



**LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY**

701 Ocean Street, #318-D
Santa Cruz, CA 95060
Phone Number: (831) 454-2055
Website: www.santacruzlafco.org
Email: info@santacruzlafco.org

REGULAR MEETING AGENDA

**Wednesday, February 5, 2020
9:00 a.m.**

**Board of Supervisors Chambers
701 Ocean Street, Fifth Floor (Room 525)
Santa Cruz, California**

1. ROLL CALL

2. ADOPTION OF MINUTES.....Page 5

The Commission will consider approving the minutes from the January 8th meeting.

Recommended Action: Approve the minutes as presented with any desired changes.

3. ORAL COMMUNICATIONS

This is an opportunity for members of the public to address the Commission on items not on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on an off-agenda item(s) unless authorized by law.

4. PUBLIC HEARING

Public hearing items require expanded public notification per provisions in State law, directives of the Commission, or are those voluntarily placed by the Executive Officer to facilitate broader discussion.

a. Personnel Policy Update (LAFCO Project No. CPP 20-03).....Page 11

The Commission will review the proposed modifications to LAFCO's Personnel Policy.

Recommended Action: Adopt the draft Resolution (No. 2020-02) approving the amendments to the Personnel Policy.

- b. Financial Policy Update (LAFCO Project No. CPP 20-04).....Page 18**
The Commission will review the proposed modifications to LAFCO's Financial Policy.

Recommended Action: Adopt the draft Resolution (No. 2020-03) approving the amendments to the Financial Policy.

5. OTHER BUSINESS

Other business items involve administrative, budgetary, legislative, or personnel matters and may or may not be subject to public hearings.

- a. Personnel Committee Membership.....Page 34**
The Commission will review the current members on the Personnel Committee.
Recommended Action: Reaffirm current Personnel Committee Members (Roger Anderson and John Leopold).

- b. Regular & Alternate Public Member Selection Process.....Page 35**
The Commission will receive an update on the two upcoming vacancies involving LAFCO's regular and alternate public member seats.
Recommended Action: Direct the Executive Officer to advertise the upcoming seat openings in accordance to Government Code Section 56325(d).

- c. Comprehensive Quarterly Report – Second Quarter (FY 2019-20).....Page 38**
The Commission will receive an update on active proposals, the Commission's work program and adopted budget, recent and upcoming meetings, and other staff activities.
Recommended Action: No action required; Informational item only.

6. WRITTEN CORRESPONDENCE

LAFCO staff receives written correspondence and other materials on occasion that may or may not be related to a specific agenda item. Any correspondence presented to the Commission will also be made available to the general public. Any written correspondence distributed to the Commission less than 72 hours prior to the meeting will be made available for inspection at the hearing and posted on LAFCO's website.

- a. California Special Districts Association (CSDA) – Handbook & Training. Page 45**
The Commission will review CSDA's letter which may provide useful information for the elected officials on LAFCO.
Recommended Action: No action required; Informational item only.

- b. Santa Cruz Co. Clerk/Elections – Statement of Economic Interest.....Page 48**
The Commission will review the County Clerk's letter which may provide useful information for the elected officials on LAFCO.
Recommended Action: No action required; Informational item only.

7. PRESS ARTICLES

LAFCO staff monitors newspapers, publications, and other media outlets for any news affecting local cities, districts, and communities in Santa Cruz County. Articles are presented to the Commission on a periodic basis.

a. Press Articles during the Month of January.....Page 49

The Commission will receive an update on recent LAFCO-related news occurring around the county and throughout California.

Recommended Action: No action required; Informational item only.

8. COMMISSIONERS’ BUSINESS

This is an opportunity for Commissioners to comment briefly on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No discussion or action may occur or be taken, except to place the item on a future agency if approved by Commission majority. The public may address the Commission on these informational matters.

9. CLOSED SESSION

Pursuant to state law, a closed session may be held to appoint, employ, evaluate the performance of, discipline, or dismiss a public employee. Prior to the closed session, the public is invited to address the Commission regarding the closed session items listed below.

a. Public Employee Performance Evaluation

Pursuant to: Government Code Section 54957
Title: Executive Officer

b. Conference with Labor Negotiators

Pursuant to: Government Code Section 54957.6
Agency designated representatives: Personnel Committee
Unrepresented Employee: Executive Officer

10. ANNOUNCEMENTS FROM CLOSED SESSION

The Chair and/or Legal Counsel will indicate whether there were any reportable actions from the Closed Session.

11. ADJOURNMENT

LAFCO’s next regular meeting is scheduled for Wednesday, March 4, 2020 at 9:00 a.m.

ADDITIONAL NOTICES:Campaign Contributions

State law (Government Code Section 84308) requires that a LAFCO Commissioner disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from an applicant, any financially interested person who actively supports or opposes an application, or an agency (such as an attorney, engineer, or planning consultant) representing an applicant or interested participant. The law also requires any applicant or other participant in a LAFCO proceeding to disclose the amount and name of the recipient Commissioner on the official record of the proceeding.

The Commission prefers that the disclosure be made on a standard form that is filed with the Commission's Secretary-Clerk at least 24 hours before the LAFCO hearing begins. If this is not possible, a written or oral disclosure can be made at the beginning of the hearing. The law also prohibits an applicant or other participant from making a contribution of \$250 or more to a LAFCO Commissioner while a proceeding is pending or for 3 months afterward. Disclosure forms and further information can be obtained from the LAFCO office at Room 318-D, 701 Ocean Street, Santa Cruz CA 95060 (phone 831-454-2055).

Contributions and Expenditures Supporting and Opposing Proposals

Pursuant to Government Code Sections §56100.1, §56300(b), §56700.1, §59009, and §81000 et seq., and Santa Cruz LAFCO's Policies and Procedures for the Disclosures of Contributions and Expenditures in Support of and Opposition to proposals, any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of or opposition to a LAFCO Proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Santa Cruz County Elections Department, 701 Ocean Street, Room 210, Santa Cruz CA 95060 (phone 831-454-2060).

More information on the scope of the required disclosures is available at the web site of the Fair Political Practices Commission: 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).

Accommodating People with Disabilities

The Santa Cruz Local Agency Formation Commission does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. The Commission meetings are held in an accessible facility. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at 831-454-2055 at least 72 hours in advance of the meeting to make arrangements. For TDD service the California State Relay Service 1-800-735-2929 will provide a link between the caller and the LAFCO staff.

Late Agenda Materials

Pursuant to Government Code Section 54957.5 public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be available to the public at Santa Cruz LAFCO offices at 701 Ocean Street, #318D Santa Cruz CA 95060 during regular business hours. These records when possible will also be made available on the LAFCO website at www.santacruzlafco.org. To review written materials submitted after the agenda packet is published, contact the LAFCO Secretary-Clerk at the LAFCO office or in the meeting room before or after the meeting.



PROCEEDINGS OF THE
LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY

Wednesday
January 8, 2020
9:00 a.m.

Supervisors Chambers, Room 525
701 Ocean Street
Santa Cruz, CA 95060

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The January 8, 2020 Santa Cruz LAFCO meeting is called to order by declaration of Chairperson Jim Anderson.

ROLL CALL

Present and Voting:	Commissioners R. Anderson, Brooks, Coonerty, Estrada, Leopold, and Chairperson Jim Anderson
Absent:	Lather
Alternates Present:	None
Alternates Absent:	Banks, Hunt
Staff:	Joe A. Serrano, Executive Officer Daniel H. Zazueta, LAFCO Counsel Debra Means, Secretary-Clerk

MINUTES

MOTION

Motion: Leopold	To approve November 6 th minutes.
Second: R. Anderson	Motion carries with a unanimous voice vote.

WELCOME NEW LEGAL COUNSEL

Chairperson Jim Anderson welcomes new legal counsel, Daniel Zazueta.

Counsel Zazueta grew up in San Jose and attended UC Berkeley. He was a high school teacher before he went to law school at Santa Clara University. He went to Washington, D.C. after law school to work for the Obama Administration as a political appointee in the Department of Energy which converted to a federal position as a trial attorney. He had a brief position in the White House Counsel's office as a Deputy Ethics Counsel.

He came back to San Jose to get involved in local government. He started with the City of Santa Clara as a consultant, worked for Redwood City for almost two years, and then came to Santa Cruz County mid-November 2019.

ORAL COMMUNICATIONS

Mr. Serrano reports that LAFCO has received a joint application from Central and Aptos/La Selva Fire Districts for their consolidation. There will be an update at the February meeting outlining the next steps and a proposed hearing date.

Staff has made improvements to the agenda webpage and how LAFCO projects and resolutions are tracked. The public hearing item in the January agenda provides the Commission an example of the project's unique title and number, and shows how its resolution has a distinctive sequence number.

PUBLIC HEARING

HIDDEN VALLEY ROAD / PONZA LANE EXTRATERRITORIAL SERVICE AGREEMENT WITH COUNTY SERVICE AREA (CSA) 26 – LAFCO PROJECT No. ESA 20-01

Mr. Serrano reports that Public Works staff and residents from CSA 26 are in the audience and he expresses his appreciation for their help in completing this proposal.

This application involves one parcel and CSA 26. The CSA was formed in 1982 to provide road maintenance to an unincorporated area in Soquel. CSA 26 currently has only one access point which is Hidden Valley Road. The subject parcel is immediately outside CSA 26 and can only be accessed via Ponza Lane.

The subject parcel was originally part of CSA 26, but it was detached because the property owner's only access is through Ponza Lane, and they did not use Hidden Valley Road. LAFCO approved the detachment with one condition; the property owner would have to establish an agreement with the road association to ensure that the residents within CSA 26 could use a secondary road within their parcel as an evacuation route. That agreement was established in 1985. A subsequent agreement was established in 2002 to ensure access from both ends of this evacuation route.

In 2019, residents from CSA 26 voiced concerns about the condition of the evacuation road. Last November, a meeting championed by Supervisor Leopold included representatives from the community, Public Works, Assembly Member Stone's Office, and LAFCO to address this issue and identify a solution. As a result, an extraterritorial service agreement was proposed.

This proposal would allow CSA 26 to provide road maintenance outside its jurisdiction and sphere boundaries as long as it meets certain criteria at the state, local, and administrative level. State law requires an official document from a local agency that determines there is a health and safety issue. CalFire evaluated the evacuation route and their findings indicated that there is, in fact a health and safety issue with the conditions of the evacuation route. The proposal also needs to answer whether there are any other local service providers who could provide road maintenance. The only provider in the area is CSA 26.

At the local level, this Commission has a policy that requires the proposal to answer three questions. One is whether there are facilities already in place. There is an existing road that just needs maintenance and repairs, which CSA 26 can provide. The second question is whether annexation is practical, and the answer is no. The property owner cannot access their parcel from Hidden Valley Road. The third question is whether this proposal meets the statutory criteria under LAFCO law. Based on staff's analysis and findings, the proposal meets all requirements.

Staff received a number of documents to support the application including a health and safety letter from CalFire, a consent form from the property owner, a signed indemnification agreement, and support from Public Works on behalf of CSA 26. The draft resolution has a condition to have the environmental document recorded. It was brought to staff's attention that Public Works has already recorded a Notice of Exemption that fulfills that condition.

This proposal addresses a health and safety issue. Mr. Serrano drove up Hidden Valley Road and noted that the road is very narrow and difficult to navigate in some areas. It is critical that these residents have a secondary route in case of an emergency.

Commissioner Leopold appreciates Mr. Serrano's work and everyone else involved with completing this proposal. When the residents first brought up the issue, it did not seem like there was a way to use the funds in CSA 26 to address the problem. The proposed extraterritorial service agreement addresses this issue. It is money from the residents of Hidden Valley Road who are paying for the repair of the evacuation route. Fire safety is important and having this escape route improved should help in case of a fire.

MOTION AND ACTION

Motion: Leopold Second: R. Anderson	To adopt draft Resolution No. 2020-01 approving extraterritorial service agreement involving CSA 26 (Hidden Valley Road) with updates to the language in Section 2 (Environmental Review). Motion passes with a unanimous voice vote.
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OTHER BUSINESS

APPOINT CHAIR AND VICE-CHAIR FOR 2020

Mr. Serrano reports that the Commission selects a new Chair and Vice-Chair at the beginning of each calendar year. There is no rule of succession or rotation. Historically, the acting Vice-Chair has been elected to be the new Chair.

MOTION AND ACTION

Motion: Leopold Second: Estrada	To appoint Roger Anderson as Chair and Justin Cummings as Vice Chair for 2020. Motion carries by a unanimous vote.
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Chairperson Jim Anderson thanks Mr. Serrano for his assistance. He has enjoyed being Chair.

EXTENSION OF OFFICE LEASE

Mr. Serrano reports that LAFCO has been renting office space at the County Building for over 14 years. The current lease is due to expire in June. There has not been an increase in rent in the last four years. The County's General Services Department is proposing a 6% increase for each of the next two fiscal years in order to align with the other offices in the legislative wing.

Commissioner Roger Anderson thinks easy access to multiple County departments is convenient and the rent is reasonable, even with the proposed increases.

MOTION AND ACTION

Motion: R. Anderson Second: Estrada	To approve extension of office lease for two more years under the current lease with an annual rent rate increase for FY 2020-21 at \$1.65/square foot and FY 2021-22 at \$1.75/square foot. Motion carries by a unanimous vote.
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2019 SANITATION SERVICE AND SPHERE REVIEW – STATUS UPDATE

Mr. Serrano reports that the Commission adopted a service review last October that analyzed 10 sanitation districts. At the direction of the Commission, discussions with the Cities of Santa Cruz and Watsonville were held to see if they were interested in taking over additional sewer responsibilities.

Staff met with the City Manager of Santa Cruz, Martin Bernal, to see if the City was interested in taking over CSA 10. The City is open to taking over CSA 10's sewer responsibilities, but they want to complete an internal analysis to see if it is feasible. Staff will continue discussions with Santa Cruz and provide an update to the Commission later in the year.

Between the City of Watsonville, Salsipuedes Sanitary District and Freedom County Sanitation District, neither of the three are interested in changing the status quo. The City of Watsonville indicated that if the infrastructure for Freedom was increased to City standards, they would be open to taking over sewer responsibilities.

A study has been proposed to analyze Santa Cruz County Sanitation District (SCCSD) becoming its own independent special district. Mr. Serrano was able to get three quotes for such a study ranging from \$15,000 to \$40,000.

Staff analysis in the sanitation review did not find any issues that would warrant a dissolution of this district or a formation of a new independent special district. In fact, consolidations or collaborative efforts were recommended, which is in line with State law and this Commission's adopted policies. After the October meeting, Public Works provided additional information that identified all the significant improvements that have been completed and are currently scheduled. Based upon the initial findings within the service review, the Commission's policies, and the new information provided by Public Works, staff believes this type of study is not needed at this time.

Salsipuedes Sanitary District has a new website as of December 2019. As mentioned in their last service review, State law requires all independent special districts to have their own website by January 1, 2020. Salsipuedes Sanitary District was only one of two districts in the entire County that did not have a website. This reflects how service reviews can add value, be a resource to special districts, and can lead to achievements and success stories.

Commissioner Leopold asks which special district still needs a website.

Mr. Serrano replies that Pajaro Valley Public Cemetery District is currently working on getting their website up and running before the deadline.

Commissioner Roger Anderson notices that there are three estimates in the staff report, but they involve very different scopes of work. He wonders if the three firms were asked about several options, or were the estimates just low bids.

Mr. Serrano answers that an official Request for Proposals (RFP) was not launched. The Commission asked for a cost estimate for this type of study. He reached out to a number of consulting firms that have worked with neighboring LAFCOs to get a cost range. If the Commission would like to move forward with this type of study, then an official RFP would be submitted to get actual scopes from consulting firms.

Commission Roger Anderson asks if the scope of work from each of the firms was what they thought this Commission needed.

Mr. Serrano emailed these firms indicating the type of analysis needed, including an evaluation of the pros and cons in forming a new independent special district.

Commissioner Leopold thinks continuing to work with the City of Santa Cruz about taking over CSA 10 makes sense. He does not think the Commission should move forward with a study about making SCCSD completely independent. He does not know what it would take to get the Freedom Sanitation District system up to the City of Watsonville's standards, but he thinks it would be a positive move in the right direction.

FOCUS AGRICULTURE CLASS OF 2020 APPLICATION REQUEST

Mr. Serrano reports that one of LAFCO's responsibilities is to preserve open space and agricultural lands. To get a better understanding of the farmlands in this County, participating in Focus Agriculture's next class would be beneficial for this Commission and staff. Additionally, the local leaders in that class would also get a better understanding of LAFCO's role in preserving open space and farmlands.

Commissioner Estrada recently completed the Focus Agriculture class. He indicates that agriculture is a big part of the picture in this County and recommends LAFCO's participation.

Commissioner Roger Anderson asks if there are events that bring people from previous Focus Agriculture classes.

Commissioner Estrada answers yes. Towards the end of the class, alumni are invited to network with the current class and share their ideas and best practices.

MOTION AND ACTION

Motion: Estrada Second: Brooks	To approve participation in the next Focus Agriculture class and pay the tuition of \$1,000 for Mr. Serrano, if selected. Motion carries by a unanimous vote.
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WRITTEN COMMUNICATIONS

Mr. Serrano states that there is late correspondence from CALAFCO. It involves a proposed legislative change to Government Code Section 56133(e) regarding extraterritorial service agreements when a public agency provides service to a private landowner or landowners. Under 56133, there are exemptions towards LAFCO approval. If a public agency, such as a city, wants to provide services to another public agency, such as a fire district, that is exempt. Those agencies self-determine their exemption. CALAFCO is considering making changes allowing LAFCO to make that determination whether a contract or an agreement is exempt. This may lead to the introduction of a proposed bill. This Commission may want to consider taking an official position if a bill does come to fruition.

Commissioner Leopold knows there has been ongoing discussions and he thinks organizations should not be able to self-exempt since it can create problems. Clarifying LAFCO's role makes sense and he hopes it will turn into a bill that will pass.

Commissioner Roger Anderson wonders how common "self-determinations" occur and what happens if it involves agencies in different counties. He thinks UC Davis has some of these issues.

Mr. Serrano adds that 56133 has been a contentious issue among LAFCOs around the State. Sometimes LAFCO is not aware of these self-exempted contracts and it is sometimes after the fact that a LAFCO learns about such an agreement. If a bill is introduced and enacted, it would result in additional awareness and input from LAFCOs.

Commissioner Roger Anderson thinks having LAFCO involved is a great idea and is curious who might be for and against this.

ADJOURNMENT

The next LAFCO meeting is scheduled for 9:00 a.m. Wednesday, February 5, 2020.

CHAIRPERSON JAMES W. ANDERSON

Attest:

Joe A. Serrano, Executive Officer



Santa Cruz Local Agency Formation Commission

Date: February 5, 2020
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Personnel Policy Update (LAFCO Project No. CPP 20-03)**

SUMMARY OF RECOMMENDATION

This Commission established a Personnel Policy to ensure that LAFCO staff's performance is routinely evaluated. Previous amendments to the Personnel Policy occurred back in January 2008. LAFCO staff believes that additional modifications to the existing policy is warranted. The proposed modifications include several non-substantive formatting changes, removal of outdated language, and minor clarifications that reflect the Commission's current personnel practices.

It is recommended that the Commission adopt the draft resolution (No. 2020-02) approving the amendments to the Commission's Personnel Policy.

EXECUTIVE OFFICER'S REPORT:

The current Personnel Policy was first adopted on June 7, 2000, specifying a process to review the performance of staff and their compensation. The policy was last revised over 12 years ago when the Commission made minor edits throughout the policy to clarify outdated language (see **Attachment 1**). LAFCO staff recently reviewed the policy with the Personnel Committee and identified additional amendments for Commission consideration. The proposed modifications are shown as tracked changes in **Attachment 2** and summarized below.

Personnel Committee Membership

The Personnel Policy currently establishes a Personnel Committee to evaluate the Executive Officer's performance, which may lead to recommendations for Commission consideration. The policy also indicates that the Personnel Committee members should change at least every two years.

Proposed edits would clarify that the members of the Personnel Committee will have at least a two-year term but may be extended if reaffirmed by the Commission. This revision will ensure that changes to the Personnel Committee will occur when necessary.

Review Schedule

The Personnel Policy currently indicates when the Personnel Committee should conduct performance evaluations and provide recommendations to the Commission for possible salary adjustments. The current timeframe does not align with LAFCO's annual budget preparation. Typically, the Commission considers a draft budget in March and adopts a final budget in May. However, the current Personnel Policy schedules salary adjustments to be considered in June – even though an annual budget may have already been adopted.

Proposed edits would clarify that the performance review process and consideration of salary adjustments will occur before the adoption of the annual budget. This revision will ensure that the Commission's annual budget accurately reflects recent salary changes, earmarks proper funding accordingly, and prevents the need for possible mid-year budget adjustments.

Policy Format

The Commission currently has 20 different policies in place. Most of these policies have different formatting structures on how it displays the information. Proposed edits would establish a new modern format that will be replicated when updating the other policies. These scheduled revisions will create consistency among all of the Commission's adopted policies.

STAFF RECOMMENDATION

The primary reason for the proposed amendments is to clarify the Commission's personnel practices that are already in place, but they are not necessarily reflected in the current policy. Therefore, staff and the Personnel Committee are recommending that the Commission adopt the attached resolution (see **Attachment 3**) and approve the changes made to the Commission's Personnel Policy. The attached resolution includes a "clean" version of the amended policy, without the tracked changes.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. Personnel Policy (Current Version)
2. Personnel Policy (Proposed Version with tracked changes)
3. Draft Resolution No. 2020-02 (with "clean version" of policy as Exhibit A)



SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION

PERSONNEL POLICY

Adopted June 7, 2000

Revised January 9, 2008

1. Personnel evaluations of the Executive Officer will be made at least annually by the Commission. To assist in this process, in February of each year, the Executive Officer will submit to the Commission a report documenting his or her accomplishments for the prior year and his or her goals for the upcoming year. This report, and any other pertinent information, will be reviewed by the Personnel Committee and forwarded to the Commission with its recommendation.
2. Personnel evaluations of the Executive Officer will be made annually by the Commission at the April meeting.
3. Personnel evaluations of staff personnel other than the Executive Officer will be made by the Executive Officer.
4. The Personnel Committee will include its annual report on staff salaries and benefits on the agenda of the May meeting.
5. At the June meeting, the Commission will consider a salary adjustment for staff to bring staff salaries into alignment with other comparable positions. This review may include a report by a personnel consultant when indicated.
6. Personnel Committee membership should include the Chair and should change at least every two years.



~~SANTA CRUZ~~ LOCAL AGENCY FORMATION
COMMISSION
OF SANTA CRUZ COUNTY

PERSONNEL POLICY

Adopted on June 7, 2000 (Resolution No. 2000-4)

Revised on January 9, 2008 (Resolution No. 2008-3)

Last Revision on February 5, 2020 (Resolution No. 2020-02)

1. PERFORMANCE EVALUATION – LAFCO STAFF

Evaluations of staff personnel other than the Executive Officer will be made by the Executive Officer on an annual basis. To assist in this process, staff will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Executive Officer for review and discussion. The Executive Officer's review of this report will be conducted by December of each year.

2. PERFORMANCE EVALUATION – EXECUTIVE OFFICER

Personnel evaluations of the Executive Officer will be made ~~at least annually~~ by the Commission on an annual basis. To assist in this process, ~~in February of each year,~~ the Executive Officer will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Personnel Committee for review and discussion. The Personnel Committee's review of this report will be conducted by January of each year.

3. COMMISSION REVIEW

All performance evaluations, and any other pertinent information, will be forwarded to the Commission for their review and consideration at the February meeting of each year to the Commission a report documenting his or her accomplishments for the prior year and his or her goals for the upcoming year. In accordance to Government Code Sections 54957 and 54957.6, staff's performance evaluations will be discussed in a closed session. This report, and any other pertinent information, will be reviewed by the Personnel Committee and forwarded to the Commission with its recommendation.

1. SALARY ADJUSTMENTS ~~Personnel evaluations of the Executive Officer will be made annually by the Commission at the April meeting.~~

4.

Following the Commission's review and consideration of staff's performance evaluations,

~~Personnel evaluations of staff personnel other than the Executive Officer will be made by the Executive Officer.~~

~~The Personnel Committee will include its annual report on staff salaries and benefits on the agenda of the May meeting. the Personnel Committee will provide an annual~~

report on staff salaries and benefits at the March meeting of each year. At this time, the Commission may consider possible salary adjustments

At the June meeting, the Commission will consider a salary adjustment for staff to bring staff salaries into alignment with other comparable positions or as compensation for their job performance. This review may include a report by a personnel consultant, when indicated.

5. PERSONNEL COMMITTEE MEMBERSHIP

The members of the Personnel Committee will have at least a two-year term but may be extended if reaffirmed by the Commission. At least two Commissioners should be on the Personnel Committee. The current LAFCO Chair is encouraged to be part this committee. Personnel Committee membership should include the Chair and should change at least every two years.

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
RESOLUTION NO. 2020-02

On the motion of Commissioner
duly seconded by Commissioner
the following resolution is adopted:

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
APPROVING THE AMENDMENTS TO THE PERSONNEL POLICY

WHEREAS, on June 7, 2000, this Commission adopted a Personnel Policy specifying a process to review staff's performance and staff's salaries and benefits; and

WHEREAS, on January 9, 2008, the Commission amended the policy based on recommendations from the Personnel Committee; and

WHEREAS, on January 21, 2020, the Personnel Committee reviewed the current policy and identified additional modifications for Commission consideration during the February 5th Regular LAFCO Meeting; and

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby amends its Personnel Policy, as shown in Exhibit A, to include several non-substantive changes, remove outdated language, and reflect the Commission's current personnel practices.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 5th day of February 2020.

AYES:

NOES:

ABSENT:

ROGER W. ANDERSON, CHAIRPERSON

Attest:

Approved as to form:

Joe A. Serrano
Executive Officer

Daniel H. Zazueta
LAFCO Counsel



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

PERSONNEL POLICY

Adopted on June 7, 2000 (Resolution No. 2000-4)

Revised on January 9, 2008 (Resolution No. 2008-3)

Last Revision on February 5, 2020 (Resolution No. 2020-02)

1. PERFORMANCE EVALUATION – LAFCO STAFF

Evaluations of staff personnel other than the Executive Officer will be made by the Executive Officer on an annual basis. To assist in this process, staff will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Executive Officer for review and discussion. The Executive Officer's review of this report will be conducted by December of each year.

2. PERFORMANCE EVALUATION – EXECUTIVE OFFICER

Personnel evaluations of the Executive Officer will be made by the Commission on an annual basis. To assist in this process, the Executive Officer will submit a report documenting their accomplishments from the prior year and their goals for the upcoming year to the Personnel Committee for review and discussion. The Personnel Committee's review of this report will be conducted by January of each year.

3. COMMISSION REVIEW

All performance evaluations, and any other pertinent information, will be forwarded to the Commission for their review and consideration at the February meeting of each year. In accordance to Government Code Sections 54957 and 54957.6, staff's performance evaluations will be discussed in a closed session.

4. SALARY ADJUSTMENTS

Following the Commission's review and consideration of staff's performance evaluations, the Personnel Committee will provide an annual report on staff salaries and benefits at the March meeting of each year. At this time, the Commission may consider possible salary adjustments to bring staff salaries into alignment with other comparable positions or as compensation for their job performance. This review may include a report by a personnel consultant, when indicated.

5. PERSONNEL COMMITTEE MEMBERSHIP

The members of the Personnel Committee will have at least a two-year term but may continue if reaffirmed by the Commission. At least two Commissioners should be on the Personnel Committee. The current LAFCO Chair is encouraged to be part this committee.



Santa Cruz Local Agency Formation Commission

Date: February 5, 2020
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Financial Policy Update (LAFCO Project No. CPP 20-04)**

SUMMARY OF RECOMMENDATION

This Commission established a Financial Policy in June 2004 to formalize LAFCO's accounting procedures and identify internal controls. No changes or modifications have occurred since its original adoption. LAFCO staff believes that additional modifications to the existing policy is warranted. The proposed modifications include several non-substantive formatting changes, removal of outdated language, and minor clarifications that reflect the Commission's current financial practices.

It is recommended that the Commission adopt the draft resolution (No. 2020-03) approving the amendments to the Commission's Financial Policy.

EXECUTIVE OFFICER'S REPORT:

The current Financial Policy was first adopted on June 2, 2004 to provide an overview of the accounting policies and procedures applicable to LAFCO. The policy has remained unchanged for over 15 years (see **Attachment 1**). LAFCO staff recently reviewed the policy and has identified potential amendments for Commission consideration. The proposed modifications are shown as tracked changes in **Attachment 2** and summarized below.

Policy Format

The Commission currently has 20 different policies in place. Most of these policies have different formatting structures. Proposed edits would continue a new modern format that was first introduced in the 2020 version of the Personnel Policy and will be replicated when updating the other policies. If approved, the revisions will create consistency among all of the Commission's adopted policies.

Budget Preparation

State law requires LAFCO to adopt a final budget no later than June 15 of each year. The current policy addresses the state mandate but does not account for other factors that may affect the budget preparation. Proposed edits would include a time frame when performance evaluations and potential salary adjustments should occur. If approved, the revisions will ensure that financial changes, such as salary increases, are part of the budgetary process.

STAFF RECOMMENDATION

The primary reason for the proposed amendments is to clarify the Commission's financial practices that are already in place, but not necessarily reflected in the current policy. Therefore, staff is recommending that the Commission adopt the attached resolution (see **Attachment 3**) and approve the changes made to the Commission's Financial Policy. The attached resolution includes a "clean" version of the amended policy, without the tracked changes.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. Financial Policy (Current Version)
2. Financial Policy (Proposed Version with tracked changes)
3. Draft Resolution No. 2020-03 (with "clean version" of policy as Exhibit A)

Financial Policies

EXHIBIT A
SANTA CRUZ LAFCO RESOLUTION NO. 2004-10
ADOPTED JUNE 2, 2004

1. OVERVIEW

It is the policy of Santa Cruz LAFCO to follow ethical, responsible, and reasonable procedures related to purchasing, claims, auditing, money management, and other financial matters.

2. USE OF COUNTY FINANCIAL OFFICES, POLICIES AND PROCEDURES

It is the policy of Santa Cruz LAFCO to utilize the offices, policies, and procedures of the County of Santa Cruz in the conduct of LAFCO’s financial matters.

2.1 LAFCO shall follow “Title 1—Financing and Accounting Policies and Procedures” of the County of Santa Cruz Policies and Procedures Manual except as specified in LAFCO’s policies. LAFCO is an independent agency; therefore, neither the Board of Supervisors nor the County Administrative Officer has any authority over LAFCO’s financial matters. The County Policies and Procedures shall be translated to LAFCO’s Policies and Procedures by the following substitutions:

<u>County of Santa Cruz</u>	<u>Santa Cruz LAFCO</u>
Board of Supervisors	LAFCO Commission
County Administrative Officer	Executive Officer
Department Head	Executive Officer
Purchasing Agent	Executive Officer

2.2 LAFCO shall use the Santa Cruz County Auditor-Controller for the following functions:

- Claims and warrants
- Petty cash
- Payroll and deductions
- Collection of county, city, and independent district contributions to the LAFCO budget as required by Government Code Section 56381
- Maintenance of the LAFCO trust fund
- Audit.

- 2.3 For procuring goods and services, LAFCO shall follow the most recent edition of the County of Santa Cruz, Purchasing Policy Manual.
- 2.4 LAFCO staff may choose to either use the purchasing services of the Santa Cruz County General Services Department, or may make direct purchases. In the case of direct purchases, the staff will follow to the extent possible the County of Santa Cruz, Purchasing Policy Manual, with the Executive Officer functioning as the Purchasing Agent.

3. AUTHORIZATIONS

It shall be the responsibility of the Executive Officer to authorize expenditures of funds within the framework and limitations of the budget adopted by the Commission.

- 3.1 Payroll—When payroll is due to be filed with the Auditor-Controller and the Executive Officer is absent from the office, the Secretary-Clerk shall attempt to contact the Executive Officer. The Secretary-Clerk may sign the payroll if either:

- The Executive Officer authorizes the payroll amounts verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization; or

- The Executive Officer cannot be contacted, and the Secretary-Clerk presents the payroll to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

- 3.2 Claims—When an urgent claim is due and the Executive Officer is absent from the office, the Secretary-Clerk shall attempt to contact the Executive Officer. The Secretary-Clerk may sign the urgent claim if either:

- The Executive Officer authorizes the urgent claim amount verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization, or

- The Executive Officer cannot be contacted, and the Secretary-Clerk presents the urgent claim to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

As used in this section, “urgent claim” means a valid claim for which LAFCO would incur a late payment penalty of \$25 or more if the claim were not submitted to the Auditor-Controller on that work day.

- 3.3 Upon returning to the office or becoming available electronically, the Executive Officer shall review any payroll or urgent claim that was authorized by the Secretary-Clerk, separately sign the payroll or claim, and take any necessary actions to correct any errors or oversights.

4. EXPENSES AND TRAVEL

Commissioners, alternates, employees, and staff shall be entitled to reimbursement for all actual and necessary expenses incurred in the transaction of Commission business, including participation on the CALAFCO board and CALAFCO committees, in accordance with the following provisions:

- 4.1 The commissioners and alternates shall receive \$50.00 per meeting in order to help defray the costs of attending the meetings.
- 4.2 Commissioners, alternates, employees, and staff shall be reimbursed in conformance with current County policy for out-of-county travel, meals, and related expenses incurred while on Commission business.
- 4.3 Commissioners, alternates, employees, and staff shall be reimbursed for authorized use of their private automobiles in conformance with current County policy.
- 4.4 Travel reimbursements for lodging at rates higher than County policy shall be permitted when commissioners, alternates, employees, and staff stay at the host facility for the CALAFCO meeting.
- 4.5 As used in this section, “staff” means the LAFCO Counsel or the LAFCO Counsel’s back-up attorney when either is traveling on LAFCO business.
- 4.6 No travel expenses shall be reimbursable unless authorized by the Executive Officer.
- 4.7 For day meetings of the commission that are expected to last more than four hours, or for any night meetings, the commission authorizes expenses not to exceed \$5 per attending commissioner and alternate for light refreshments (coffee, bottled water, soft drinks, cookies, etc.)

5. BUDGET

LAFCO shall prepare an annual budget in conformance with Government Code Section 56381.

- 5.1 Government Code Section 56381 provides that LAFCO adopt a proposed budget no later than May 1 of each year. In order to get an early start on the budget and allow for careful consideration of the budget options, the Executive Officer will deliver a proposed budget no later than March 10th of each year.



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

FINANCIAL POLICY

Adopted on June 2, 2004 (Resolution No. 2004-10)

Last Revision on February 5, 2020 (Resolution No. 2020-

03) **Financial Policies**

EXHIBIT A

SANTA CRUZ LAFCO RESOLUTION NO. 2004-10

ADOPTED JUNE 2, 2004

1. OVERVIEW

1.

It is the policy of Santa Cruz LAFCO to follow ethical, responsible, and reasonable procedures related to purchasing, claims, auditing, money management, and other financial matters. The following accounting discussion is intended to provide an overview of the accounting policies and procedures applicable to LAFCO. This policy documents the financial operations of the organization. Its primary purpose is to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

2. USE OF COUNTY FINANCIAL OFFICES, POLICIES AND PROCEDURES

2.

It is the policy of Santa Cruz LAFCO to utilize the offices, policies, and procedures of the County of Santa Cruz in the conduct of LAFCO's financial matters.

2.1 — Santa Cruz County Policies and Procedures Manual

LAFCO shall follow "Title 1—Financing and Accounting Policies and Procedures" of the County of Santa Cruz Policies and Procedures Manual, except as specified in LAFCO's policies. LAFCO is an independent agency; therefore, neither the Board of Supervisors nor the County Administrative Officer has any authority over LAFCO's financial matters. The County Policies

and Procedures shall be translated to LAFCO's Policies and Procedures by the following substitutions:

<u>County of Santa Cruz</u>	<u>Santa Cruz LAFCO</u>
<u>Board of Supervisors</u>	<u>LAFCO Commission</u>
<u>County Administrative Officer</u>	<u>LAFCO Executive Officer</u>
<u>Department Head</u>	<u>LAFCO Executive Officer</u>
<u>Purchasing Agent</u>	<u>LAFCO Executive Officer</u>

~~County of Santa Cruz~~ Santa Cruz LAFCO
~~Board of Supervisors~~ LAFCO Commission
~~County Administrative Officer~~ Executive Officer
~~Department Head~~ Executive Officer
~~Purchasing Agent~~ Executive Officer **2.2**

Santa Cruz County Auditor-Controller

LAFCO shall use the Santa Cruz County Auditor-Controller for the following functions:

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- ~~• Claims and warrants;~~
- ~~•~~
- ~~• Petty cash;~~
- ~~•~~
- ~~• Payroll and deductions~~
- ~~•~~
- ~~• Collection of county, city, and independent district contributions to the LAFCO budget as required by Government Code Section 56381;~~
- ~~•~~
- ~~• Maintenance of the LAFCO trust fund; and~~
- ~~•~~
- Audits.

2.3 Santa Cruz County Purchasing Policy Manual

For procuring goods and services, LAFCO ~~shall~~ may follow the most recent edition ~~of~~ of the County of Santa Cruz, Purchasing Policy Manual.

LAFCO staff may choose to either use the purchasing services of the Santa Cruz County General Services Department, or may make direct purchases. In the case of direct purchases, ~~the LAFCO~~ staff will follow to the extent possible the County's ~~of Santa Cruz~~, Purchasing Policy Manual, with the Executive Officer functioning as the Purchasing Agent.

3. AUTHORIZATIONS

It shall be the responsibility of the Executive Officer to authorize expenditures of funds within the framework and limitations of the budget adopted by the Commission.

3.1 Payroll—

When payroll is due to be filed with the Auditor-Controller and the Executive Officer is absent from the office, the Secretary-Clerk shall attempt to contact the Executive Officer. The Secretary-Clerk may sign the payroll if either:

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- ~~—~~The Executive Officer cannot be contacted, and the Secretary-Clerk presents the payroll to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

3.2 Claims—

When an urgent claim is due and the Executive Officer is absent from the office, the Secretary-Clerk ~~shall attempt to contact the Executive Officer~~may utilize LAFCO's designated County Administrative Office (CAO) representative to address the claim. If the Executive Officer and the CAO representative are unavailable, ~~the~~ Secretary-Clerk may sign the urgent claim if either:

- ~~--~~The Executive Officer authorizes the urgent claim amount verbally or by e-mail, and the Secretary-Clerk keeps a written record of the authorization, or

- --The Executive Officer cannot be contacted, and the Secretary-Clerk presents the urgent claim to the Executive Officer as soon as possible after the Executive Officer becomes available in the office or electronically.

As used in this section, "urgent claim" means a valid claim for which LAFCO would incur a late payment penalty of \$25 or more if the claim were not submitted to the Auditor-Controller on that work day.

3.3 Executive Officer Follow-up Action(s)

Upon returning to the office or becoming available electronically, the Executive Officer shall review any payroll or urgent claim that was authorized by the Secretary-Clerk, separately sign the payroll or claim, and take any necessary actions to correct any errors or oversights.

4. EXPENSES AND TRAVEL

Commissioners, ~~alternates~~ (regular and alternate members), employees, and staff shall be entitled to reimbursement for all actual and necessary expenses incurred in the transaction of Commission business, including participation on the CALAFCO board and CALAFCO committees, in accordance with the following provisions:

4.1 Stipends

~~The commissioners and alternates~~ Regular and Alternate Commissioners shall receive \$50.00 per meeting in order to help defray the costs of attending the meetings.

4.2 Travel Expenses

~~Commissioners, alternates,~~ Regular and Alternate Commissioners, employees, and staff shall be reimbursed in conformance with current County policy for out-of-county travel, meals, and related expenses incurred while on Commission business.

4.3 Mileage Reimbursement

~~Commissioners, alternates,~~ Regular and Alternate Commissioners, employees, and staff shall be reimbursed for authorized use of their private automobiles in conformance with current County policy.

4.4 Lodging Expenses

~~Travel~~ reimbursements for lodging at rates higher than County policy shall be permitted when ~~commissioners, alternates,~~ Commissioners (Regular and Alternate), employees, and staff stay at the host facility for ~~the~~ CALAFCO events, including but not limited to, meetings, workshops, and conferences ~~meeting.~~

4.5 Staff Definition

As used in this section, “staff” means the LAFCO Counsel or the LAFCO Counsel’s back-up attorney when either is traveling on LAFCO business.

4.6 Reimbursement Authorization

No travel expenses shall be reimbursable unless authorized by the Executive Officer.

4.7 Extended Meeting Expenses

For day meetings of the ~~e~~C~~ommission~~ that are expected to last more than four hours, or for any night meetings, the ~~e~~C~~ommission~~ authorizes expenses not to exceed \$5 per attending ~~commissioner and alternate~~Commissioners for light refreshments (coffee, bottled water, soft drinks, cookies, etc.)

5. BUDGET

Government Code Section 56381 indicates that LAFCO shall adopt a proposed budget no later than May 1 and a final budget no later than June 15. LAFCO shall prepare an annual budget in conformance with Government Code Section 56381.

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~~Government Code Section 56381 provides that LAFCO adopt a proposed budget no later than May 1 of each year. In order to get an early start on the budget and allow for careful consideration of the budget options, the Executive Officer will deliver a proposed budget no later than March 10th of each year.~~

5.1 Performance Evaluations

Completion of staff’s performance evaluation, as outlined in the Personnel Policy, should be completed by February of each year.

5.2 Salary & Benefit Adjustments

Following the Commission’s review and consideration of staff’s performance evaluation, any adjustments to their salaries and benefits should occur by March of each year.

5.3 Proposed Budgets

The Commission should consider adopting a draft budget by April of each year. Copies of the draft budget, with the proposed allocation breakdown, should be shared with the funding agencies for review and comments.

5.4 Final Budgets

The Commission should consider adopting a final budget by May of each year. Copies of the final budget, with the final allocation breakdown, should be shared with the funding agencies for their records.

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
RESOLUTION NO. 2020-03

On the motion of Commissioner
duly seconded by Commissioner
the following resolution is adopted:

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
APPROVING THE AMENDMENTS TO THE FINANCIAL POLICY

WHEREAS, on June 4, 2004, this Commission adopted a Financial Policy to formalize LAFCO's accounting procedures and identify internal controls; and

WHEREAS, on February 5, 2020, this Commission has determined that amendments to the existing policy is warranted; and

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby amends its Financial Policy, as shown in Exhibit A, to include several non-substantive changes, remove outdated language, and reflect the Commission's current financial practices.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 5th day of February 2020.

AYES:

NOES:

ABSENT:

ROGER W. ANDERSON, CHAIRPERSON

Attest:

Approved as to form:

Joe A. Serrano
Executive Officer

Daniel H. Zazueta
LAFCO Counsel



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

FINANCIAL POLICY

Adopted on June 2, 2004 (Resolution No. 2004-10)

Last Revision on February 5, 2020 (Resolution No. 2020-03)

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Completion of staff's performance evaluation, as outlined in the Personnel Policy, should be completed by February of each year.

5.2 Salary & Benefit Adjustments

Following the Commission's review and consideration of staff's performance evaluation, any adjustments to their salaries and benefits should occur by March of each year.

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The Commission should consider adopting a draft budget by April of each year. Copies of the draft budget, with the proposed allocation breakdown, should be shared with the funding agencies for review and comments.

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The Commission should consider adopting a final budget by May of each year. Copies of the final budget, with the final allocation breakdown, should be shared with the funding agencies for their records.



Santa Cruz Local Agency Formation Commission

Date: February 5, 2020
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Personnel Committee Membership**

SUMMARY OF RECOMMENDATION

The Commission's Personnel Policy establishes a Personnel Committee to evaluate the Executive Officer's performance, which may lead to recommendations for Commission consideration. The current members of the Personnel Committee is Commissioner John Leopold and Chair Roger Anderson.

It is recommended that the Commission reaffirm the current members on the Personnel Committee.

EXECUTIVE OFFICER'S REPORT

The Commission utilizes a Personnel Committee to lead the review of the Executive Officer's performance and to recommend any changes to the compensation provided to LAFCO staff (Executive Officer and Secretary-Clerk). The last Personnel Committee was appointed on February 6, 2019. The following table identifies the previous Personnel Committee members since 2016. The policy indicates that the Personnel Committee membership should include the Chair.

Year	Commissioner #1	Commissioner #2
2016	John Leopold	Jim Anderson
2017	John Leopold	Jim Anderson
2018	John Leopold, Chair	Jim Anderson
2019	Roger Anderson	John Leopold
2020 (Proposed)	Roger Anderson, Chair	John Leopold

As the table shows above, the Chair was on the Personnel Committee only once during the last 4 years. Roger Anderson was recently appointed as the Chair and is currently on the Personnel Committee. Staff is recommending that the Commission reaffirm the current Personnel Committee membership for an additional year. The Commission may consider changing the membership at this time or wait until the end of the two-year cycle.

Respectfully Submitted,

Joe A. Serrano
Executive Officer



Santa Cruz Local Agency Formation Commission

Date: February 5, 2020
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Regular & Alternate Public Member Selection Process**

SUMMARY OF RECOMMENDATION

The terms of the Regular and Alternate Public Members end on May 4, 2020. The next term cycle will last until May 2024. State law and the Commission's Public Member Selection Policy outline a process to make the necessary appointments.

It is recommended that the Commission direct the Executive Officer to begin the selection process and advertise the upcoming seat openings in accordance to Government Code Section 56325(d).

EXECUTIVE OFFICER'S REPORT

Government Code Section 56325 states that the Regular and Alternate Public Members be appointed by a majority vote of the Commission (two city members, two county members, and two district members). Potential candidates must get at least one vote from a commissioner of each of these appointing categories. State law also indicates that the public member candidates cannot be employees or officers of public agencies within the county, including cities, special districts, or Santa Cruz County (Government Code Section 56331).

In addition to the statutory provisions, this Commission has adopted a policy that specifies the appointment process. The following table summarizes the process. As shown below, the first step is to receive Commission direction to advertise the upcoming vacancies in at least two newspapers. This notification will also be posted on the LAFCO website. LAFCO staff intends to publish the notice on Monday, February 10 and set Friday, March 13 as the deadline to submit applications. **Attachment 1** provides the draft public notice.

Task	Deadline
Step 1: LAFCO Meeting (Vacancy Notification)	Wednesday, February 5
Step 2: Advertise Vacancies (Application Deadline Begins)	Monday, February 10
Step 3: Compile List of Candidates (Application Deadline Ends)	Friday, March 13
Step 4: LAFCO Meeting (Review List of Candidates)	Wednesday, April 1
Step 5: LAFCO Meeting (Oath of Office or Candidate Interviews)	Wednesday, May 6

After the deadline ends, the Commission will receive an overview of each candidate at the April 1st Meeting. The Commission may select the regular and alternate public members at that time or schedule an interview of each candidate during an open session at the next regularly scheduled meeting (May 6).

In the interim, staff will provide periodic updates to the Commission throughout the selection process.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachment: Public Member Selection Process – Draft Public Notice



**CALL FOR APPLICATIONS
LOCAL AGENCY FORMATION COMMISSION
REGULAR AND ALTERNATE PUBLIC MEMBER SEATS**

Applications are being accepted for two upcoming vacancies with the Local Agency Formation Commission of Santa Cruz County (LAFCO). The two openings are for the Regular and Alternate Public Member seats. Each position has a four-year term beginning May 2020.

Any person wishing to apply for either of these positions should download an application from LAFCO's website (www.santacruzlafco.org) or request a hard copy from the LAFCO Office. The deadline for submitting an application to LAFCO is **Friday, March 13 by 4:00pm**.

The Commission, which is established by state law, has regulatory power over the formation and boundary changes of cities and special districts.

Any person appointed to the position must be a resident and a registered voter of Santa Cruz County. Additionally, the appointee cannot be an officer or employee of a public agency within the county, including cities, special districts, or Santa Cruz County.

Questions may be directed to the Executive Officer at 831-454-2055 or via email (joe@santacruzlafco.org). Completed and signed applications can be mailed to LAFCO (701 Ocean Street, Room 318-D, Santa Cruz CA 95060) or scanned and emailed to info@santacruzlafco.org.

A handwritten signature in blue ink, appearing to read 'Joe A. Serrano'.

Joe A. Serrano
Executive Officer
Date: February 10, 2020



Santa Cruz Local Agency Formation Commission

Date: February 5, 2020
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Comprehensive Quarterly Report – Second Quarter (FY 2019-20)**

SUMMARY OF RECOMMENDATION

This report provides an overview of projects currently underway, the status of the Commission's Work Program and Annual Budget, and information regarding staff's recent outreach efforts. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

EXECUTIVE OFFICER'S REPORT

The Cortese-Knox-Hertzberg Act delegates LAFCOs with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. The following sections summarize how several of these statutory mandates are being met through the consideration of boundary changes, development of several service reviews, and staff's ongoing collaboration with local agencies.

Active Proposals

Santa Cruz LAFCO currently has three active applications:

- **Roaring Camp Annexation (Project No. 967)**: This application was initiated by petition and proposes to annex approximately 170 acres to the San Lorenzo Valley Water District. The purpose of the annexation is for the provision of water services to an unincorporated area, commonly known as Roaring Camp.

Latest Status: LAFCO staff is waiting for several documents from the applicant in order to deem the application complete. Pending items include an environmental document, map and legal description, and clarification of whether additional parcels will be included as part of the annexation.

- **"Central & Aptos/La Selva Fire Consolidation" (Project No. DC 20-02)**: This application was initiated by the two affected districts as a joint application. In accordance to the Cortese-Knox-Hertzberg Act, if substantially similar resolutions are adopted making proposals for consolidation, the Commission shall approve, or conditionally approve, the proposal (Government Code Section 56853[a]).

The proposal area involves the existing jurisdictional boundaries of both fire districts, which encompasses approximately 25,000 acres and includes over 30,000 parcels. The applicants are not proposing any additional changes to their boundaries other than consolidating both districts into a new single "successor" agency.

The purpose of the application is to facilitate the efficient delivery of fire protection to individual and property owners within the affected territory. If approved, the consolidation will preserve the current levels of service, maintain local demand expectations, and continue the existing funding sources.

Latest Status: LAFCO staff distributed a referral letter to all affected and interested local agencies to solicit comments on the proposal. A letter was also sent out to the applicants that lists all the steps and information needed to deem the project complete and ready for Commission consideration. The proposal is tentatively scheduled for Commission consideration during the April 1st Regular LAFCO Meeting.

- **“Pasatiempo Drive/Clubhouse Road Annexation” (Project No. DA 20-06):** This application was initiated by petition and proposes to annex approximately 42 acres to County Service Area 10. The purpose of the annexation is for the provision of sewer services two existing buildings within the Pasatiempo Golf Course.

Latest Status: This application is in the preliminary stage of the LAFCO process. Staff has recently completed the initial analysis and letters to the applicant and affected/interested agencies were sent out in late-January.

Multi-Year Work Program (Service Reviews)

The multi-year work program adopted by the Commission identifies 4 separate service reviews to be completed by the end of the calendar year. Below is a status update on each scheduled review.

1. **CSA 60** – This County Service Area was formed in 2015 for the purpose of providing funds towards a bridge replacement, road maintenance, and common area maintenance for an unincorporated community in Brookdale known as Huckleberry Island. LAFCO staff is currently working with the County’s Public Works Department on this report.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission on March 4.

2. **CSA 9 (including all zones)** – This County Service Area was formed in 1968 to provide County Public Works services to unincorporated communities. Such services include road maintenance, street lighting, street sweeping, landscaping maintenance, school crossing guards, refuse disposal, recycling, trash transfer, and landfill operations.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission on May 6.

3. **Pajaro Valley Public Cemetery District** – This cemetery district was formed in 1955 to provide efficient, cost effective burial services for the community and provide maintenance to the cemeteries.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission on August 5.

4. **San Lorenzo Valley Water District** – This water district was formed in 1941 and currently provides water service to over 7,000 connections in the communities of Boulder Creek, Brookdale, Ben Lomond, Felton, Zayante, and southern Scotts Valley.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission on November 4.

Budget Report

The second quarter of Fiscal Year 2019-20 ended on December 31, 2019. During this 3-month period, the Commission received approximately \$6,300 in revenue. This amount is primarily from interest earned and the recent application fee for the proposed fire consolidation. 99% of the anticipated revenue for the entire year has already been collected. During the same second quarter period, the Commission incurred \$84,445 in total expenses. Approximately 30% of the estimated costs for the entire year has been accrued. The following table shows a breakdown of LAFCO's financial performance during the first and second quarter.

	FY 19-20 (1st Quarter)	FY 19-20 (2nd Quarter)	Amount from Reserves	Total Amount (as of 12/31)	FY 19-20 Adopted Budget	Percentage (Accrued vs. Budget)
Total Revenue	\$402,320	\$6,381	\$249,500	\$658,202	\$662,400	99%
Total Expense	<u>\$108,222</u>	<u>\$84,445</u>	-	<u>\$192,667</u>	<u>\$662,400</u>	29%
Difference	\$294,098	\$(78,064)	\$249,500	\$465,535	-	-

A more detailed review of LAFCO's financial performance during the first and second quarter is attached to this report (refer to **Attachment 1**).

Recent & Upcoming Meetings

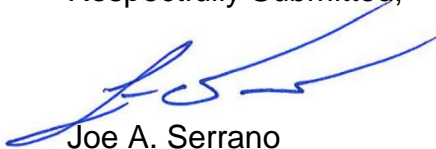
LAFCO staff values the benefits from collaborating with local agencies, members of the public, and other LAFCOs that explore and initiate methods to improve efficiency in the overall delivery of municipal services. During the months of October to December, LAFCO staff met with local representatives to discuss potential and/or upcoming LAFCO projects. A summary of those and more recent meetings are discussed below.

1. **Bay Area LAFCO Clerks Workshop:** Staff participated in the first Bay Area LAFCO Clerks Group Workshop on October 11. As the host, Santa Cruz LAFCO presented on a number of topics including statutory deadlines, how to fully utilize Microsoft Excel, and methods to improve administrative and analytical skills as a LAFCO employee.

2. **City of Santa Cruz:** Staff met with City Manager Martin Bernal on October 15 to discuss the sanitation service review and the City's interest in taking over sewer responsibilities from CSA 10.
3. **Fire Consolidation:** Staff met with Chief Lowe on October 16 to discuss the application for the proposed consolidation between Central and Aptos/La Selva FPDs.
4. **UCSC Long Range Plan Workshop:** Staff attended the October 21 community workshop hosted by UCSC to discuss the proposed 2040 Long Range Development Plan. Staff informed UCSC representatives that one of the two proposed development options is outside city limits and may require LAFCO action.
5. **Salsipuedes Sanitary District:** Staff presented the adopted sanitation service review to the Salsipuedes Board of Directors on October 23. The presentation was well-received, and the Board appreciated the Commission's analysis and findings within the report.
6. **City Selection Committee:** Staff attended the City Selection Committee on November 8. This was an opportunity for the Executive Officer to introduce himself and provide updates on LAFCO matters that may interest the city managers, including the Commission's recent adoption of a rotation schedule when a city seat becomes available on LAFCO.
7. **CSA 26:** Staff participated in a stakeholder meeting with local leaders and CSA 26 residents on November 14. This meeting allowed the stakeholders to discuss the community's concerns regarding an evacuation road outside CSA 26. This meeting led to the successful approval of an extraterritorial service agreement by the Commission in January.
8. **CALAFCO Staff Workshop:** Staff participated in a conference call on January 13 to discuss a breakout session at this year's CALAFCO Staff Workshop. LAFCO's Executive Officer has been invited to be a guest speaker at this March 26 session, which will focus on how LAFCOs around the state conduct financial analyses within service reviews.
9. **Community Water Center:** Staff met with representatives of a non-profit organization on January 14. Community Water Center acts as a catalyst for community-driven water solutions through organizing, education, and advocacy in California. **Attachment 2** provides information on one of several resources offered by the organization. This meeting was spearheaded by Commissioner Estrada.
10. **San Lorenzo Valley Water District:** Staff met with representatives from San Lorenzo Valley Water District on January 17 to discuss the upcoming service review. This was an opportunity for the Executive Officer to introduce himself and provide an overview of the service review process.
11. **Personnel Committee:** Staff met with the Personnel Committee (Chair Roger Anderson and Commissioner Leopold) on January 21 to discuss staff's performance in 2019 and their potential goals for 2020.

12. Connecting the Drops: Staff met representatives from the County and the Regional Water Management Foundation on January 24 to discuss this year's upcoming Connecting the Drops Forum. LAFCO has previously assisted in this one-day event back in 2016 and 2018.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. LAFCO FY 2019-20 Budget Review (second quarter)
2. Community Water Center Brochure

LAFCO Budget - Fiscal Year 2019-20
Actuarial Data (by quarter)

5C: ATTACHMENT 1

FISCAL YEAR 2019-20	FY 19-20 First Qtr (Jul - Sep)	FY 19-20 Second Qtr (Oct - Dec)	FY 19-20 Adopted Budget	Difference (\$)	Budget Line Item Notes
REVENUES DESCRIPTION					
Interest	\$ 2,635	\$ 3,086	\$ 6,000	\$ 279	Anticipated Funds
Contributions from Other Govt Agencies	\$ 399,300	\$ -	\$ 399,300	\$ -	All Dues Received
LAFC Processing Fees	\$ -	\$ 2,750	\$ 6,500	\$ 3,750	Anticipated Funds
Medical Charges-Employee	\$ 386	\$ 546	\$ 1,000	\$ 69	Anticipated Funds
Copy Charges	\$ -	\$ -	\$ 100	\$ 100	Anticipated Funds
Re-budget from Fund Balance	\$ -	\$ -	\$ 249,500	\$ 249,500	Net Position Funds (if needed)
TOTAL REVENUES	\$ 402,320	\$ 6,381	\$ 662,400	\$ 260,080	Anticipated Funds in Total Revenue
EXPENDITURES DESCRIPTION					
Regular Pay	\$ 42,962	\$ 46,310	\$ 245,400	\$ 156,128	Remaining Funds
Overtime Pay	\$ -	\$ -	\$ 1,000	\$ 1,000	Remaining Funds
Extra Help	\$ -	\$ -	\$ 1,000	\$ 1,000	Remaining Funds
Sick Leave	\$ -	\$ -	\$ 1,000	\$ 1,000	Remaining Funds
Holiday Pay	\$ 1,115	\$ 3,308	\$ 10,100	\$ 5,677	Remaining Funds
Social Security	\$ 3,372	\$ 3,849	\$ 18,200	\$ 10,979	Remaining Funds
PERS	\$ 38,892	\$ 5,071	\$ 59,800	\$ 15,836	Remaining Funds
Insurances	\$ 9,602	\$ 9,869	\$ 50,500	\$ 31,029	Remaining Funds
Unemployment	\$ 86	\$ -	\$ 400	\$ 314	Remaining Funds
Workers Comp	\$ 463	\$ -	\$ 1,000	\$ 537	Remaining Funds
Salaries Sub-total	\$ 96,493	\$ 68,407	\$ 388,400	\$ 223,500	Remaining Funds in Salaries & Benefits
Telecom	\$ 314	\$ 474	\$ 2,000	\$ 1,211	Remaining Funds
Office Equipment	\$ -	\$ 21	\$ 200	\$ 179	Remaining Funds
Memberships	\$ 3,261	\$ 1,446	\$ 4,500	\$ (207)	Amount Over Budget
Hardware	\$ -	\$ -	\$ 300	\$ 300	Remaining Funds
Duplicating	\$ 89	\$ 929	\$ 1,200	\$ 182	Remaining Funds
PC Software	\$ -	\$ 382	\$ 600	\$ 218	Remaining Funds
Postage	\$ 254	\$ 112	\$ 1,400	\$ 1,034	Remaining Funds
Subscriptions	\$ -	\$ -	\$ 500	\$ 500	Remaining Funds
Supplies	\$ 25	\$ 132	\$ 1,500	\$ 1,343	Remaining Funds
Accounting	\$ -	\$ -	\$ 1,500	\$ 1,500	Remaining Funds
Attorney	\$ 1,250	\$ 2,125	\$ 150,000	\$ 146,625	Remaining Funds
Data Process GIS	\$ 483	\$ 4,806	\$ 16,700	\$ 11,411	Remaining Funds
Director Fees	\$ -	\$ 700	\$ 6,000	\$ 5,300	Remaining Funds
Surveyor	\$ -	\$ -	\$ 1,000	\$ 1,000	Remaining Funds
Prof. Services	\$ -	\$ -	\$ 50,000	\$ 50,000	Remaining Funds
Legal Notices	\$ 160	\$ 98	\$ 1,700	\$ 1,442	Remaining Funds
Rents	\$ -	\$ -	\$ 8,500	\$ 8,500	Remaining Funds
Misc. Expenses	\$ 1,600	\$ 220	\$ 6,500	\$ 4,680	Remaining Funds
Books	\$ -	\$ -	\$ 200	\$ 200	Remaining Funds
Air Fare	\$ -	\$ -	\$ 3,000	\$ 3,000	Remaining Funds
Auto Rental	\$ -	\$ -	\$ 200	\$ 200	Remaining Funds
Training	\$ -	\$ -	\$ 1,800	\$ 1,800	Remaining Funds
Lodging	\$ -	\$ 2,771	\$ 5,200	\$ 2,429	Remaining Funds
Meals	\$ -	\$ 364	\$ 600	\$ 236	Remaining Funds
Mileage	\$ 84	\$ 1,397	\$ 3,000	\$ 1,519	Remaining Funds
Travel-Other	\$ -	\$ 61	\$ 500	\$ 439	Remaining Funds
Registrations	\$ 4,210	\$ -	\$ 5,400	\$ 1,190	Remaining Funds
Supplies Sub-total	\$ 11,729	\$ 16,038	\$ 274,000	\$ 246,232	Remaining Funds in Services & Supplies
TOTAL EXPENDITURES	\$ 108,222	\$ 84,445	\$ 662,400	\$ 469,733	Remaining Funds in Total Expenditures

FREE DRINKING WATER WELL TESTING for Central Coast Residents

What the program offers:

- **Free well sampling is being offered to residents who get their drinking water from a domestic well.**
- **Test results and information on how to interpret the results.**
- **Tips on what to do if your well is contaminated and how to protect your well from contamination.**
- **Resources on free replacement drinking water programs.**

The testing is focused on two common contaminants, nitrate and arsenic.

About Nitrate:

- Has no color or odor
- Boiling the water does not make it safe to drink
- Can cause serious health effects, especially in pregnant women and children
- Can cause certain types of cancer and birth defects
- Common groundwater contaminant

For more information or to schedule your free testing:
Scan the QR Code, using your smartphone
Visit: <https://sites.google.com/view/ccgroundwater>
Call: 844.613.5152



PRUEBAS GRATIS AL AGUA POTABLE

de Pozos de Residentes de la Costa Central

Qué es lo que el programa ofrece:

- **A los residentes que reciben su agua potable de un pozo doméstico, se les están ofreciendo pruebas gratis al agua potable del pozo.**
- **Resultados de las pruebas del agua e información sobre cómo interpretar los resultados.**
- **Consejos sobre qué hacer si el pozo está contaminado, y cómo proteger su pozo de la contaminación.**
- **Recursos sobre programas gratuitos de reemplazo de agua.**

- Las pruebas se enfocan en dos contaminantes comunes, el nitrato y el arsénico.
- Acercas del nitrato:
- No tiene color ni olor
 - Hervir el agua no hace que sea segura para beber
 - Puede causar efectos serios a la salud especialmente en las mujeres embarazadas y los niños
 - Puede causar ciertos tipos de cáncer y defectos de nacimiento
 - Es un contaminante común en el agua subterránea



Para Más Información o Para Hacer Cita Para La Prueba Gratis de su Agua:
Escanee el código de QR con su teléfono inteligente
Visite: <https://sites.google.com/view/aguas-subterrneas-de-la-costa/>
Llame: 844.613.5152





**California Special
Districts Association**
Districts Stronger Together

6A: CORRESPONDENCE

January 2020

Joe Serrano
Lafco Of Santa Cruz County
701 Ocean St Rm 318-D
Santa Cruz, CA 95060-4027

Dear Mr. Serrano,

Whether new to their roles or seasoned officials, your Board Members and Trustees are looking for the resources to help them best serve their community in the coming year.

CSDA is the only statewide association representing all types of special districts and serving more than 1,200 members. We are dedicated to the success of your district and your Board. In keeping with our mission, we offer you:

- The newly updated **Special District Board Member Handbook**, full of essential information for the effective and productive official.
- **Special District Board Member and Trustee Trainings** that allow officials to demonstrate their commitment to good governance.
- And don't forget! If you renewed your CSDA membership by the January deadline, you get access to **Free On-Demand Ethics Training*** for your entire Board for a limited time!

Contact CSDA Member Services at 877.924.2732 or membership@csda.net for more information or additional copies of the Handbook. For a complete calendar of educational offerings, visit www.csda.net.

Serving on a special district Board of Directors/Trustees is a unique and significant responsibility. Please extend our congratulations to your newly elected/appointed officials and our thanks for their commitment.

Best regards,

Cathrine Lemaire
Member Services Director

**SDRMA members have access to a variety of free and discounted trainings throughout the entire year and can earn CIPs to help offset costs of property/liability and workers' compensation coverages. Call 877.924.2723 for more details!*

1112 I Street, Suite 200
Sacramento, CA 95814
Toll-free: 877.924.2732
t: 916.442.7837
f: 916.442.7889
csda.net



INFORMATION AND RESOURCES FOR SPECIAL DISTRICT BOARD MEMBERS AND TRUSTEES

WORKSHOP

SDLA GOVERNANCE FOUNDATIONS

This course teaches the foundational knowledge and skills that identify and define the essential building blocks of a successful board, focusing on the critical elements of governance: effective trustees, board mindset, structure, process and protocols, individual/team standards, board's role and responsibilities. This course qualifies for six hours of governance training for Special District Leadership Foundation (SDLF) programs.

MARCH 24, 2020 - Sacramento

10:00 a.m. – 3:45 p.m.

Hilton Sacramento Arden West

2200 Harvard Street

Sacramento, CA 95815

- FREE SDRMA Member
- \$125 CSDA Member

AUGUST 24, 2020 - Palm Desert

8:30 a.m. – 4:00 p.m.

JW Marriott Desert Springs Resort and Spa

74-855 Country Club Drive

Palm Desert, CA 92260

- \$225 CSDA Member
- \$340 Non-member



**ALL EVENTS IN THIS BROCHURE QUALIFY
FOR SDRMA CREDIT INCENTIVE POINTS.**

Special District Risk Management Authority (SDRMA) is committed to establishing a strategic partnership with our members to provide maximum protection, help control losses and positively impact the overall cost of property/liability and workers' compensation coverage through the Credit Incentive Program. Credit incentive points can be earned based on an agency's attendance at workshops/webinars reducing SDRMA member's annual contribution amount.

CAN'T MAKE IT ON THESE DATES?

Many other titles are also available on-demand at www.cstda.net under Professional Development.

REQUIRED & RECOMMENDED WEBINARS

REQUIRED ETHICS COMPLIANCE TRAINING – AB 1234

This live two-hour webinar covers general ethics principles and state laws related to: personal gain by public servants, conflict of interest, bribery and nepotism; gift, travel and mass mailing restrictions; honoraria, financial interest disclosure and competitive bidding; prohibitions on the use of public resources for personal or political purposes; the Brown Act Open Meeting law; and the Public Records Act.

MARCH 18, 2020 OR NOVEMBER 18, 2020

10:00 a.m. – 12:00 p.m.

REQUIRED SEXUAL HARASSMENT PREVENTION TRAINING FOR SPECIAL DISTRICTS

This presentation will comply with the requirement of AB 1825 and AB 1661 and cover: what constitutes sexual harassment and discrimination in the workplace, how to recognize and avoid harassment, what procedures to follow if you witness harassment or are harassed yourself, the potential consequences - including personal liability - of harassment, what constitutes abusive conduct in the workplace in compliance to AB 2053, and orientation, gender identity & gender expression in compliance with SB396.

JANUARY 23, 2020 OR JUNE 3, 2020

10:00 a.m. – 12:00 p.m.

INTRODUCTION TO SPECIAL DISTRICT FINANCES FOR NEW BOARD MEMBERS

As a board member/trustee, your responsibilities include providing fiscal oversight of the special district's finances. This course will help you fulfill these responsibilities by providing you with the knowledge and tools you need to gain a better understanding of the flow of a special district's day-to-day transactions, accounting systems, and financial statements.

FEBRUARY 18, 2020

10:00 a.m. – 12:00 p.m.

PRICING FOR EACH WEBINAR

- Free SDRMA Member
- \$65 CSDA Member
- \$95 Non-member

SDLA CONFERENCE

GRADUATE FROM THE SPECIAL DISTRICT LEADERSHIP ACADEMY (SDLA) CONFERENCE



The SDLA conference is a comprehensive governance conference for elected and appointed directors/trustees. Attendees will learn: the roles of board and staff, attributes of effective boards, specific jobs the board must perform, the importance of moving from "I" to "we" as the governance team, the board's role in setting direction, the board's role in fiscal accountability, and much more. Visit sdla.cstda.net for more details.

APRIL 19-22, 2020

Embassy Suites San Diego Bay

SEPTEMBER 27-30, 2020

Lake Tahoe Resort Hotel

on or before March 19 (San Diego)
on or before August 28 (South Lake Tahoe)
- \$600 1st attendee CSDA Member
- \$900 1st attendee Non-member
- \$400 each additional attendee from the same CSDA member district
- \$600 each additional attendee from the same non-member district

after March 19 (San Diego)
after August 28 (South Lake Tahoe)
- \$650 1st attendee CSDA Member
- \$975 1st attendee Non-member
- \$450 each additional attendee from the same CSDA member district
- \$675 each additional attendee from the same non-member district

***Demonstrate your commitment
to good governance by attending
professional development
opportunities!***



California Special Districts Association

2020 REGISTRATION FORM

One form per registrant. Please make copies as needed.	
Name/Title:	
District:	
Phone:	Email:
Member status: <input type="checkbox"/> CSDA + SDRMA Member <input type="checkbox"/> CSDA Member <input type="checkbox"/> Non-member	
SDLA GOVERNANCE FOUNDATIONS	
<input type="checkbox"/> Sacramento: March 24, 2020: 10:00 am - 3:45 pm - Hilton Sacramento Arden West, 2200 Harvard Street, Sacramento, CA 95815 <input type="checkbox"/> Palm Desert: August 24, 2020: 8:30 am - 4:00 pm - JW Marriott Desert Springs Resort and Spa, 74-855 Country Club Dr., Palm Desert, CA 92260 <input type="checkbox"/> \$225 CSDA Member <input type="checkbox"/> \$340 Non-member	Total
SDLA GOVERNANCE FOUNDATIONS SUBTOTAL 1:	
REQUIRED AND RECOMMENDED TRAINING WEBINARS - (all webinars are held from 10:00 a.m. – 12:00 p.m.)	
Required Ethics Compliance Training – AB1234 <input type="checkbox"/> March 18, 2020 <input type="checkbox"/> November 18, 2020 <input type="checkbox"/> Free SDRMA Member <input type="checkbox"/> \$65 CSDA Member <input type="checkbox"/> \$95 Non-member	
Required Sexual Harassment Prevention Training for Special Districts <input type="checkbox"/> January 23, 2020 <input type="checkbox"/> June 3, 2020 <input type="checkbox"/> Free SDRMA Member <input type="checkbox"/> \$65 CSDA Member <input type="checkbox"/> \$95 Non-member	
Introduction to Special District Finances for New Board Members <input type="checkbox"/> February 18, 2020 <input type="checkbox"/> Free SDRMA Member <input type="checkbox"/> \$65 CSDA Member <input type="checkbox"/> \$95 Non-member	
WEBINARS SUBTOTAL 2:	
SPECIAL DISTRICT LEADERSHIP ACADEMY CONFERENCE	
<input type="checkbox"/> San Diego: April 19-22, 2020 – Embassy Suites San Diego Bay EARLY BIRD DEADLINE ON OR BEFORE MAR. 19, 2020 EARLY BIRD PRICING <input type="checkbox"/> \$600 1st attendee CSDA Member <input type="checkbox"/> \$900 Non-member CHECK DEADLINE <input type="checkbox"/> \$400 each additional attendee from same CSDA Member district <input type="checkbox"/> \$600 each additional attendee from same Non-member district	<input type="checkbox"/> South Lake Tahoe: September 27-30, 2020 – Lake Tahoe Resort Hotel EARLY BIRD DEADLINE ON OR BEFORE AUG. 28 <input type="checkbox"/> \$650 1st attendee CSDA Member <input type="checkbox"/> \$975 Non-member <input type="checkbox"/> \$450 each additional attendee from same CSDA Member district <input type="checkbox"/> \$675 each additional attendee from same Non-member district
SDLA CONFERENCE SUBTOTAL 3:	
(COMBINE TOTALS 1, 2 AND 3) ---- TOTAL AMOUNT DUE:	
Payment information	
<input type="checkbox"/> Check <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> American Express <input type="checkbox"/> Discover	
Acct. name:	Acct. Number:
Expiration date:	Authorized Signature:

Mail or Fax completed form to:

CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814
f: 916.520.2465

Questions?

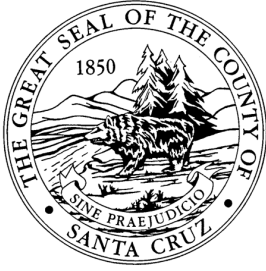
Please contact us toll-free:
877.924.2732

Visit www.csdanet.net for
additional cost-effective and
convenient trainings.

Cancellations must be in writing and received by CSDA no later than two weeks prior to the date of the event at 5:00 p.m. All cancellations received by that date will be refunded less a cancellation fee. Substitutions are acceptable and must be done in writing no later than one week prior to the date of the event at 5:00 p.m. Please submit any cancellation notice or substitution requests to meganh@csda.net or fax to 916-520-2465.

Consent to Use Photographic Images: Registration and attendance at, or participation in, CSDA meeting and other activities constitutes an agreement by the registrant to CSDA's use and distribution (both now and in the future) of the registrant or attendee's image or voice in photographs, videotapes, electronic reproductions, and audiotapes of such events and activities.

Anti-Discrimination and Harassment Policy: CSDA is dedicated to a harassment-free event experience for everyone. Our Anti-Discrimination and Harassment Policy can be found under "CSDA Transparency" at www.csdanet.net/about-csda/who-we-are.



County of Santa Cruz

COUNTY CLERK / ELECTIONS

701 Ocean Street, Room 310, Santa Cruz, CA 95060-4076
 831-454-2060 Toll-free: 866-282-5900 FAX: 831-454-2445 TDD: 711
 E-mail: info@votescount.com Web Sites: www.sccoclerk.com & www.votescount.com

Gail L. Pellerin, County Clerk
Tricia Webber, Assistant County Clerk

January 27, 2020

Joe Serrano
 701 Ocean Street
 Santa Cruz, CA 95060

Re: Statement of Economic Interests (Form 700) E-Filing Information

Dear Joe Serrano:

This is a reminder that your Annual Statement of Economic Interests (Form 700) document is due no later than April 1, 2020.

Except for deadlines that fall on Saturday, Sunday, or an official state holiday, there is no provision in the law for an extension of a filing deadline. Government Code section 91013 provides that late statements are subject to a \$10 per day late fine, up to a maximum of \$100.

You now have the opportunity to use Santa Cruz County's e-filing system to create your Statement of Economic Interests (Form 700) document. To e-file your Form 700:

1. On the Internet, log in to the system at: <https://netfile.com/filer>
2. The e-mail address assigned to you in the system is: joe@santacruzlafco.org
3. To receive a password from the system, click on the "New User? Request a Password" link to the right of the log-in form. Submit your e-mail address to receive an e-mail from the system containing a link to reset your password. Click on the link to display a web page containing your password. Make sure to record your password.
4. Log in using your e-mail address and password and begin the Form 700 filing process.

After you log in, click the "Get Help for this Page" button for information and instructions. Each page also includes links to short instructional videos. At the end of the process, you can create a draft document for review. When you are satisfied with the document, please e-file your document. You do NOT have to print, sign and submit a paper copy of your e-filed statement.

Your data is saved in the system for future filings; next time, you will only need to edit any changes. This will increase the accuracy of your filing and will help you avoid filing amendments. Thank you for using the system!

If you have any questions about completing your Statement of Economic Interest (Form 700), please do not hesitate to call this office at (831) 454-2060. We appreciate your cooperation.

Sincerely,

Mari Segura
 Santa Cruz County Clerk/Elections
 Program Coordinator, Candidates Services
 (831) 454-2408



Santa Cruz Local Agency Formation Commission

Date: February 5, 2020
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Press Articles during the Month of January**

SUMMARY OF RECOMMENDATION

LAFCO staff monitors local newspapers, publications, and other media outlets for any news affecting local agencies or LAFCOs around the State. Articles are presented to the Commission on a periodic basis. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

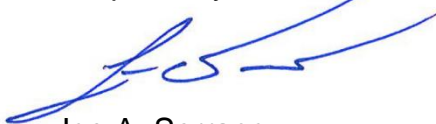
EXECUTIVE OFFICER'S REPORT

The following is a summary of recent press articles. Full articles are attached.

1. **"Santa Cruz to reopen National Guard Armory as homeless shelter"**: The article, dated January 8th, reviews how the City plans on reopening the California National Guard Armory as a winter homeless shelter. This action is consistent with the City's past efforts. The armory served as the City's emergency winter shelter for decades, up until early 2016 when the shelter program was relocated.
2. **"Supervisors approve participating in proposed South Main Street annexation negotiation process"**: The article, dated January 8th, summarizes how the LAFCO in Lake County is collaborating with the County Board of Supervisors and other local leaders to address a contentious annexation proposal. Lake LAFCO hopes that this joint approach may address the fiscal discrepancy between the County and City of Lakeport.
3. **"Local governments consider hiring advocate against UCSC enrollment growth"**: The article, dated January 9th, indicates that the City of Santa Cruz and the County will consider a collaborative effort to address UCSC's proposed growth plans under the proposed 2040 Long Range Development Plan (LRDP). This City-County effort includes hiring an Advocate to coordinate the implementation of their joint position on this matter. UCSC is scheduled to release a Notice of Preparation regarding the LRDP in January.
4. **"PVWMA Votes to Expand Delivered Water Service Area – TPG, Inc."**: The article, dated January 12th, explains how the Pajaro Valley Water Management Agency plans on constructing new pipelines to provide supplemental water service to approximately 700 acres of coastal farmland on the seaward side of San Andreas Road. The purpose of the project is to further reduce groundwater pumping to halt seawater intrusion and groundwater overdraft.

5. **“Coast Line | Santa Cruz County Clerk Gail Pellerin to address ballot forum”:**
The article, dated January 13th, indicates that the League of Women Voters will host a meeting with guest speaker Gail Pellerin (Santa Cruz County Clerk). The meeting was held on January 25 and provided an overview on county election information and system changes.
6. **“Santa Cruz CA Firefighters Head to Binding Arbitration over Wage Dispute”:**
The article, dated January 14th, discusses how the City and its firefighters’ union are currently in a disagreement with potential wage increases. The dispute may require enacting a binding arbitration, which would introduce a third-party to the negotiation process.
7. **“Central Fire Protection District Applauded For Its Transparency”:** The article, dated January 15th, highlights Central Fire’s recent recognition for its commitment to transparency within its organization and engagement with the general public. The “District Transparency Certificate of Excellence” Award was given by the Special District Leadership Foundation.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. “Santa Cruz to reopen National Guard Armory as homeless shelter”
2. “Supervisors approve participating in proposed South Main Street annexation negotiation process”
3. “Local governments consider hiring advocate against UCSC enrollment growth”
4. “PVWMA Votes to Expand Delivered Water Service Area – TPG, Inc.”
5. “Coast Line | Santa Cruz County Clerk Gail Pellerin to address ballot forum”
6. “Santa Cruz CA Firefighters Head to Binding Arbitration over Wage Dispute”
7. “Central Fire Protection District Applauded For Its Transparency”

7A: ATTACHMENT 1**Santa Cruz to reopen National Guard Armory as homeless shelter**

SANTA CRUZ — Coinciding with Gov. Gavin Newsom's executive order Wednesday to inventory excess state property available for emergency use, the City of Santa Cruz announced plans to repurpose the California National Guard Armory as a winter homeless shelter.



A homeless person's cart full of possessions sits on Caltrans property along Highway 1 in Santa Cruz. Gov. Gavin Newsom is ordering all state departments to assess the use of their excess state properties for possible use for housing California's homeless population, estimated to be more than 150,000. (Dan Coyro -- Santa Cruz Sentinel)



Rick Kirby settles in for night at the National Guard Armory where dozens of other homeless spent the night on a cold and rainy night in February, 2016. The City of Santa Cruz is finalizing details to re-open the armory for a homeless shelter. (Dan Coyro -- Santa Cruz Sentinel file)



Homeless clients grab mats and place them on the National Guard Armory floor where they spent the night in February, 2016. The City of Santa Cruz is finalizing details to re-open the armory as a temporary shelter for the city's homeless. (Dan Coyro -- Santa Cruz Sentinel file)

A homeless person's cart full of possessions sits on Caltrans property along Highway 1 in Santa Cruz. Gov. Gavin Newsom is ordering all state departments to assess the use of their excess state properties for possible use for housing California's homeless population, estimated to be more than 150,000. (Dan Coyro -- Santa Cruz Sentinel)

1 of 3

A homeless person's cart full of possessions sits on Caltrans property along Highway 1 in Santa Cruz. Gov. Gavin Newsom is ordering all state departments to assess the use of their excess state properties for possible use for housing California's homeless population, estimated to be more than 150,000. (Dan Coyro -- Santa Cruz Sentinel)

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The armory, located in DeLaveaga Park, served as the city's emergency winter shelter for decades, through early 2016. The winter [shelter program has since been relocated](#), on and off, to the Veterans of Foreign Wars Post No. 7263 hall in Live Oak and the Salvation Army site on Laurel Street. In the spring of 2018, [city efforts to reopen the armory](#) as a shelter languished as officials met with resistance — first from [Prospect Heights neighbors](#) fearing the threat of fires and public safety, then from state armory officials who [cited pending plans to remodel](#) the facility.

The armory should reopen for temporary use by 80 or more people shuttled to and from the site from next week through mid-March, according to an announcement Wednesday by City Manager Martín Bernal. The shelter site will replace the existing Salvation Army-managed outdoor homeless temp encampment at 1220 River St., a program housing as many as 60 people that was set to be shuttered in March to make room for a city pipeline project. Shelter capacity will increase by at least 20 spaces with the armory's availability. Separate city efforts to relocate a shelter shuttle site, to hire a new homeless response manager and to create a new recreational vehicle sewage dumping site are ongoing, according to Bernal. Also, the city police department's Center Street parking lot has joined the Association of Faith Communities' overnight SafeSpaces parking program.

Statewide impact

Despite its comparatively high instance of unsheltered homelessness among California jurisdictions, Santa Cruz is not alone in its struggles to effectively address the issue. Newsom's announcement this week comes amid a surge in homelessness throughout the state and growing concern about the issue from residents. According to [data](#) recently released by the U.S. Department of Housing and Urban Development, California has more than 151,000 homeless people, including more than half of the country's unsheltered population — a 16% increase over last year. A homeless point-in-time count conducted in January 2019 estimated 2,167 people living in homeless in Santa Cruz County, down less than 4% since a similar count in 2017.

"The City of Santa Cruz is not the only city dealing with this issue in California and we are happy to learn of the governor's commitment to making this a statewide priority," city spokesman Ralph Dimarucut wrote in an email. "We are looking forward to working in collaboration with the state, county, and our local organizations to help Santa Cruz's unhoused population the support they need."

Santa Cruz County Homeless Coordinator Rayne Pérez was unavailable for comment on the governor's announcement Wednesday. Assistant County Administrative Officer Elissa Benson, however, said the county is "always eager to evaluate new options for shelter services" and appreciates the governor's leadership on this issue.

Shelter sites

The governor's executive order will require state agencies to identify by the end of this month empty lots near highways,

fairgrounds, decommissioned hospitals and other spaces where cities, counties or nonprofits can provide space for people to live temporarily. A [map](#) of “excess” state-owned property from the Department of General Services shows a number of Bay Area locations that could potentially be considered, from Santa Cruz and San Jose over to Hayward and San Lorenzo.

Already state-identified potential Santa Cruz County sites include a Live Oak property used by the Santa Cruz State Lifeguards near 14th Avenue and Merrill Street; and three Santa Cruz city sites, all Caltrans lots adjacent to Highway 1. One hosted a large homeless encampment last year behind the Gateway Plaza and the other two are across the highway, surrounding the Central Home Supply property on Highway 9.

In his order, Newsom said the state also would distribute 100 travel trailers and modular tents to local partners, who will receive help from state crisis response teams if they agree to provide counseling and help transition people into permanent housing.

Emily Deruy with Bay Area News Group contributed to this report.

7A: ATTACHMENT 2

Supervisors approve participating in proposed South Main Street annexation negotiation process

Elizabeth Larson

LAKEPORT, Calif. – Among its first actions of the year, the Board of Supervisors has agreed to participate in a proposed process that will facilitate continued discussions between the city of Lakeport and the county over the contentious matter of the proposed South Main Street corridor annexation.

In a unanimous vote following a seven-minute discussion at its Tuesday meeting, the Board of Supervisors agreed to take part in the formal negotiation process proposed by the Lake Local Area Formation Commission, or LAFCo.

According to its own website, “Lake LAFCo oversees orderly development and protects natural resources and agricultural lands”

Its board includes members of the Board of Supervisors and the city councils of Clearlake and Lakeport, as well as special districts and public members.

The Lakeport City Council approved participating in the process at its Dec. 17 meeting, [as Lake County News has reported](#).

The city’s full annexation packet is available at the Lake LAFCo [website](#).

The city and county have clashed repeatedly over the last several years as Lakeport officials have made it clear that they planned to pursue the annexation of what is reported to be the most lucrative commercial corridor in the unincorporated county.

Since the 1980s, the 136-acre area has been in the city’s sphere of influence, defined as an area of probable future expansion outside of its legal boundaries.

In a letter dated Dec. 4, Bruno Sabatier – the District 2 representative on the Board of Supervisors and the LAFCo chair – asked both the city and county to participate in good faith negotiations regarding the city’s [annexation application filed last year](#).

Both the city and county have provided their own financial analysis of the impacts of the annexation. Now, LAFCo is proposing to have its own financial analysis completed; the city of Lakeport has agreed to pay for that work.

“Since there is substantial disagreement about the fiscal impact of the annexation, the Commission determined that a third fiscal analysis needs to be prepared by LAFCo to provide an objective more accurate determination of the revenue and service impacts of the annexation, for both the County and the City,” the LAFCo letter explains.

Once the new financial analysis is complete, LAFCo wants both the county and city to sit down with a facilitator, which LAFCo will hire at its own expense, to consider the annexation further.

During Tuesday’s meeting, Sabatier asked if he should recuse himself since he signed the LAFCo letter.

County Counsel Anita Grant said his recusal wasn’t required, as he was wearing his LAFCo hat when he wrote the letter.

“LAFCo is quite a unique animal,” Grant explained. “As you know, you can have two board members and an alternate at one meeting, which I promise you is a ‘oner’ in Brown Act law. So at this point I think that you’re fine to take action.”

“Just wanted to check. Thank you,” said Sabatier.

“It’s a good question,” Grant replied.

Lakeport area Supervisor Tina Scott said she has gotten calls from constituents in the South Main Street area about the matter.

Scott said she wanted to make clear that if the board agreed to good faith participation – which she believes they already have been involved in – “It does not mean that we agree with the LAFCo application,” but that they will sit down and continue talks with Lakeport.

Brown asked about the facilitator and if LAFCo will bring in that person.

“The law actually makes provision for a graduated set of steps to continue these negotiations in good faith. So I’m assuming from the tenor of the letter that this is kind of jumping to the next step, which is a mediation-like discussion,” said Grant.

“I think that would be a good idea,” Brown said.

Sabatier, who said he was then wearing his county hat, noted, “This is not any statement on any of the contracts that were signed previously.”

That was an apparent reference to past preannexation agreements – from 1997, 2001 and 2002 – that the city and county have reached and which the city maintains remain valid. The 1997 agreement, in particular, provides for the city to pay the county \$210,000 in tax revenue over seven years to offset the loss of the sales tax.

Sabatier said the board’s action is a statement that there will be a neutral party to review how the county would be whole and how it would balance out.

He said the county may not agree with the end results of the financial formula the city used on its LAFCo application to say the county would be whole if the annexation takes place.

"We're not voting on things that have already been signed in the past. We're looking at the application itself only," Sabatier said.

"This is not a concession of any kind," said Grant. "It's a fulfillment of what is generally your obligation under the law, to engage in good faith discussions. And good faith means just that, that you walk in with an open mind, and present your case and listen to the other side. But that's not a concessionary statement at all."

"We're tap dancing around a lot of stuff, trying to be diplomatic," Brown said. He said he feels that the county has been involved in good faith discussions already on the matter, adding he wasn't saying the city hasn't been acting in good faith.

However, Brown said they all look at the annexation issue from different perspectives and from different constituent objectives.

"It's not like all of a sudden now we're going to be, you know, held to some other standard. It's the same standard that we've held, but this makes it official," he said.

Board Chair Moke Simon agreed with Brown, noting that it's just the next step in the process involving the city and county.

There was no public input before Scott moved to approve the county's good faith participation in the proposed proposed process.

Supervisor EJ Crandell seconded the motion, which the board approved 5-0.

LAFCo will meet at 9:30 a.m. Wednesday, Jan. 15, in the council chambers at Clearlake City Hall, 14050 Olympic Drive.

On the agenda is a discussion of the city of Lakeport's proposed annexation, including a review of the responses from the city and county to the LAFCo letter; commission discussion regarding the process of completing an independent financial review and retention of an independent facilitator to resolve the disagreements; and possible direction and action regarding retention of an independent financial consultant and independent facilitator.

Email Elizabeth Larson at elarson@lakeconews.com. Follow her on Twitter, @ERLarson, or Lake County News, @LakeCoNews.

Local governments consider hiring advocate against UCSC enrollment growth

SANTA CRUZ — More than a year after city voters came out against UC Santa Cruz enrollment growth, local officials are considering hiring an advocate to amplify the opposition.

On Tuesday, the Santa Cruz City Council and Santa Cruz County Board of Supervisors will separately consider a joint plan to create and fund the position for its first year.

The advocate would be tasked with rallying student and community groups and lobbying state lawmakers against campus enrollment growth. Costs — \$120,000 for the position, interns and overhead — would be split between both jurisdictions.

“The advocate’s job is really going to be to really coordinate and amplify the voices of the community, students, faculty and staff about the impacts of unmitigated university growth,” said 3rd District county Supervisor Ryan Coonerty in an interview Thursday.

“I think that the legislature and the regents see themselves as doing a service to the next generation of students by increasing enrollment at UCs, and no doubt higher education is really important,” Coonerty added. “But if you send students to be homeless and hungry and hugely in debt, you’re not really doing them a service. And we need to tell that story more effectively to both the legislature and the regents.”

Part of the package under consideration Tuesday includes a contract hiring Morgan Bostic — a UCSC alumna who recently held a staff role with a Los Angeles city councilmember — to fill the job.

If the plan moves forward, it is likely to further fuel town-gown tensions that resurged as the Santa Cruz campus set out to produce a new long-range development plan early in 2018. The in-the-works development plan envisions the campus with an enrollment of up to 28,000 students by the year 2040, an increase of more than 9,000 from last year’s enrollment.

UCSC officials maintain the development plan is not a mandate to increase enrollment, but rather a framework to prepare campus infrastructure for that level of growth should it occur.

But the 28,000 number sparked an immediate outcry in the campus’ small host city.

Housing — and homelessness — are lightning rod issues in Santa Cruz, where the city’s some 65,000 residents face a rental market that, by some metrics, is among the world’s least affordable.

Concerned Santa Cruz voters overwhelmingly backed Measure U in 2018, a measure opposing UCSC enrollment growth that laid the foundation for the advocate proposal.

Months earlier, UCSC’s student government passed its own resolution opposing enrollment growth until the “abysmal” living conditions students said they face could be addressed. Housing costs are also central to an ongoing grading strike among scores of UCSC graduate students.

“As a community we’re concerned about that unmitigated level of growth,” Coonerty said. “And we feel we need to make our case to Sacramento and the regents that one, why that level of growth isn’t good for either the community or the students, and two, they need to invest the resources to mitigate those impacts on our community and students.”

Current tensions between UCSC and the surrounding community mirrors a similar conflict of more than a decade ago, when the city and county governments joined with community groups to sue UCSC over its expansion plans.

The lawsuit ended in a 2008 settlement capping enrollment at 19,500 and requiring two-thirds of new students to be housed on campus. The settlement, and the enrollment cap, sunset this year.

Care about your community? We do, too.

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7A: ATTACHMENT 4**PVWMA Votes to Expand Delivered Water Service Area — TPG, Inc.**

by See Below

WATSONVILLE — On Wednesday, December 18, 2019, the PV Water Board of Directors voted unanimously to expand the service area of its water supply facilities into an area impacted by seawater intrusion.

The F-Pipeline Project (Project) will construct pipelines and appurtenances to provide supplemental* water service to approximately 700 acres of coastal farmland on the seaward side of San Andreas Road.



Work is to be completed in 2020. The purpose of the Project is to further reduce groundwater pumping to halt seawater intrusion and groundwater overdraft while keeping agriculture viable in the Pajaro Valley.

Research published by Stanford University shows that the use of the Agency's supplemental water supplies as an alternative to groundwater pumping has reduced salinity in coastal groundwater.

"With \$3 million in grant funds provided by the Department of Water Resources, this Project is a win for the Pajaro Valley," said Board Chair, Amy Newell. She continued, "PV Water's staff worked relentlessly to acquire and use the available grant funds for the benefit of the Valley. The Project continues moving PV Water toward its goals of preserving agriculture while achieving sustainable groundwater resources."

The Project will be partially funded through an Integrated Regional Water Management Drought Emergency Grant from Proposition 84 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 issued through the California Department of Water Resources.

Approximately \$3.4 million in grant funds are available for the design and construction of the F-Pipeline Project, from a combined balance of the \$3.0 million transfer and the balance remaining from the original PV Water grant allocation.

The Pajaro Valley Water Management Agency (PV Water) is a state-chartered water management district formed to efficiently and economically manage existing and supplemental water supplies in order to prevent further increase in, and to accomplish continuing reduction of, long-term overdraft.

The agency also works to provide and ensure sufficient water supplies for present and future anticipated needs within its boundaries, generally the greater coastal Pajaro Valley.

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For more information, visit www.pvwater.org or www.facebook.com/PajaroValleyWater.

* Supplemental water is composed of recycled water, water from managed aquifer recharge and recovery facilities, and blend wells.

7A: ATTACHMENT 5

NEWS > ELECTION

Coast Line | Santa Cruz County Clerk Gail Pellerin to address ballot forum

By **DONALD FUKUI** | dfukui@santacruzsentinel.com | Santa Cruz Sentinel
January 13, 2020 at 9:00 am

SANTA CRUZ

Gail Pellerin to address ballot forum

The League of Women Voters will sponsor a talk by Santa Cruz County Clerk Gail Pellerin on county election information and system changes.

The program is scheduled for 10 a.m. Jan. 25 in the library meeting room of the Santa Cruz Downtown Library, 224 Church St.

There will also be a non-partisan review of Proposition 13, the \$15 billion school bond and the only state ballot measure on the March 3 primary election ballot.

The event is free and open to the public. For information, visit lwvsc.org or call 831-325-4140.

If you have a news event or announcement for Coast Lines, email newsroom@santacruzsentinel.com and place "Coast Lines" in the email subject line. Coast Lines items are run at no charge. Please include contact information for questions. Information: 831-706-3252 Tuesdays to Saturdays. To view previous Coast Lines items, visit [SantaCruzSentinel.com/tag/coast-lines](https://www.santacruzsentinel.com/tag/coast-lines).

Tags: **Coast Lines**



Donald Fukui



Santa Cruz CA Firefighters Head to Binding Arbitration over Wage Dispute

Jessica A. York



Santa Cruz, CA, Fire Department

SANTA CRUZ, CA—A city dispute with its firefighters' union over wage increases may need third-party intervention to resolve.

After stalling on contract negotiations in October, negotiators have invoked a provision known as "binding arbitration" for the first time in city history, according to the city's human resources director. Santa Cruz voters in March 1996 approved a city charter amendment mail-in ballot measure that allows firefighters to use this type of dispute resolution, with the city of Watsonville firefighters' union following suit two years later.

Negotiators from both sides of the table said during interviews in recent days that they were "disappointed" and "not excited" that the issue had escalated to outside intercession, as they have traditionally worked well together. The major area of disagreement after a handful of meetings between July and September has been focused on the increasing rate of firefighter compensation rates planned in coming years, representatives told the Sentinel.

Sticking point

"I think, in general, we were pretty much in agreement," city Human Resources Director Lisa Murphy said Monday. "They are slightly below the market, but their research that they did — the number they used — shows them, in their calculations, that they're significantly below market, and we don't agree with that, because we've done some further research on their numbers and have some issues."

Santa Cruz's International Association of Firefighters Local 1716 President Cody Muhly, on the other hand, said Santa Cruz firefighters are paid "well below mean." The group's existing four-year contract expired Sept. 20. Muhly said dividing comparison departments' budget by their call volume gave a rough idea that Santa Cruz's fire budget is 43% less than the mean.

"So, Santa Cruz is getting a really good deal. In fact, we had the second-lowest cost-per-call. What that's indicative of is a lot of calls, few people," Muhly, a Santa Cruz Fire Department captain, said Friday. "That's what creates that number. The only agency we're being compared to that had a lower cost-per-call is Watsonville. We're working harder and getting paid less."

The city-conducted market study for all of its labor groups, according to Murphy, showed Santa Cruz's 53-member front-line firefighter labor group as the closest among 12 comparison cities to the mean salary rate. The study also showed that the union had the lowest rate of worker turnover, she said.

Muhly said the union is cognizant of the city's financial struggles, which is why its negotiators are "not asking for the moon and stars."

"We're trying to have our personnel compensated for the workload that we have," Muhly said, adding that the department's annual call response volume has more than doubled in 15 years while maintaining the same staffing level.

Dollars and cents

According to Murphy, the city's final salary proposal on the new contract included raises of 3%, 4% and 3%, respectively, over three years. Union negotiators sought increases of 3% in the first year and the addition of a new "top step" salary level once in the second year and again in the third year. Murphy said the firefighters' step increases are equivalent to about a 6% raise for its highest earners, while for other bargaining units, the step increases are worth about a 5% raise.

According to city-provided employee compensation data, firefighters consistently are among the top-compensated Santa Cruz employees when overtime is factored in. Looking at 2018 base salaries, fire captains at \$136,276 annually, were at the low end of the city's overall top 50 highest-compensated workers. Fire engineers, at about \$119,000 a year, ranked lowest among the top 100 city salaries. Firefighters, depending on their experience, generally ranged from nearly \$70,000 to \$111,000 a year in 2018. In addition to overtime, firefighters also are eligible for a catch-all category of specialty pay, labeled as "other" in city salary reports, adding about \$24,000-\$25,000 a year for fire captains, as much as \$23,000 for fire engineers and up to \$18,000 for firefighters.

With overtime, non-management firefighters made up 23 of the city's 50 top-paid workers in 2018, ranging from \$176,000 to nearly \$263,000 total salary.

Process

A three-member panel of arbitrators is scheduled to review the last, best, final offers made by both the city and union early next month. The panel consists of one representative each from the city and union teams, plus a third state-appointed professional arbitrator. Short of a last-minute negotiated deal, the panel will need to choose one offer or the other, as written — and the decision will be final. The independent arbitrator's fee will be split by the city and union.

The process of binding arbitration, which is seen as a step taking final decision-making out of the hands of local authorities, is typically used as a threat for negotiators to quickly settle disputes internally. No other Santa Cruz employee bargaining unit has the same provision.

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7A: ATTACHMENT 7

Central Fire Protection District Applauded For Its Transparency

[crime & safety](#)

The Special District Leadership Foundation gave the district an award for its site, outreach work and more.

By [Press Release Desk, News Partner](#)

Jan 15, 2020 12:43 pm PT



"Transparency allows for accountability for public agencies that use public money and provide public services," the Central Fire Protection District said. (Renee Schiavone/Patch)

[From the Central Fire District of Santa Cruz County:](#)

January 15 2020

Central Fire Protection District Receives 'District Transparency Certificate of Excellence' Award
At Tuesday's Board of Directors Meeting, Central Fire Protection District was presented with the 'District Transparency Certificate of Excellence' award from the Special District Leadership Foundation.

About the Award

The award recognizes the fire district for its commitment to providing transparency of our operations and governance to the public and other stakeholders. The award also recognizes Central Fire's commitment to engaging the public and creating greater awareness of the district's activities. The award was granted to Central Fire Protection District based on three selection criteria for the award: Basic Transparency Requirements, Website Requirements, and Outreach Requirements.

About the Special District Leadership Foundation

The Special District Leadership Foundation is the 501c3 not-for-profit foundation arm of the California Special Districts Association. The foundation is dedicated to promoting excellence in special districts through recognition programs that highlight and focus on implementation of government best practices.

Why Transparency is Important

Central Fire Protection District and the Special District Leadership Foundation believe that the public has a right to access their government. Transparency means that a district is open, accessible, and engages with the community. Transparency allows for accountability for public agencies that use public money and provide public services.

This press release was produced by the [Central Fire District of Santa Cruz County](#). The views expressed here are the author's own.

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