to the satisfaction of the Board.

2.2.5 Officers of ~~member~~Member LAFCOs shall not pay membership dues.

2.2.6 Notwithstanding the foregoing, ~~associate~~Associate ~~member~~Member annual membership dues shall be established by action of the Board~~of Directors~~.

2.3 Assessments. Assessments may be imposed on members by resolution of the Board, except that any such assessments established by the Board first must be ratified by the voting membership before becoming effective. A member, upon learning of an assessment, may avoid liability therefor by promptly resigning from membership.

2.4 Number of Members. There shall not be any limit on the number of members the Corporation may have.

2.5 Membership Book. The Corporation shall keep in any form capable of being converted in written form a membership book containing the name, address, and class of each member. The book also shall contain the fact of termination and the date on which such membership ceased. Such book shall be kept at the principal office of the Corporation and shall be subject to the rights of inspection required by law and as set forth in Section 2.6 of these Bylaws.

2.6 Inspection Rights of Members.

2.6.1 The accounting books and records and minutes of proceedings of the members, the Board, and committees of the Board shall be open to inspection upon written demand on the Corporation of any member at any reasonable time, for a purpose reasonably related to such person's interests as a member.

2.6.2 Inspection pursuant to this Section 2.6 of these Bylaws by a member may be made in person or by agent or attorney, and the right of inspection includes the right to copy and make extracts at such member's sole expense and cost.

2.6.3 If any record subject to inspection pursuant to this Section 2.6 of these Bylaws is not maintained in written form, the Corporation shall at its expense make such record available in written form.

2.6.4 Notwithstanding the foregoing, the right of a member to inspect and copy or obtain a copy of the list of names and addresses of members is as prescribed by Sections 6330 through 6338, inclusive, of the California Corporations Code ("CCC").

2.7 Certificates of Membership. The Corporation shall not issue membership certificates; however, the Corporation reserves the right to issue identity cards or similar devices

to members which serve to identify members qualifying to use the facilities or services of the Corporation.

2.8 Nonliability of Members. A member of the Corporation shall not, solely because of such membership, be personally liable for the debts, obligations, or liabilities of the Corporation.

2.9 Transferability of Membership. Neither the membership in the Corporation nor any rights in the membership may be transferred or assigned for value or otherwise.

2.10 Termination of Membership.

2.10.1 The membership and all rights of membership automatically shall terminate on the occurrence, where applicable, of any of the following:

- (A) Death.
- (B) The voluntary resignation of a member, effective as of the date notice of such resignation is either personally hand-delivered to the President or Secretary of the Corporation or deposited in United States first-class mail, postage prepaid.
- (C) The nonpayment of required dues, assessments or fees.

2.10.2 Termination of membership shall not relieve the resigning member from any obligation for charges incurred, services or benefits actually rendered, dues, assessments, or fees, arising from contract or otherwise prior to such effective date of resignation, and shall not diminish any right of the Corporation to enforce any such obligation or obtain damages for its breach.

ARTICLE III

MEETINGS OF MEMBERS

3.1 Place. Meetings of members shall be held at the principal office of the Corporation or at such location within the State of California as may be designated from time to time by the Board.

3.2 Regular Meetings. Regular meetings shall be as determined by the Board. The business to be conducted at such meetings shall include, but not be limited to:

- (1) the election to the Board ~~of Directors~~ as provided in Article IV of these Bylaws;
- (2) the written resolution of any Member LAFCO in good standing, provided such resolution was submitted to the Board at least sixty (60) days prior to such meeting; and

- (3) the written resolution of any Member LAFCO in good standing not submitted in accordance with the immediately preceding clause (2), provided not less than fifty percent (50%) of Member LAFCOs eligible to vote are present and not less than two-thirds (~~2~~²/₃) of such present members agree to waive the 60 day prior notice requirement in the immediately preceding clause (2).

3.3 Special Meetings. Special meetings may be called by the Chairperson or by a majority of the voting ~~members~~Members LAFCOs of the Corporation for any lawful purpose.

3.4 Notice of Meetings. Notice of member meetings shall be given in writing as follows:

3.4.1 Written notice of regular and special meetings shall be given not less than thirty (30) days nor more than ninety (90) days prior to the meeting to each Member LAFCO and Associate Member of the Corporation. Such notice shall state the place, date and hour of the meeting, and in the case of the annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the members.

3.4.2 Notice of any meeting, written ballot, or report shall be given either personally, by first-class United States mail, postage prepaid, or other means of written communication, addressed to the member at the address of such member appearing on the books of the Corporation or given by the member to the Corporation for the purpose of notice; or if no such address appears or is given, at the place where the principal office of the Corporation is located. The notice, written ballot, or report shall be deemed to have been given at the time when delivered personally, deposited in the mail, or otherwise sent, as the case may be. An affidavit of mailing of any notice, written ballot, or report in accordance with the provisions of this Section 3.4.2 of these Bylaws, executed by the Secretary, shall be evidence of the giving of the notice, written ballot, or report.

3.4.3 Except as otherwise prescribed by the Board in particular instances and except as otherwise provided by applicable law, the Secretary shall prepare and give, or cause to be prepared and given, the notice of meetings and the written ballots.

3.5 Approvals. No action may be taken at a regular or special meeting unless a majority of the voting ~~members~~Member LAFCOs are present. The Corporation may act on all matters upon the majority vote of the voting ~~members~~Member LAFCOs present at the meeting. All such approvals shall be made a part of the minutes of the meeting.

3.6 Quorum.

3.6.1 A quorum at any meeting shall consist of not less than fifty (50%) of the ~~members~~Member LAFCOs entitled to vote.

3.6.2 Except where a greater vote is required by the Articles of Incorporation, these Bylaws, or applicable law, if a quorum is present, the affirmative vote of a majority of the ~~members~~Members LAFCOs present shall be the act of the members.

3.6.3 In the absence of a quorum, any meeting of members may be adjourned from time to time by the vote of a majority of the ~~members~~Member LAFCOs present, but no other business may be transacted.

3.6.4 When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof is announced at the meeting at which the adjournment is taken. The meeting shall not be adjourned for more than forty-five (45) days. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

3.7 Voting of Membership.

3.7.1 Each Member LAFCO, in good standing, is entitled to one (1) vote on each matter submitted to a vote of the members. A Member LAFCO's vote may be cast by the Officer of a Member LAFCO designated in writing to the Executive Director or the Board by such Member LAFCO prior to or at the meeting. Members in the class of either Officer of a Member LAFCO or Associate Member are not entitled to vote on any matter submitted to a vote of the members.

3.7.2 Cumulative voting shall not be authorized for any purposes.

3.7.3 Proxies are not permitted.

3.8 Written Ballot of Members.

3.8.1 Whenever the ~~members~~Member LAFCOs are to vote on any proposal for action which could be taken at any regular or special meeting of members, the members may, in the discretion of the Board (unless a specific method of voting is prescribed by these Bylaws), vote by written ballot without a meeting pursuant to this Section 3.8 of these Bylaws.

3.8.2 A written ballot shall be mailed to every ~~member~~Member LAFCO entitled to vote on the matter pursuant to Section 3.4.2 of these Bylaws.

3.8.3 The written ballot shall set forth the time by which the ballot must be received in order to be counted and the minimum number of written ballots which must be returned to meet the quorum requirement.

3.8.4 If the vote is for other than Directors, then the written ballot shall set forth:

- (A) The proposal to be voted on, and for this purpose related proposals may be grouped as a single proposal for the written ballot.
- (B) Offer the member a choice between approval and disapproval on each such proposal.

- (C) Specify that the proposal must be approved by a majority of the written ballots voting on the proposal, provided that sufficient written ballots are returned to meet the quorum requirement.

3.8.5 Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3.8.6 A written ballot may not be revoked.

3.9 Unanimous Written Consent of Members. In addition to the written ballot procedure of Section 3.8 of these Bylaws, any action required or permitted to be taken by the members may be taken without a meeting if all members individually or collectively shall consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the ~~members~~Member LAFCOs.

3.10 Conduct of Meetings.

3.10.1 The President of the Corporation or, in ~~his or her~~their absence, the Vice President of the Corporation, or in ~~his or her~~their absence, any other person chosen by a majority of the voting members present in person shall be Chairperson of and shall preside over the meetings.

3.10.2 The Secretary of the Corporation shall act as the Secretary of all meetings; provided that in his or her absence, the Chairperson shall appoint another person to act as secretary of the meetings.

3.10.3 The Chairperson shall decide questions of order at Member meetings subject to appeal by a majority of the quorum.

3.11 Inspectors of Election.

3.11.1 In advance of any meeting, the Board may appoint inspectors of election to act at the meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any person appointed fails to appear or refuses to act, the Chairperson of any meeting may, and on the request of any ~~member~~Member LAFCO present shall, appoint inspectors of election (or persons to replace those who fail or refuse) at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more ~~members~~Member LAFCOs, the majority of ~~members~~Member LAFCOs present shall determine whether one or three inspectors are to be appointed.

3.11.2 The inspectors of election shall determine the number of memberships outstanding-, the number present at the meeting, the existence of a quorum, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in

connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do such acts as may be proper to conduct the election or vote with fairness to all ~~members~~[Member LAFCOs](#).

3.11.3 The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

ARTICLE IV

DIRECTORS

4.1 Number.

4.1.1 The authorized number of Directors of the Corporation shall be ~~nineteentwenty-two~~ (1922), of which ~~sixteentwenty~~ (1620) shall be voting members and elected from among the ~~Commission Members~~ Member LAFCOs (or in the case of the Regional Officers (as that term is defined below in Section 4.1.1 (5) of these Bylaws), until such time as these Bylaws are amended to permit Executive Officers to be directly elected to the Board, elected from Executive Officers from within their regions) as follows:

- (1) Four (4) Directors shall be city members or alternates of LAFCOs, of which two (2) Directors shall be elected at each annual meeting;
- (2) Four (4) Directors shall be county members or alternates of LAFCOs, of which two (2) Directors shall be elected at each annual meeting;
- (3) Four (4) Directors shall be public members or alternates of LAFCOs, of which two (2) Directors shall be elected at each annual meeting;
- (4) Four (4) Directors shall be special district members or alternates of LAFCOs, of which two (2) Directors shall be elected at each annual meeting;
- (5) Four (4) Directors shall be regional officers, elected by the Executive Officers from within their regions ("Regional Officers").

4.1.2 ~~Three~~Two (32) nonvoting Directors shall be appointed as follows:

- ~~(1) — One Director, appointed by the voting members of the Board, shall be an Executive Officer or a person functioning as executive officer of a Member LAFCO;~~
- (21) One Director, appointed by the voting members of the Board, shall be the Executive Director of the Corporation; and
- (32) One Director, appointed by the voting members of the Board, shall be a legal counsel or deputy legal counsel of a Member LAFCO.

Collectively, the Directors shall be known as the Board of Directors ("Board").

4.1.3 The State shall be divided into four (4) regions as follows for the purpose of electing Board Members: Northern, Central, Coastal and Southern. The counties in each of the four (4) regions shall be determined by the Board of Directors.

Each region shall elect four (4) Directors comprised of one city member, one county member, one public member and one special district member.

4.2 Nomination; Election; and Term.

4.2.1 Prior to the annual meeting, the Board shall appoint a recruitment committee consisting of one member from each Region, in accordance with election procedures adopted by the Board. The committee shall solicit nominations and conduct regional elections for positions on the Board, the terms of which will expire with the annual meeting. Effective with the 2026 Board elections, newly elected Board members shall begin their term on December 1 in the year of their election and be seated at the first Board meeting thereafter. Directors-elect are encouraged to attend Board and planning session meetings in the interim.

4.2.2 In the event that: (a) less than fifty (50) percent of the regions' Member LAFCOs vote, or (b) no nominations are received for an open director position in the region, then the open director position becomes at-large for one term and shall be elected at the annual meeting.

4.2.3 Nominations shall be made from the floor at the annual meeting for any at-large position described in Section 4.2.2. The nominations shall be from the same category as the open director position.

4.2.4 Only Commissioners of Member LAFCOs in good standing and whose membership dues and assessments are fully paid may be nominated to be a Director by the method of nomination authorized by the Board or by any other method authorized by law.

4.2.5 Directors shall be elected at a regular or special meeting or by written ballot as authorized by Section 3.8 of these Bylaws. Directors shall be eligible for reelection without limitation on the number of terms they may serve, unless elected to an at-large position that is not within their region.

4.2.6 Directors are elected for a term of two (2) years.

4.2.7 A vacancy occurring in the office of Director may be filled by the Board for the balance of the unexpired term and until a successor has been elected and qualified by the Board in accordance with Board-adopted election procedures.

4.2.8 Each elected Director shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

4.2.9 The Board shall make such rules as are necessary to carry out the provisions of Section 4.2.

4.3 Vacancies on Board. A vacancy or vacancies on the Board shall exist on the occurrence of the following:

- (A) The death or resignation of any Director;
- (B) The declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order of judgment of any court to have breached a duty under Article 3 of Chapter 2 of the CCC; ~~or~~
- (C) [The removal of a Director pursuant to Section 4.4; or](#)
- (D) [The increase of the authorized number of Directors.](#)

4.4 Resignations and Terminations of Directors. Except as provided below, any Director may resign by giving written notice to the President or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. The Board, in its sole discretion, may declare vacant the position of any Director who misses two (2) consecutive meetings of the Board. Such Director, however, first shall be given prior notice of such pending termination and given the opportunity to offer a reason for such absences.

4.5 Meetings of the Board.

4.5.1 Meetings of the Board shall be held at the principal office of the Corporation unless another place is stated in the notice of the meeting.

4.5.2 A special meeting of the Board may be called by the President, the Secretary, or any two Directors.

4.5.3 Notice of all regular and special meetings of the Board shall be given. A notice need not include the purpose or agenda for the meeting. The notice may be in writing and mailed at least three (3) days before the meeting. The notice may also be delivered personally or by telephone at least 48 hours before the meeting.

4.5.4 Notice of a meeting need not be given to any Director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be made a part of the minutes of the meeting.

4.5.5 Directors may participate in a meeting through use of conference telephone or similar communications equipment, so long as all such Directors participating in such meeting can hear one another. Participation in a meeting by this means constitutes presence in person at such meeting.

4.5.6 A majority of the authorized number of voting Directors shall constitute a quorum of the Board for the transaction of business, except to adjourn. ~~A Director may give a proxy to the Executive Director solely for the purpose of constituting a quorum.~~

4.5.7 A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given, prior to the time of the adjourned meeting, to the Directors who were not present at the time of adjournment.

4.6 Required Vote of Directors.

4.6.1 Every act or decision done or made by a majority of the voting Directors present at a meeting duly held at which quorum is present is the act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

4.7 Written Consent of Directors. Any action required or permitted to be taken by the Board may be taken without a meeting, if all Directors individually or collectively shall consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors. All members of the Board, as used in this Bylaw does not include any “interested director” as defined in Section 5233 of the CCC.

4.8 Compensation of Directors. Directors shall receive no compensation for their services.

4.9 Inspection Rights of Directors. Every Director shall have the absolute right to any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation during normal weekday business hours. If a Director wishes to be accompanied by an attorney during such inspection, then the inspection will be scheduled at a time when the Corporation’s attorney will be present.

4.10 Interested Persons. Not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons.

4.10.1 As used in this section, an “interested person” means either:

- (A) Any person currently being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full- or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director;

or

- (B) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

4.10.2 The provisions of this Section 4.10 of these Bylaws shall not affect the validity or enforceability of any transaction entered into by the Corporation.

4.11 Powers of the Board.

- (1) It may call special meetings of the members whenever it deems it necessary.
- (2) It shall appoint and remove, at pleasure, all officers, agents, and employees of the Corporation and it shall prescribe their duties to the extent that they are not set out in these Bylaws.
- (3) It may appoint an executive officer or member LAFCO staff person to be a deputy Corporation executive officer.
- (4) It shall conduct and manage the affairs and business of the Corporation, and it shall make rules and regulations not inconsistent with these Bylaws for the guidance of the officers and management of the affairs of the Corporation.
- (5) It may contract with others for such staff and clerical assistance as may be necessary to perform its duties.
- (6) It shall establish, levy, and collect, in accordance with these Bylaws, annual dues and assessments and such other charges and fees necessary to carry out the purposes of the Corporation.
- (7) It may delegate any of its duties to committees to the extent not inconsistent with the Articles of Incorporation, these Bylaws, and applicable laws.
- (8) It shall possess any and all other powers not inconsistent with the Articles of Incorporation, these Bylaws, and applicable laws.

4.12 Duties of the Board.

- (1) It shall arrange and conduct an annual meeting of the Corporation and such other meetings and conferences as it determines necessary.
- (2) It shall arrange for the exchange of information among [Member](#) LAFCOs.
- (3) It shall review laws and proposed laws affecting [Member](#) LAFCOs and make such recommendations thereon as it deems appropriate.
- (4) It shall appoint such committees as are necessary to assist the Board in the performance of its duties.

- (5) It may adopt rules of procedure for the conduct of its meetings.
- (6) It shall perform such other duties as are necessary to carry out the purposes of the Corporation or as directed by the membership, all in accordance with the Articles of Incorporation, these Bylaws, and applicable laws.

ARTICLE V

OFFICERS

5.1 Number and Titles. The officers of the Corporation shall be a President or Chairperson, a Vice-President or Vice-Chairperson, ~~a Secretary~~, a Treasurer, a Secretary, an Executive Director, and such other officers with such titles and such duties as shall be determined and deemed advisable by the Board.

5.1.1 The President shall preside over all meetings of the Board and of the membership and shall sign, in such capacity, all deeds, contracts, notes, conveyances, and other papers, documents, and instruments in writing in the name of the Corporation, which have first been approved by the Board, and shall have, subject to the direction of the Board, general supervision of the business affairs of the Corporation and generally shall discharge such other duties as may be required by the Board.

5.1.2 The Vice-President shall, in the absence of the President or the inability or refusal of the President to act, carry on all duties and powers required by law or these Bylaws and ~~shall~~shall have all the powers conferred by law or these Bylaws upon the President.

[5.1.3 – REORDERED/MOVED TO SECTION 5.1.4 WITHOUT REVISION]

~~5.1.3 The Secretary shall keep or cause to be kept the minute book of the Corporation as prescribed by Section 8.1 of these Bylaws. The Secretary shall sign in the name of the Corporation, either alone or with one or more other officers, all documents authorized or required to be signed by the Secretary. If the Corporation has a corporate seal, the Secretary shall keep the seal at the Corporation's principal office and shall affix the seal to documents as appropriate or desired. The Board may by resolution authorize one or more Assistant Secretaries to perform, under the direction of the Secretary, some or all the duties of the Secretary.~~

5.1.43 The Treasurer is the chief financial officer of the corporation, and, where appropriate, may be designated by the alternate title "Chief Financial Officer". The Treasurer is responsible for the receipt, maintenance, and disbursement of all funds of the Corporation and for the safekeeping of all securities of the Corporation. The Treasurer shall keep or cause to be kept books and records of account and records of all properties of the Corporation. The Treasurer shall prepare or cause to be prepared annually, or more often if so directed by the Board or President, financial statements of the Corporation. The Board may authorize one or more Assistant Treasurers to perform, under the direction of the Treasurer, some or all the duties of the Treasurer.

5.1.4 The Secretary shall keep or cause to be kept the minute book of the Corporation as prescribed by Section 8.1 of these Bylaws. The Secretary shall sign in the name of the Corporation, either alone or with one or more other officers, all documents authorized or required to be signed by the Secretary. If the Corporation has a corporate seal, the Secretary shall keep the seal at the Corporation's principal office and shall affix the seal to documents as appropriate or desired. The Board may by resolution authorize one or more Assistant Secretaries to perform, under the direction of the Secretary, some or all the duties of the Secretary.

5.1.5 The Executive Director shall work directly with the Board in managing the day to day activities of the Corporation. The Executive Director shall be directly responsible for assisting the Board in the development of a strategic business plan to achieve greater financial performance and increased visibility, and generally be responsible for Board administration matters, education and training, communication, legislative activities, regulatory monitoring advocacy, and inter-agency communication, as may be described more fully by and at the pleasure of the Board.

5.2 Appointment and Removal of Officers.

5.2.1 The officers shall be elected by the Board.

5.2.2 Any officer elected by the Board may be removed from office at any time by the Board, with or without cause or prior notice.

5.2.3 When authorized by the Board, any elected officer may be appointed for a specific term under a contract of employment. Notwithstanding that such officer is appointed for a specified term or under a contract of employment, any such officer may be removed from office at any time pursuant to Section 5.2.2 of these Bylaws and shall have no claim against the Corporation on account of such removal other than for such monetary compensation as the officer may be entitled to under the terms of the contract of employment.

5.2.4 Any officer may resign at any time upon written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party. Such resignation is effective upon receipt of the written notice by the Corporation unless the notice prescribes a later effective date or unless the notice prescribes a condition to the effectiveness of the resignation.

5.2.5 The same person may hold more than one appointed office, except that neither the Secretary nor the Treasurer may serve concurrently as the President. When serving as Board members, Regional Officers shall not be eligible to serve as Board Officers.

ARTICLE VI

INDEMNIFICATION

6.1 Indemnification of Directors, Officers, and Employees.

6.1.1 The Corporation may indemnify a Director, officer, or employee under the provisions of Section 5238 of the CCC, or pursuant to any contract entered into with any employee who is not an officer or Director.

6.1.2 Expenses incurred in defending any proceeding may be advanced by the Corporation as authorized in Section 5238 of the CCC prior to the final disposition of such proceeding, upon receipt of an undertaking by or on behalf of the Director, officer, or employee to repay such amount unless it shall be determined ultimately that the Director, officer, or employee is entitled to be indemnified.

6.1.3 The Corporation may purchase and maintain insurance on behalf of any Director, officer, or employee of the Corporation against any liability asserted against or incurred by the Director, officer, or employee in such capacity or arising out of the Director's officer's, or employee's status as such, whether or not the Corporation would have the power to indemnify the Director, officer, or employee against such liability under the provisions of Section 5238 of the CCC, except as provided in subdivision (I) of Section 5238 of the CCC.

ARTICLE VII

AMENDMENT

7.1 Amendment of Articles. The amendment of the Articles of Incorporation of the Corporation is provided for by California state law and generally requires the approval of the membership pursuant to these Bylaws and the filing of a certificate of amendment in the Office of the Secretary of State.

7.2 Amendment of Bylaws. The amendment of Bylaws is provided for by California state law and generally requires the approval of the membership pursuant to these Bylaws, and to the extent not inconsistent herewith:

(A) These Bylaws may be amended at a meeting of the Corporation or at any statewide, general meeting convened upon order of the Board. Bylaw amendments may be proposed by a Member LAFCO in good standing or by the Board.

(B) Proposed amendments shall be submitted to the Board in writing at least sixty days prior to the meeting at which they are to be considered. The Board shall mail copies of the proposed amendments to all Member LAFCOs in good standing at least thirty days prior to the meeting at which they are to be considered. A majority vote of the Member LAFCOs in good standing which are present and eligible to vote is required for adoption of the amendments submitted under this procedure.

(C) Written amendments to the Bylaws may be submitted and considered at a meeting of the Corporation without complying with the requirements set out in the preceding paragraph if at least fifty percent (50%) of the Member LAFCOs in good standing are present and

eligible to vote at such meeting and two-thirds (2/3) of the Member LAFCOs in good standing present and eligible to vote approve a waiver of the requirements set out in the immediately preceding subparagraph (B).

ARTICLE VIII

RECORDS

8.1 Minute Book. The Corporation shall keep or cause to be kept a minute book which shall contain:

- (A) The record of all meetings of the Board including date, place, those attending and the proceedings thereof, a copy of the notice of the meeting and when and how given, written waivers of notice of meeting, written consents to holding meeting, written approvals of minutes of meeting, and unanimous written consents to action of the Board without a meeting, and similarly as to meetings of committees of the Board established pursuant to the Bylaws and as to meetings or written consents of the incorporator of the Corporation prior to the appointment of the initial Directors.
- (B) A copy of the Articles of Incorporation and all amendments thereof and a copy of all certificates filed with the Secretary of State.
- (C) A copy of these Bylaws as amended, duly certified by the Secretary.

8.2 Annual Report.

8.2.1 Financial statements shall be prepared as soon as reasonably practicable after the close of the fiscal year. The financial statements shall contain in appropriate detail the following:

- (A) The assets and liabilities, including trust funds, of the Corporation as of the end of the fiscal year.
- (B) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- (C) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year.
- (D) The expenses or disbursements of the Corporation for both general and restricted purposes, during the fiscal year.

8.2.2 Any report furnished to Directors of the Corporation which includes the financial statements prescribed by Section 8.2.1 of these Bylaws shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

8.2.3 A report including the financial statements prescribed by Section 8.2.1 of these Bylaws shall be furnished annually to all Directors of the Corporation.

8.3 Report of Transactions and Indemnifications. The Corporation shall mail to all Directors a statement of any transaction between the Corporation and one of its officers or Directors or of any indemnification paid to any officer or Director if, and to the extent, required by Section 6322 of the CCC. The statement shall be mailed within 120 days after the close of the fiscal year. The statement required by this Section 8.3 of these Bylaws shall describe briefly:

- (A) Any covered transaction during the previous fiscal year involving more than Fifty Thousand Dollars (\$50,000), or which was one of a number of covered transactions in which the same “interested person” had a direct or indirect material financial interest, and which transactions in the aggregate involved more than Fifty Thousand Dollars (\$50,000).
- (B) The names of the “interested persons” involved in such transactions, stating such person’s relationship to the Corporation, the nature of such person’s interest in the transaction and, where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.
- (C) The statement shall describe briefly the amount and circumstances of any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any officer or Director of the Corporation pursuant to Section 5233 of the CCC.

For these purposes, an “interested person” is any Director, officer, or member of the Corporation.

ARTICLE IX

MISCELLANEOUS

9.1 Bonding. All employees handling funds shall be properly bonded.

9.2 Self-Dealing. In the exercise of voting right by Directors, no Director shall vote on any issue, motion or resolution which directly or indirectly inures to his or her benefit financially, except that such Director may be counted in order to qualify a quorum and, except as the board may otherwise direct, participate in a discussion on such an issue, motion or resolution if he or she first discloses the nature of his or her interest subject to Section 5230 through, and including Section 5239 of the CCC.

+

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. — That I am the duly elected and acting Secretary of California Association of Local Agency Formation Commissions, a **California** nonprofit corporation; and

2. — That the foregoing Bylaws, comprising eighteen (18) pages, constitute the Bylaws of said Corporation as duly Incorporated of said Corporation, and as duly approved by the required vote ~~of the~~ members of said Corporation at a meeting duly held on Thursday, 10 September, 1998 and amended on 6 September, 2006.

~~IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Corporation this 6th day of October, 2006.~~

(Del)



Susan Vicklund-Wilson
Secretary



ITEM # 12.1

August 11, 2025

Neelima Palacherla
Executive Officer
Local Agency Formation Commission of Santa Clara County
777 North First Street, Suite 410
San Jose, California 95112

Re: President's Special Acknowledgement Award – Workers' Compensation Program

Dear Neelima,

On behalf of SDRMA Board of Directors and staff, it is my great pleasure to extend our congratulations to you, your governing body at Local Agency Formation Commission of Santa Clara County, management, and staff on achieving no paid claims for the Workers' Compensation Program years 2020-2025. A paid claim for the purposes of this recognition represents the first payment on an open claim during the prior program year.

As a symbol of our appreciation and acknowledgment of your exceptional performance, we are pleased to present Local Agency Formation Commission of Santa Clara County with the *President's Special Acknowledgement Award*, representing your outstanding achievement. In addition to this annual recognition, members with no paid claims receive the following, all resulting in a reduction to their annual contribution amount:

- during 2024-25 earned one credit incentive point (CIP)
- for the prior five consecutive program years earned three additional bonus CIPs
- receive a lower "experience modification factor" (EMOD)

This accomplishment is a testament to your agency's commitment to risk management excellence and a culture of safety and proactive governance. By consistently prioritizing risk management and fostering an environment where safety is essential, your agency has set a standard of excellence that is truly commendable.

We look forward to continuing our partnership in fostering a culture of safety and responsibility within your agency. Your leadership sets a powerful example for other members, and we are proud to have Local Agency Formation Commission of Santa Clara County as a part of SDRMA.

Once again, congratulations on this achievement. Please do not hesitate to reach out if there is anything we can do to support your continued success.

Sincerely,

Sandy A. Seifert-Raffelson, President
Board of Directors
Special District Risk Management Authority





President's Special Acknowledgement Award

The President of the Special District Risk Management Authority
Hereby gives special recognition to

Local Agency Formation Commission of Santa Clara County

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Property/Liability Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period and excludes property claims. Congratulations on your excellent claims record!


Sandy A. Seifer-Raffelson, SDRMA Board President

August 11, 2025
Date



President's Special Acknowledgement Award

The President of the Special District Risk Management Authority

Hereby gives special recognition to

Local Agency Formation Commission of Santa Clara County

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Workers' Compensation Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period. Congratulations on your excellent claims record!

A handwritten signature in blue ink, reading 'Sandy Seifer-Raffelson', is written over a horizontal line.

Sandy A. Seifer-Raffelson, SDRMA Board President

August 11, 2025

Date