

REGULAR MEETING AGENDA

Wednesday, March 3, 2021 9:00 a.m.

Attend Meeting by Internet: https://us02web.zoom.us/j/82393008845?pwd=Z3FNUFpmemIrU1IIU1dxNIFyM1JVUT09

(Webinar ID: 823 9300 8845)

Attend Meeting by Conference Call:

Dial 1-669-900-6833 or 1-253-215-8782 (Passcode is 587015)

TELECONFERENCE MEETING PROCESS

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID-19 virus, Santa Cruz LAFCO has established a temporary meeting process:

- a) <u>Commission Quorum</u>: The Governor's Executive Order (N-29-20) indicates that a quorum can consist of Commissioners in person or via teleconference during these unique circumstances. This regular LAFCO meeting will be conducted remotely. A roll call vote will occur on each agenda item that requires Commission action.
- b) <u>Public Comments:</u> For those wishing to make public comments remotely, please submit your comments by email to be read aloud at the meeting by the Commission Clerk. Email comments must be submitted to the Commission Clerk at info@santacruzlafco.org. Email comments on matters not on the agenda must be submitted prior to the time the Chair calls for Oral Communications. Email comments on agenda items must be submitted prior to the time the Chair comments on the agenda item.

For those wishing to speak during the online meeting, you must inform LAFCO staff of this request prior to the start of the meeting. If that has occurred, and after being recognized by the Chair, the identified individual will be unmuted and given up to 3 minutes to speak. Following those 3 minutes, their microphone will be muted.

c) <u>Accommodations for Persons with Disabilities:</u> Santa Cruz LAFCO 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. If you are a person with a disability and wish to attend the meeting and you require special assistance in order to participate, please contact the Commission Clerk at (831) 454-2055 at least 24 hours in advance of the meeting to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format.

1. ROLL CALL

2. EXECUTIVE OFFICER'S MESSAGE

The Executive Officer may make brief announcements in the form of a written report or verbal update, and may not require Commission action.

a. Remote Meeting Protocol

The Commission will receive an update on the ongoing remote meeting process. <u>Recommended Action:</u> No action required; Informational item only.

3. ADOPTION OF MINUTES.....Page 6

The Commission will consider approving the minutes from the February 3, 2021 Regular LAFCO Meeting.

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

4. 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.

5. PUBLIC HEARINGS

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. "Atkinson Lane/ Brewington Avenue Extraterritorial Service Agreement"

Recommended Action: Adopt the draft resolution (No. 2021-05) approving the extraterritorial service agreement involving the City of Watsonville.

b. Service and Sphere Review for the City of Scotts Valley......Page 144 The Commission will consider the adoption of a service and sphere of influence review for the City of Scotts Valley.

Recommended Actions:

 Find, pursuant to Section 15061(b)(3) of the State CEQA Guidelines, that LAFCO determined that the sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;

- Determine, pursuant to Government Code Section 56425, that LAFCO is required to develop and determine a sphere of influence for the City of Scotts Valley, and review and update, as necessary;
- Determine, pursuant to Government Code Section 56430, that LAFCO is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
- Adopt LAFCO Resolution (No. 2021-06) approving the 2021 Service and Sphere of Influence Review for the City of Scotts Valley with the following conditions:
 - a. Reaffirm the City's current sphere of influence;
 - b. Coordinate with the City, Scotts Valley Water District, and San Lorenzo Valley Water District to determine whether there is a more efficient way to provide water service to the Scotts Valley community beyond the status quo;
 - c. Coordinate with the City and the County to determine whether unincorporated communities adjacent to Scotts Valley should be located in only one Supervisorial district; and
 - d. Direct the Executive Officer to distribute a copy of this adopted service and sphere review to the City of Scotts Valley, Scotts Valley Water District, San Lorenzo Valley Water District, the Board of Supervisors and any other interested or affected parties identified in the service review.

6. OTHER BUSINESS

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

a. Employee Performance Evaluations......Page 267 The Commission will consider adjusting staff's salary based on their annual performance evaluations.

<u>Recommended Action:</u> Adopt the draft resolution (No. 2021-07) approving the proposed salary adjustments for LAFCO's Executive Officer.

- c. Legislative Update......Page 271
 The Commission will receive a status update on LAFCO-related legislation.
 <u>Recommended Action:</u> No action required; Informational item only.

7. 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. Written Correspondence during the Month of February......Page 311
 The Commission will receive an update on recent LAFCO-related information.
 Recommended Action: No action required; Informational item only.

8. 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 Months of January and February......Page 321 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.

9. 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.

10. ADJOURNMENT

LAFCO's next regular meeting is scheduled for Wednesday, April 7, 2021 at 9:00 a.m.

ADDITIONAL NOTICES:

Campaign Contributions

State law (Government Code Section 84308) requires that a LAFCO Commissioner disqualify themselves 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 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: <u>www.fppc.ca.gov</u>. 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 <u>www.santacruzlafco.org</u>. To review written materials submitted after the agenda packet is published, contact the Commission Clerk at the LAFCO office or in the meeting room before or after the meeting.



Wednesday, February 3, 2021 9:00 a.m. Meeting Location: Virtual Setting (using Zoom) Teleconference: 1-877-853-5257

The February 3, 2021 Santa Cruz LAFCO meeting is called to order by declaration of Vice-Chairperson Lather. There are currently 13 public attendees joining this meeting.

ROLL CALL

Present and Voting:	Commissioners Jim Anderson, Roger Anderson, Coonerty, Estrada,
	Friend and Vice-Chairperson Lather
Absent:	Cummings
Alternates Present:	Banks, Brooks, Hunt, Koenig
Alternates Absent:	None
Staff:	Joe A. Serrano, Executive Officer
	Daniel H. Zazueta, LAFCO Counsel
	Debra Means, Commission Clerk
	Chris Carpenter, Commission Clerk

For the record, there is a quorum.

EXECUTIVE OFFICER'S MESSAGE

<u>Mr. Serrano</u> reports that under this Zoom webinar platform, Commissioners have complete control over their webcams and microphones. Webcams and microphones have been disabled for the general public but they have the ability to hear staff presentations and any Commission discussion on all the items. If the public wishes to speak on any agenda item, they can raise their hand on the Zoom platform or they can press *9 if they have joined by conference call. They can also email comments and the Commission Clerk will read those comments on their behalf. The Commission Clerk will provide a roll call vote for any item on the agenda that requires action.

He welcomes the recently-appointed County representatives on LAFCO. Zach Friend continues to be a regular member, Ryan Coonerty is now a regular member after being an alternate member, and Manu Koenig is the new LAFCO alternate Commissioner.

Staff has been invited to do a presentation on a potential consolidation with San Lorenzo Valley and Scotts Valley Water Districts. He will provide an overview of the entire consolidation process. This overview will be presented February 4th to San Lorenzo Valley Water District and February 11th to Scotts Valley Water District.

MINUTES

<u>Mr. Serrano</u> reports that Becky Steinbruner emailed a request regarding the draft minutes for the January meeting. Her proposed edits deal with her comments to the Commission. Staff does not have any issues implementing her edits into the minutes.

<u>Ms. Steinbruner</u> thanks staff for implementing her comments into the minutes. She wanted to add that someone who spoke at the fire consolidation hearing said what many people are concerned about. She hopes staff will find out her name and insert it into the minutes for the record.

<u>Mr. Serrano</u> clarifies that there are two separate minutes that are proposed for approval. There is the January 6th regular meeting minutes and protest hearing minutes which will be discussed later in this agenda.

MOTION

Motion: Friend	To approve LAFCO's January 6 th regular meeting minutes with edits	
Second: Coonerty	from Becky Steinbruner.	
	Motion carries with a unanimous voice vote.	

ORAL COMMUNICATIONS

<u>Ms. Steinbruner</u> is happy to hear about a possible consolidation between Scotts Valley and San Lorenzo Valley water districts. She hopes LAFCO will consider a consolidation between Soquel Creek Water District and the City of Santa Cruz' water department and thinks it would be a logical effort. She realizes both agencies would both have to favor such a consolidation.

PUBLIC HEARINGS

CENTRAL AND APTOS / LA SELVA FIRE CONSOLIDATION – PROTEST RESULTS

<u>Mr. Serrano</u> reports that one of the final steps in the consolidation process is to conduct a protest proceeding. This 35-day protest proceeding allowed residents within the consolidated area to voice their opposition by submitting a petition.

The final day to submit petitions was January 6th which was the same day as the protest hearing. It was a final opportunity for residents who opposed the consolidation to voice their concerns and provide petitions of opposition. At that hearing, there were no additional petitions submitted. LAFCO received zero petitions of opposition during this time period. This reflects the full transparency conducted by the districts to inform and engage the residents about the consolidation and its benefits.

Staff wrote minutes for the protest hearing and Ms. Steinbruner submitted edits for these minutes. Staff reviewed her proposed edits and found no issues except for the first line about neither fire districts' website nor the LAFCO website including information about how to connect to the protest hearing. This protest hearing was available on LAFCO's website and over 30 people attended the meeting.

Vice-Chair Lather asks about this other woman Ms. Steinbruner mentioned.

<u>Mr. Serrano</u> replies that there was an Aptos/La Selva resident that spoke and her comments were implemented in the hearing minutes. Unfortunately, she did not provide her name.

<u>Ms. Steinbruner</u> thanks Mr. Serrano for consideration of her proposed edits. She could not find the information about the protest hearing on either fire district's website. She understands the information was on the LAFCO website but she could not easily find it.

The post card that the fire districts sent out made no mention of the protest hearing and the way to connect to the meeting. She thinks there were difficulties for members of the public to easily find the information.

She asked for an in-person meeting within the fire districts and was told it was not possible even though both fire boards still continue to have in-person board meetings. She thinks an in-person meeting should have been done for the public.

<u>Commission Clerk Means</u> received a Zoom chat message from Sarah Melton who works for Aptos / La Selva FPD. The message from her says the protest hearing was announced on the front page of both websites and it had a link to the meeting information on LAFCO's website. Ms. Steinbruner had difficulty finding the exact link. For this meeting, they made sure to post the link on both fire districts' websites and on social media pages. Post cards were sent out for the protest hearing but the link information was not available when the post cards were sent out, so the link was not included on the card.

<u>Mr. Serrano</u> adds that these draft minutes were not required but it is important to have documentation to support the ongoing transparency effort.

MOTION

Motion: Friend Second: Coonerty	To adopt draft Resolution No. 2021-02 that certifies the results of the petition proceedings for the protest and adopt the protest hearing
	minutes with Ms. Steinbruner's edits minus the first sentence. Motion passes with Commissioner Roger Anderson abstaining.

BLAKERIDGE LANE / BLAKE AVENUE EXTRATERRITORIAL SERVICE AGREEMENT

<u>Mr. Serrano</u> reports that this application involves a single landowner who wants to receive water service from the City of Watsonville. Due to its location, the best option is an extraterritorial service agreement. Under Government Code 56133, LAFCOs can approve the delivery of municipal services outside an agency's jurisdictional limits if certain criteria are met.

This Commission has a policy regarding extraterritorial service agreements. LAFCOs encourage annexation when areas or parcels want to receive municipal services such as water from an agency. Ideally, LAFCOs want parcels annexed into a city if they want to receive water.

This parcel is located outside City limits, outside Watsonville's sphere of influence, and located in the unincorporated area of Corralitos. The City provides water service to the Corralitos area which is outside its jurisdictional limits but within their "water service area." The City's water service area has existed for a long time.

Based on Government Code Section 56133 and the requirements within this Commission's policy, LAFCO staff has determined that annexation is not practical, but it does meet the criteria for an extraterritorial service agreement. The City is already providing water service to the neighboring properties.

<u>Lisa Burgstrom</u>, the applicant and landowner adds that an extraterritorial service agreement for this parcel was previously approved by this Commission and was extended several times. Due to inactivity, that application was terminated and she had to reapply.

<u>Mr. Serrano</u> confirms that this proposal was presented to the Commission and approved several years ago. It was extended several times. Last year, the Commission identified proposals that were inactive including Ms. Burgstrom's previous application. The old proposal was closed and the landowner resubmitted a new application.

Commissioner Roger Anderson asks if the extraterritorial approval is valid for two years.

<u>Mr. Serrano</u> answers that the two-year limitation occurs when the extraterritorial service agreement is located outside an agency's jurisdiction but within the sphere of influence so that annexation occurs at a later date. In the past, this Commission has put a two-year limit but due to the location, he does not see the need for a two-year limit. It will be up to the landowner when to hook up to water. He does not recommend a time limit for this proposal.

<u>Commissioner Roger Anderson</u> says there was a two-year limit on this proposal last time and it was extended for several years afterwards. He asks why not a limit this time.

<u>Mr. Serrano</u> answers that the two-year limit is not a legal requirement under Government Code Section 56133. A time limit occurs when the extraterritorial service agreement is located outside an agency's jurisdiction but within its sphere boundary. Extraterritorial service agreements are supposed to be a temporary mechanism but when they are way outside the jurisdictional limits, he does not see a need for the two-year limit.

Vice-Chair Lather notices that there are houses all the way down the pipeline corridor.

<u>Mr. Serrano</u> says the City's water service area has infrastructure that extends all the way to Corralitos. Some of the surrounding properties are already receiving water from the City and that is why the City provided a will serve letter. There is infrastructure nearby to accommodate this parcel.

There is a similar situation with the City of Santa Cruz where their water service area extends outside City limits. A few years ago, this Commission adopted an extended extraterritorial service agreement covering that water service area so that residents do not have to come to LAFCO individually to ask for approval. If any resident wants to connect to the City's water, they can go directly to the City.

* Commissioner Jim Anderson exits the meeting.

MOTION

Motion: Friend	To adopt draft Resolution No. 2021-03 approving the extraterritorial	
Second: Estrada	service agreement with the City of Watsonville.	
	Motion passes with Commissioner Jim Anderson not available to vote.	

* Commissioner Jim Anderson returns to the meeting.

COUNTY SERVICE AREA (CSA) 60 DISSOLUTION

<u>Mr. Serrano</u> reports that CSA 60 is located in the unincorporated area of Brookdale and is known as Huckleberry Island. CSA 60 was formed in August 2015 to help provide funding for the construction of a bridge and road maintenance. There are about 40 residents who live in Huckleberry Island.

State law requires LAFCOs to conduct municipal service reviews which are similar to audits but it goes beyond the financial health of an agency. The review looks at best practices and the level of services. A service and sphere review was completed in March 2020. Based on the analysis, CSA 60 has been inactive for over five years.

Staff visited CSA 60 and there is a new bridge that has been constructed but the County's Public Works County Service Area program did not help construct or fund the bridge. CSA 60 has not collected any revenues or incurred any costs for more than five years. Public Works has not conducted any work for CSA 60.

There is a new law that requires inactive districts to be dissolved and this is determined by the State Controller's Office. This Commission deferred adopting the sphere update during their March 2020 meeting to allow the residents and the County to jumpstart CSA 60's activity. This gave the residents an opportunity to express whether CSA 60 is still needed and if so, they would need to develop an action plan. That plan can be provided to the State Controller's Office to prevent them from being identified on the inactive districts list. Once a district is identified on that list, State law requires that district to be dissolved.

The sphere update was deferred to August 2020 to give the residents and the County enough time to develop a plan but no action was taken. By November, the State Controller's Office sent a letter to LAFCO indicating that CSA 60 does meet the criteria of being an inactive district and they require LAFCO to dissolve CSA 60 within 90 days.

MOTION

Motion: R. Anderson	To adopt draft Resolution No. 2021-04 approving the dissolution of	
Second: Lather	County Service Area 60 as an inactive special district.	
	Motion passes with a unanimous voice vote.	

OTHER BUSINESS

UC SANTA CRUZ LONG RANGE DEVELOPMENT PLAN – DRAFT EIR COMMENT LETTER

<u>Mr. Serrano</u> reports that UC Santa Cruz has developed a Long Range Development Plan (LRDP) to help identify potential housing for faculty and students. LAFCO staff has identified five project areas that are outside Santa Cruz City limits. Under State law, when an entity wants an area to have municipal services from a public agency such as water or sewer, they are required to get LAFCO approval.

Staff drafted a comment letter to inform the University that if they move forward with these five projects and they want municipal services, they will have to get approval from LAFCO. Staff understands the University's intent and their goals to identify housing for their students and faculty so the letter details four potential options for the University to consider.

The first option would be to focus on development within City limits so the University would not have to get LAFCO's approval for projects outside the City. The second option is to consider an extraterritorial service agreement as per Government Code Section 56133. The third option is to annex the five areas in question which is allowed under Government Code Section 56375. This would annex the areas into the City to allow that area to receive municipal services. This third option would probably be the best approach for the University since half of the campus is already in the City of Santa Cruz.

The fourth option would be to annex the entire remaining campus area into the City. Currently, 51% of the campus is within City limits. Annexing the remaining 49% of the campus would allow the University and the City to strategically collaborate on future developments without having to receive further LAFCO approval.

The intent of this comment letter is to inform the University, but also be a resource to them as they move forward with their LRDP. He hopes one of these four options is a viable alternative.

<u>Morgan Bostic</u> is a recent UC Santa Cruz graduate and an advocate for Santa Cruz City-County Task Force to Address UCSC Growth. This task force is a working group of City and County elected officials that was formed in response to local ballot Measure U which passed in 2018 with 77% of the voters. The measure contains specific policies to restrain UCSC growth and insure mitigation and all of its impacts on campus.

Measure U directs the City Council to participate in reviewing and commenting on the LRDP's Environmental Impact Report (EIR). In an effort to insure full mitigation of all adverse impacts of any proposed growth on the Santa Cruz community, particularly regarding housing, traffic, public transportation and public services like water and public safety.

Over the past two months, the task force has initiated a public campaign informing the community about the details of UCSC's plans and has been encouraging the public to participate on their own or through a task force sponsored working group. As of now, over 40 community members have participated in topic specific working groups.

The task force would like to express their appreciation to LAFCO for submitting comments on the draft EIR and encourages LAFCO to continue participating actively in EIR process. The 2021 LRDP estimates 43% of the housing and 8% of the academic and support space will be located outside the municipal services boundary. Therefore, LAFCO will play a central role in determining the ability for UCSC to achieve their growth targets and ensuring natural resources and public utilities are stewarded responsibly.

<u>Ms. Steinbruner</u> appreciates LAFCO addressing this issue. There are two upcoming virtual meetings regarding UCSC's LRDP. She hopes Commissioners will participate in those meetings. She attended some previous scoping meetings for the EIR and she brought up the water issue.

She also mentioned how the water director for the City of Santa Cruz indicated that the City's water demand increase for the next 20 years would be zero. She does not understand how that could be with all of the proposed developments in downtown Santa Cruz and UCSC. She also said that UCSC implements such progressive water conservation measures that the City's water demand increase for UCSC and other areas of the City is zero because of new technology in plumbing, for example.

The City of Davis and Yolo County had similar issues with UC Davis' plan to expand and their problems with housing. They went through mediation and she hopes Santa Cruz County and the City of Santa Cruz will follow similar steps. She thinks it would be wise to annex the whole campus to address water, sewage and other City services.

<u>Mr. Serrano</u> agrees with Ms. Steinbruner. LAFCO staff will participate in the upcoming UCSC meetings. Staff received an email from a resident regarding the draft comment letter and he supported the draft comment letter and its findings. He suggested emphasizing the Commission's water policy. The policy should be included in the letter with more detail. The draft comment letter should have the water policy and the proposal policy included as attachments.

<u>Commissioner Roger Anderson</u> adds that UC Davis failed in getting Yolo County and the City of Davis to cooperate. Davis campus is also in Contra Costa County and is the only campus located in two counties. He understands that it was through Contra Costa County that UC Davis got permission to develop. This information does not have to be included in the letter but he would like more information about this.

Vice-Chair Lather thinks UC Davis is actually in Solano County as well as Yolo County.

<u>Commissioner Jim Anderson</u> wonders about the third option and whether the second option would be tied together.

<u>Mr. Serrano</u> replies that assuming the University applies for an extraterritorial service agreement, LAFCO can include a condition that says an annexation should occur at a later date. The timing can be modified. The second and third options could be tied together and it can be discussed with the University once an application is submitted.

<u>Commissioner Jim Anderson</u> wonders about the City's "zero sum game" mentioned by Becky Steinbruner. When LAFCO went through this with the University last time, they claimed it was a "zero sum game" then. Since then, the National Oceanic Atmospheric Administration and the Department of Fish and Game have increased restrictions on drawing water from the North Coast streams. He does not understand how it could be a "zero sum game".

<u>Commissioner Roger Anderson</u> asks what happens to the Urban Services Line (USL) once it climbs up the east side of the campus.

<u>Mr. Serrano</u> answers that the USL is a boundary the County has adopted. It is coterminous with the City's jurisdictional and sphere boundaries on the north and west side.

<u>Commissioner Coonerty</u> thinks it is important that LAFCO assert its role to make sure laws are followed and meaningful mitigations are put in place. The University believes they are exempt from LAFCO. It should be clear in the letter that LAFCO has statutory authority over this issue. UCSC did reduce its water and traffic usage dramatically. They have housed two-thirds of their

new enrollment on campus from their last LRDP. They signed a binding court settlement agreement that focused on the impacts and needs of University growth but it made sure that there were sufficient mitigations.

This time, the University is talking about housing 100% of the new enrollment on campus and 25% of faculty and staff. He thinks they can mitigate water and traffic impacts. The UC Davis and Yolo County agreement failed because it was a "best efforts" approach and this approach means it sometimes cannot or will not be implemented. A binding agreement with UCSC would be better because it would put appropriate infrastructure in place for their growth. This would be a service to the community since they bear much of the impact of the housing crisis and traffic, for examples. It would also be of benefit to the students where many of them cannot afford housing and education prices. It is in the best interest to have a partnership between the University, the City and the County to reach a binding agreement so that growth is done to reduce impacts on students, faculty, staff and the community.

MOTION

Motion: Coonerty	To approve draft comment letter with Mr. Serrano's additions.
-	Motion carries with a unanimous voice vote.

COMPREHENSIVE QUARTERLY REPORT – SECOND QUARTER (FY 2020-21)

<u>Mr. Serrano</u> says this report is provided to the Commission every three months to note the projects LAFCO is working on and the status of the service reviews, work program and the budget.

The Commission's budget is financially stable. 99% of anticipated revenue has been received as of the end of the second quarter which ends December 31st. It has incurred 36% of its anticipated expenses. Staff wants to stay 50% or below anticipated expenses by the end of the second quarter so the budget continues to be in a healthy state.

FIRE CONSOLIDATION UPDATE (LAFCO PROJECT No. DC 20-02)

<u>Mr. Serrano</u> reports that all the terms in the resolution and the remaining conditions have been met so this consolidation is ready to be recorded. The effective date will be the same as the recordation date. Staff plans on recording the consolidation on February 4th so the new fire district will be official as of Thursday, February 4, 2021.

He appreciates the efforts from both fire district boards, their staff, their unions and the residents. This was a collective effort. The guidance from this Commission really made this a successful consolidation. This will be a model for future consolidations. His goal is to replicate this process for the potential water consolidation between San Lorenzo Valley and Scotts Valley water districts. This fire consolidation process was very transparent and engaging for the residents and the affected parties. It was an example of good government.

<u>Ms. Steinbruner</u> congratulates everyone who worked hard on this fire consolidation. She was present at some meetings where the consolidation idea was presented and it did not go over well with the governing boards of the two fire agencies.

She is confident the level of service will be good under the direction of Chief Walbridge. He is very responsive to the public and will be a good leader. She is also glad to see the improvement in risk reduction throughout the consolidated district.

She supports this consolidation. She lives in one of the islands that has not been annexed but Aptos / La Selva FPD does serve her community.

She was disappointed with the resistance from Aptos / La Selva FPD's board to allow any consideration of changes in the successor fire board. She commends Central FPD for choosing fresh members who are not worn out from consolidation efforts. She praises the new consolidated district for taking on a new approach of district-based elections for the board in the future.

<u>Chief Walbridge</u> thanks and appreciates Ms. Steinbruner's comments. He thanks Mr. Serrano, the Commission, the fire board of directors, all the staff, and the constituents for all of their help. It was a difficult process and there is much work to be done about aligning the two fire districts' organizations.

<u>Commissioner Friend</u> adds that there has been a lot of support for this consolidation. When it started several years ago, there were many concerns from the community, the fire boards and the unions. With LAFCO's leadership, it was a textbook case of outreach and transparency. It took extensive effort behind the scenes and in public to insure people understood the value of this consolidation.

He thinks it is rare to end up being this smooth of a process. It is a real testament to the outreach of both fire districts and all the work involved.

<u>Counsel Zazueta</u> congratulates everyone for their successful efforts. There was some concern over the motion to certify the protest results. He clarifies that when a Commissioner moves the recommended actions, it is a motion for everything that is part of that item which includes the resolution to certify the protest.

WRITTEN CORRESPONDENCE

LETTERS FROM CALAFCO AND THE COUNTY OF SANTA CRUZ

<u>Mr. Serrano</u> reports that staff received correspondence from CALAFCO identifying their 2021 events calendar. CALAFCO is optimistic that they will be able to conduct some in-person events this year. Unfortunately, the upcoming Staff Workshop scheduled for March has been cancelled due to the ongoing pandemic. CALAFCO plans on hosting some virtual meetings and workshops.

Staff also received a letter from the County about a vacancy on the Redevelopment Agency Oversight Board. Redevelopment Agencies (RDAs) were dissolved in 2011. In order to oversee the funding distribution that would have been paid to the RDAs, a successor agency was formed in each county with various representatives from cities, school districts and special districts.

LAFCO has no purview over RDAs or their successor agency. State law does identify LAFCO as the entity that helps with the election process when there is a special district seat open for that board.

A Call for Nominations was sent in early January requesting applications to be due by the end of February. Any board member from a district that receives RDA funding is eligible. Staff is hoping to get at least two applications to have a regular and an alternate member of that board.

<u>Alternate Banks</u> asks if there are specific criteria for all County agencies holding virtual meetings. He says his Cemetery District is trying to find a common ground for when they can meet in person versus virtual meetings.

<u>Mr. Serrano</u> answers that this Commission is following the Governor's Executive Order that indicates there should be virtual meetings during this pandemic. That order is still in place and that is why this Commission is conducting virtual meetings until that order is lifted.

The County has a hybrid approach where some of their Supervisor board meetings are held at a physical location in the Chambers but they are socially distant and some of their Supervisors are present while the remaining Supervisors are attending virtually. This works for some agencies due to the size of their boards. It would not work for LAFCO because there are 11 Commissioners and it would be more complicated wearing masks and abiding by social distancing. It depends on the districts and how they can safely conduct their meetings.

<u>Commissioner Coonerty</u> adds that the Board of Supervisors meetings are completely virtual now.

<u>Alternate Banks</u> says the Cemetery District's issue is physical limitation. If any members of the public wish to attend, physical distancing would be impossible. He thinks their board should go totally virtual until further notice.

CLOSED SESSION

<u>Vice-Chair Lather</u> reports that the closed session will cover the performance evaluations for LAFCO staff.

BACK IN OPEN SESSION: ANNOUNCEMENTS FROM CLOSED SESSION

<u>Counsel Zazueta</u> reports that staff's performance evaluations were reviewed. The Commission will consider a salary increase during the next regularly scheduled LAFCO meeting.

ADJOURNMENT

The next LAFCO meeting is scheduled for 9:00 a.m. Wednesday, March 3, 2021.

JUSTIN CUMMINGS, CHAIRPERSON

Attest:

Joe A. Serrano, Executive Officer



Santa Cruz Local Agency Formation Commission

Date:	March 3, 2021
To:	LAFCO Commissioners
From:	Joe Serrano, Executive Officer
Subject:	"Atkinson Lane / Brewington Avenue Extraterritorial Service
-	Agreement" with the City of Watsonville (Project No. ESA 21-04)

SUMMARY OF RECOMMENDATION

LAFCO has received an application from a landowner requesting an extraterritorial service agreement involving the City of Watsonville. The proposed agreement would allow the City to provide water and sewer service to a single parcel with the condition that the subject area will be annexed into the City at a later date.

Staff is recommending that the Commission adopt the draft Resolution (No. 2021-05) approving the extraterritorial service agreement involving the City of Watsonville.

EXECUTIVE OFFICER'S REPORT:

On February 3, a landowner (Midpen Housing) submitted an application to receive an extraterritorial service agreement ("ESA") between the City of Watsonville and a single parcel (APN: 048-221-09) in order to provide water and sewer service to a proposed 80-unit affordable housing project. The subject area is currently located outside Watsonville's jurisdictional boundary but within the City's sphere of influence. **Attachment 1** provides a map of the agency's current boundaries in relation to the location of the proposal area. Approval of the ESA request would allow the City to provide water and sewer service to the future development from existing infrastructure nearby.

Proposal Overview

The proposal area is currently vacant and part of an 80-unit affordable housing project. The proposed development consists of two parcels: one parcel in the County (APN: 048-221-09) and one already in the City of Watsonville (APN: 019-236-01). The project is known as Pippin Phase II. Pippin Phase I also required LAFCO action. In 2014, Midpen Housing requested an ESA with Watsonville to receive water and sewer service for their 46-unit housing project known as Pippin Apartments. The 2014 ESA was approved with the condition that the area be annexed into the City within two years. Due to some delays, an extension was required but ultimately Phase I was annexed into the City in 2018.

State Law

In accordance with State law, a city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary but within its sphere of influence if the affected agency first receives written approval from the Commission and annexation of the affected territory occurs at a later date (Government Code Section 56133[b]). This is the same approach followed for the ESA approved back in May 2014 involving Phase I of the affordable housing project. After LAFCO's approval of the ESA, a subsequent annexation into Watsonville was finalized in August 2018.

Commission Policy

In 2011, the Commission adopted the Extraterritorial Services Policy which outlined regulations for agencies to provide services outside their service and/or sphere boundaries. This policy was updated on June 3, 2020 (**Attachment 2**). Under this policy, the Commission limits approval of extraterritorial service agreements if the following three specific circumstances occur:

a) Facilities are already in place.

The City provides water and sewer services to properties directly adjacent to the proposal area. The proposal area is within the City's sphere boundary.

b) Annexation would not be practical.

Annexation is practical which is why LAFCO staff is recommending a condition requiring an application to annex the subject area into the City within one (1) year of final occupancy of the entire development.

c) Cortese-Knox-Hertzberg Act Requirements.

The proposed extraterritorial service agreement meets the statutory criteria outlined in LAFCO law, pursuant to Government Code Section 56133(b).

Pursuant to the Commission's policy, individual requests for extraterritorial service shall be filed with the Executive Officer on a prescribed application form. The applicant is responsible for paying the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. An application and fee deposit of \$950 was submitted to LAFCO on February 3, 2021.

Application Packet

In accordance with LAFCO law and the Commission's adopted policy, this type of application requires several documents. The following section summarizes these items:

- **1) Application Form** Commission Policy requires a signed extraterritorial service agreement form. A signed application was submitted on February 3.
- 2) Consent Letter Commission Policy requires documentation showing consent from the affected property owner as part of the application. The property owner of APN: 048-221-09 submitted a consent letter on February 3.
- 3) Will-Serve Letter Government Code Section 56133 requires documentation from the affected agency indicating support and capacity to provide the requested service. The City of Watsonville signed a Will-Serve letter on January 29. (Attachment 3).
- 4) Notification to Alternative Service Provider Government Code Section 56133(c) requires the Commission to notify any alternative service provider that has filed a map and a statement of its service capabilities with the Commission. LAFCO staff has determined there are no alternative service providers nearby that can provide water and sewer service collectively. However, several local agencies including the County, Freedom Sanitation, Salsipuedes Sanitary, and Pajaro Valley Fire were informed about the proposal. A public notice was also advertised in the Sentinel on February 9, 2021, as shown in Attachment 4.

- 5) Environmental Document Commission Policy indicates that proposals warranting environmental regulations are subject to the applicable provisions of the California Environmental Quality Act (CEQA). LAFCO, as a Responsible Agency, will refer to the adopted 2009 and 2014 environmental documents (Attachment 5). The proposed affordable housing development was subject to the Final Environmental Impact Report for Atkinson Lane Specific Plan and P.U.D certified by the County Board of Supervisors in June 2009 and later amended in April 2014. The Board of Supervisors certified the Environmental Impact Report Addendum in May 2014. These documents included reference to LAFCO's required approval process and therefore may be used to fulfill the environmental requirement under CEQA for this ESA request.
- 6) Indemnification Agreement Commission Policy requires a signed indemnification agreement in the event that a lawsuit is filed against LAFCO's action. A signed indemnification agreement was submitted on February 3 (Attachment 6).
- 7) Fee Deposit Commission Policy requires a fee deposit of \$950 for any proposed extraterritorial service request. A deposit was included with the application packet. Following the completion of the LAFCO process, staff will conduct a cost analysis and refund any remaining funds, if available.

Conclusion

LAFCO typically encourages boundary changes, such as annexations, when there is a request for municipal services. In some cases, annexations are not practical. LAFCO staff evaluated this application and confirmed that the proposed extraterritorial service agreement meets all the requirements under State law and the Commission's adopted policy. However, annexation is practical and this area should be annexed into the City in the foreseeable future. Therefore, the terms and conditions outlined in the draft resolution will allow the City to provide water and sewer service to the proposed development with the condition that an application to annex the subject area into Watsonville will be required within one (1) year of final occupancy of the entire development (refer to **Attachment 7**). LAFCO legal counsel has also reviewed the draft resolution with the proposed terms and conditions. LAFCO staff is recommending that the Commission adopt the attached resolution.

Respectfully Submitted

Joe A. Serrano Executive Officer

Attachments:

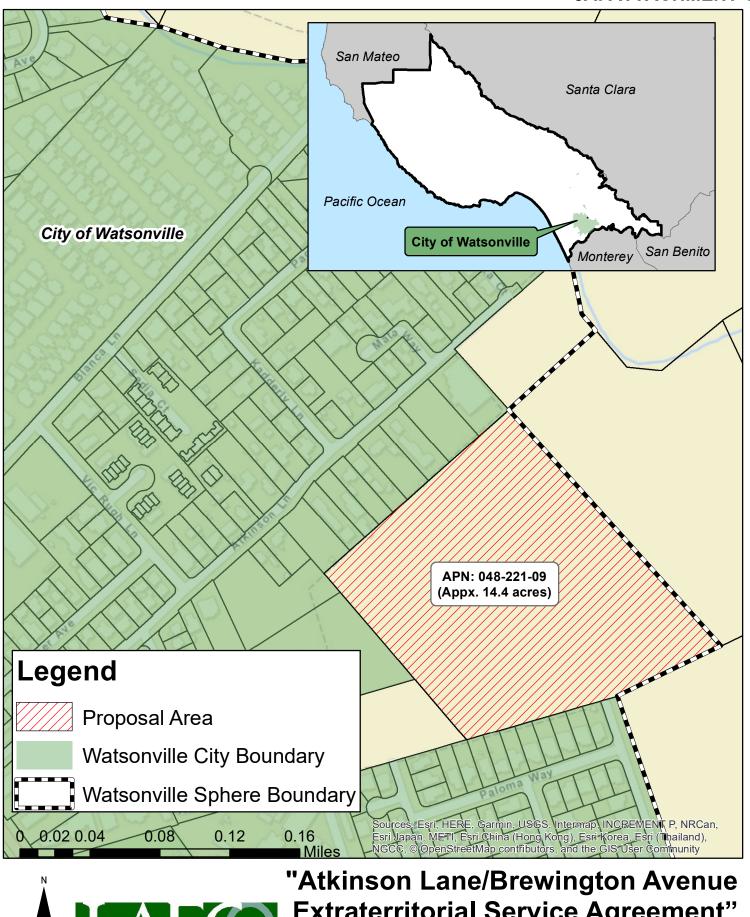
- 1. Proposal Area Map
- 2. Extraterritorial Services Policy
- 3. City Will-Serve Letter
- 4. Notice of Public Hearing
- 5. CEQA Documents
- 6. Indemnification Agreement
- 7. Draft Resolution No. 2021-05

cc: Luis Preciado, Midpen Housing (Property Owner; APN: 048-221-09)

<u>City of Watsonville</u> Matt Huffaker, City Manager David Caneer, Principal Engineer Suzi Merriam, Community Development Director Maria Esther Rodriguez, Assistant Director

Interested Agencies Kathleen Molloy, County Planning Ashleigh Trujillo, County Public Works Beatriz Barranco, Freedom Sanitation District Sean Murray, Pajaro Valley Fire Protection District Delia Brambila, Salsipuedes Sanitary District

5A: ATTACHMENT 1



Santa Cruz County, California



EXTRATERRITORIAL SERVICES POLICY

Adopted on June 9, 1994 (Resolution No.97-W) Amended on February 8, 2007 (Resolution No. 2007-1) Previous Revision February 2, 2011 (Resolution No. 2011-1) Last Revision on June 3, 2020 (Resolution No. 2020-15)

1. OVERVIEW

The purpose of this policy is to explain to the public, cities, and districts the procedures by which the Commission will review requests to authorize a city or district in Santa Cruz County to provide one or more services outside its jurisdictional limits pursuant to Government Code Section 56133.

2. COMMISSION APPROVAL REQUIRED FOR NEW OR EXTENDED SERVICES

Except for the specific situations exempted by Government Code Section 56133, a city or district shall not provide new or extended services to any party outside its jurisdictional boundaries unless it has obtained written approval from the Local Agency Formation Commission of Santa Cruz County ("LAFCO").

3. LIST OF PRE-EXISTING SERVICES

In 1994, the Executive Officer originally asked each city and district to provide a list or map of parcels receiving extraterritorial service under Government Code Section 56133. The Executive Officer subsequently presented a report on these extraterritorial services with the Commission. As a regular practice, a list of all approved extraterritorial service agreements are presented to the Commission on an annual basis.

4. AREAWIDE APPROVALS

Upon the initiative of either a public agency or the Commission, the Commission shall consider an areawide approval as a regularly agendized item and may grant approval for subsequent services to be provided by a city or district within a mapped area as specified by the Commission. The approval may include conditions. The Commission shall specify a time period not greater than ten years for which the areawide approval shall be valid. The Commission may, upon its own initiative or at the request of a public agency, renew with or without amendments, an areawide approval for a period not to exceed ten years.

Before granting an areawide approval, the Commission shall determine that the city or district is able to provide the service in a manner that does not negatively affect the services provided within the agency's boundaries and sphere of influence, and in a manner that does not negatively affect the resources in the area. Also, before granting an areawide approval, the Commission shall determine that the approval is consistent with the requirements of law and LAFCO policies.

5. INDIVIDUAL REQUESTS

Individual requests for extraterritorial service shall be filed with the Executive Officer on a prescribed application form. The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The application deposit regarding the request for extraterritorial service is \$950. Deposit amount may be subsequently changed in future revisions of the Schedule of Fees and Deposits.

The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The Commission shall consider the request after it has been placed on an agenda of a Commission meeting.

6. ENVIRONMENTAL REVIEW

All matters that are reviewable pursuant to these regulations are subject to the applicable provisions of the California Environmental Quality Act.

7. COMMISSION ACTION

The Executive Officer shall prepare a report and place the request for extraterritorial service on the Commission's agenda. The Commission shall provide an opportunity for any interested individual or party to address it. The Commission may call a subsequent public hearing in order to receive additional public testimony before acting upon a request. The Commission acts on the request by majority vote. Subsequently, the Executive Officer shall notify the applicant in writing of the Commission's action. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

8. DELIVERY OF MUNICIPAL SERVICES

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and this Commission's adopted policies encourages smart growth and relies on the appropriate governance options to ensure the effective and efficient delivery of municipal services. Therefore, the Commission intends to reinforce that the standard manner in which services will be extended is by annexation (and sphere of influence amendment, if necessary). The Commission shall limit its extraterritorial service authorizations to public health emergencies and circumstances where:

- a) Facilities are already in place, and
- b) Annexation would not be practical, and
- c) Extraterritorial service is determined by the Commission to be consistent with the policies adopted in and pursuant to the Cortese-Knox-Hertzberg Act.

When the Commission authorizes the emergency provision of municipal services via extraterritorial service outside an agency's boundaries, and annexation is practical, the Commission will require annexation to be completed within two years.

9. WATER PROVISIONS

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing extraterritorial service applications, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft.

A water policy has also been adopted by this Commission and should be reviewed before submitting any application for potential service delivery, including annexations or requests for extraterritorial services.

5A: ATTACHMENT 3



City of Watsonville

"A Community of Opportunities"

January 29, 2021

Luis A. Preciado, Project Manager MidPen Housing Corporation 275 Main Street, Ste. 204 Watsonville, CA 95076

SUBJECT: Water & Sanitary Sewer Service for APN 048-221-09, Santa Cruz County

Dear Luis:

This letter is to inform you that under the current City of Watsonville City Council water and sanitary sewer policy, City water and sanitary sewer service may be provided to the subject parcel. This approval is granted based on current City Council policy, which permits provision of new City water and sanitary sewer service on an unincorporated county parcel, which fronts a water and sanitary sewer main on county urban designated property, provided the following conditions are met:

- 1. Complete and submit a water and sanitary sewer service application to the City of Watsonville.
- 2. A building permit and a valid address have been issued for a residence by the County of Santa Cruz.
- 3. Submit plans for the new water and sanitary sewer service to the City for review. An Engineering Encroachment Permit shall be obtained from the City of Watsonville to a contractor(s) meeting the qualification standards set by the City.
- 4. Pay applicable current fees to the City of Watsonville (Permit fee, meter drop-in, connection fees).

This letter is not a guarantee of water or sanitary sewer availability. The provision of water and sanitary sewer service district wide is determined by the City Council of the City of Watsonville. Please contact me at (831) 768-3115 if you have any questions.

Sincerely,

David Caneer, PE, QSD Principal Engineer Public Works & Utilities Department

\$831-768-3050
 cdd@cityofwatsonville.org
 www.cityofwatsonville.org

Community Development Department 250 Main Street Watsonville



NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, March 3, 2021, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- "Atkinson Lane/Brewington Avenue Extraterritorial Service Agreement" with the City
 of Watsonville (LAFCO Project No. ESA 21-04): Consideration of an extraterritorial service
 agreement request for a single parcel to receive water and sewer services from the City of
 Watsonville. In compliance with the California Environmental Quality Act (CEQA), LAFCO
 will act as a responsible agency.
- City of Scotts Valley Service and Sphere of Influence Review: Consideration of a service and sphere review for the City of Scotts Valley. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.

Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act. Members of the public are encouraged to observe the shelter-in-place order and participate remotely. Instructions to participate remotely are available in the Agenda and Agenda Packet: <u>https://www.santacruzlafco.org/meetings/2021-agenda-packets/</u>

During the meeting, the Commission will consider oral or written comments from any interested person. Maps, written reports, environmental review documents and further information can be obtained by contacting LAFCO's staff at (831) 454-2055 or from LAFCO's website at <u>www.santacruzlafco.org</u>. LAFCO 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. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at least 48 hours in advance of the meeting to make arrangements.

tes

Joe A. Serrano Executive Officer Date: February 9, 2021

5A: ATTACHMENT 5

Pippin Phase II

2009 Final Environmental Impact Report (EIR) and 2014 EIR Addendum

Pippin Phase II Apartment is subject to the Final Environmental Impact Report for Atkinson Lane Specific Plan and P.U.D certified by the County Board of Supervisor in June 2009 and later amended in April 2014. The County Board of Supervisors certified the Environmental Impact Report Addendum in May 2014.

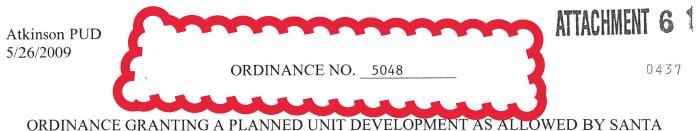
A full copy of the 2009 Final Environmental Impact Report for Atkinson Lane Specific Plan and P.U.D can be accessed on line by following this link:

https://www.sccoplanning.com/PlanningHome/Environmental/CEQAInitialStudiesEIRs/ArchivedCEQADo cuments/AtkinsonLane.aspx

A full copy of the 2014 Environmental Impact Report Addendum for Atkinson Lane Specific Plan and P.U.D cab be accessed by following this link:

https://www.santacruzlafco.org/wp-content/uploads/2018/08/Atkinson-Pippin-EIR.pdf

Full copies of the Planned Unit Development (PUD) Ordinance 5048 approved in 2009 and later replaced with PUD Ordinance 5183 approved in 2014 are enclosed.



CRUZ COUNTY CODE RELATING TO ESTABLISHMENT OF DEVELOPMENT STANDARDS FOR APNS: 048-211-25, 048-221-09

The Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION I

A Planned Unit Development is hereby granted to the property located between Atkinson Lane and Brewington Avenue, in the Pajaro Valley Planning Area, also known as the Atkinson Lane Housing Site, and shown on Exhibit A attached hereto and subject to the conditions shown on Exhibit B, attached hereto.

SECTION II

The Board of Supervisors hereby adopts the recommendations of the Planning Commission for the Planned Unit Development as described in Section I, and adopts their findings in support thereof without modification as set forth below:

- 1. That the proposed location of the uses are in accordance with the objectives of the County Code and the purposes of the district in which the site is located.
- 2. That the proposed location of the Planned Unit Development and the conditions under which it would be operated or maintained will not be detrimental to the public's health, safety or welfare, or materially injurious to properties or improvements in the vicinity.
- 3. That the proposed Planned Unit Development will comply with each of the applicable provisions of Chapter 18.10 of the County Code.
- 4. That the standards of dwelling unit density, site area and dimensions, site coverage, yard spaces, heights of structures, distances between off-street loading facilities and landscaped areas will produce a development that is compatible with and integrated into the surrounding built and natural environment consistent with the objectives of the County Code.
- 5. That the standards of dwelling unit density, site coverage, yard spaces, heights of structures, distances between structures, off-street parking, and off-street loading facilities will be such that the development will not generate more traffic than the streets in the vicinity can carry and will not overload utilities.
- 6. That the combination of different dwelling and/or structure types and the variety of land uses in the development will complement each other and will harmonize with existing and proposed land uses, structures, and the natural environment in the vicinity.
- 7. That the degree of departure from the required development and density standards is roughly proportional to the benefits provided to the neighborhood and/or the community in which the Planned Unit Development is located.



Atkinson PUD 5/26/2009

ATTACHMENT 6

8. That the proposed development is consistent with the General Plan/Local Coastal Program Land Use Plan.

0438

SECTION III

The Board of Supervisors hereby adopts the recommendations of the Planning Commission for the Development Permit as described in Section I, and adopts their findings in support thereof without modification as set forth below:

- 1. That the proposed location of the project and the conditions under which it would be operated or maintained will not be detrimental to the health, safety, or welfare of persons residing or working in the neighborhood or the general public, and will not result in inefficient or wasteful use of energy, and will not be materially injurious to properties or improvements in the vicinity.
- 2. That the proposed location of the project and the conditions under which it would be operated or maintained will be consistent with all pertinent County ordinances and the purpose of the zone district in which the site is located.
- 3. That the proposed use is consistent with all elements of the County General Plan and with any Specific Plan which has been adopted for the area.
- 4. That the proposed use will not overload utilities, and will not generate more than the acceptable level of traffic on the streets in the vicinity.
- 5. That the proposed project will complement and harmonize with the existing and proposed land uses in the vicinity and will be compatible with the physical design aspects, land use intensities, and dwelling unit densities of the neighborhood.
- 6. The proposed development project is consistent with the Design Standards and Guidelines (sections 13.11.070 through 13.11.076), and any other applicable requirements of this chapter.

SECTION IV

This ordinance shall become effective 31 days after adoption.

PASSED AND ADOPTED this <u>9th</u> day of <u>June</u> 2009 by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES:	SUPERVISORS	Pirie, Leopold, Stone and Coonerty
NOES:	SUPERVISORS	None
ABSENT:	SUPERVISORS	None
ABSTAIN:	SUPERVISORS	Campos

Atkinson PUD 5/26/2009

ATTACHMENT 6 huy Chairman of the Board of Supervisors

Attest: Clerk of the Board

APPROVED AS TO FORM County Counsel



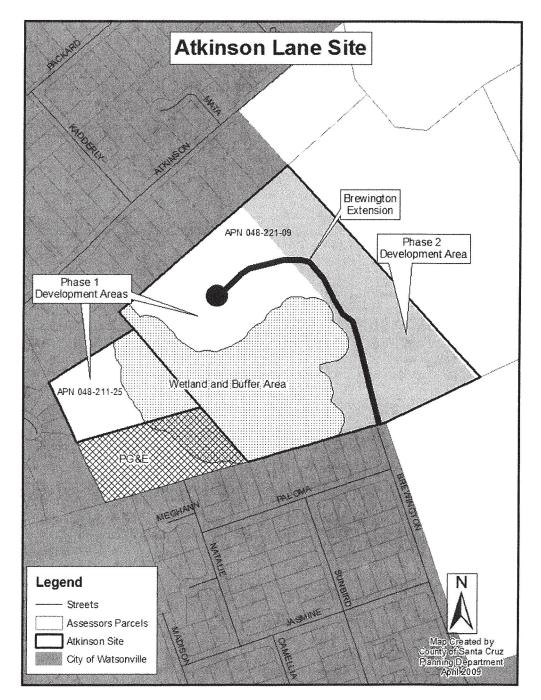


EXHIBIT A

Planned Unit Development Conditions of Approval

Property located between Atkinson Lane and Brewington Avenue, in the Pajaro Valley Planning Area.

APNs: 048-211-25, 048-221-09



Atkinson PUD 6/4/2009

Replacement Page

EXHIBIT B

Planned Unit Development Conditions of Approval

Property located between Atkinson Lane and Brewington Avenue, in the Pajaro Valley Planning Area.

APNs: 048-211-25, 048-221-09

This 16.8 acre site contains 10.0 useable (developable) acres, 1.3 acres on APN 048-211-25 and 8.7 acres on APN 048-221-09, equating to a total of 200 dwelling units, 26 on APN 048-211-25 and 174 on APN 048-221-09, of these, 30 total affordable units are required under County Code Section 17.10.030(b)(1), 3 plus an inlieu fee for 0.9 of a unit on APN 048-211-25, and 26 plus an inlieu fee for 0.1 of a unit on APN 048-221-09, and 51 total affordable units are required under County Code Section 17.10.030(b)(6), 7 on APN 048-221-09, and 44 on APN 048-221-09. Development of this site is by-right in that the use and density for the site are not discretionary. A Level VII design review hearing is required.

The EIR evaluating this PUD also evaluates adjacent land area for development by the City of Watsonville. This PUD addresses only the two cited parcels above. The City of Watsonville will be responsible for the remainder of the development plan discussed in the EIR.

I) General Site Standards

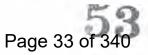
- A) All requirements and standards contained in Section 13.10.475 through 13.10.478 of the County Code (Regional Housing Needs "R" Combining District) shall be applicable unless expressly modified by the conditions of this Planned Unit Development (PUD).
- B) <u>Development Standards</u>. The following development standards supersede the development standards in the County Code. Unless specifically defined below, developments must meet all required development standards in the County Code at the time the Design Review application is deemed complete. All of the site standards contained within Chapter 13.10 shall be applicable unless modified by this Planned Unit Development.
 - 1) Circulation and Parking Requirements
 - (a) Parking requirements.
 - (i) 1.5 spaces per studio or one-bedroom unit;
 - (ii) 2.0 spaces for two-bedroom unit;
 - (iii) 2.5 spaces for three-bedroom unit; and
 - (iv) 3.0 spaces per four-bedroom unit.
 - (v) An additional 20% of the total number of parking spaces to accommodate guest parking.
 - (vi) The Board of Supervisors, as part of the Design Review Permit, may consider a reduction to the required on-site parking standard above. Any request shall include an on-site parking management plan prepared by a traffic engineer.

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- (vii) The maximum number of required parking spaces that may be compact in size shall be as specified in County Code Section 13.10.553 (e) or its successor ordinance.
- (viii) The standards for off-street parking facilities as outlined in County Code Section 13.10.554 at the time of application is deemed complete shall apply.
- (b) <u>Circulation Requirements.</u> Primary access through the PUD area will be provided via a collector street that will extend north from Brewington Avenue to be constructed by the developer of the Phase I Development Area. An emergency-only access road through APN 019-236-01 will serve both the Phase I and Phase 2 Development Areas on APN 048-221-09. An access road from Atkinson Lane along the existing vehicular easement leading to the PG&E site will provide access to APN 048-211-25.
- (c) Roadway Design. The following standards shall apply to roadways on the project site:
 - (i) Right-of-Way Width:
 - 32 feet for access to APN 048-211-25: two 12-foot travel lanes and an 8-foot parking shoulder on east side only,
 - 52 feet for Brewington Avenue extension (Collector Street): from east to west, 6-foot sidewalk, 8-foot parking shoulder, 4-foot bike lane, two 12-foot travel lanes, 4-foot bike lane, and 6-foot sidewalk (eastern sidewalk, parking lane, and bike lane, to be constructed only after removal of the interim agricultural buffer)
 - 20 feet for two-way interior driveways,
 - 12 feet for one-way driveways, and
 - 20 feet 12 feet for the temporary emergency-only access through APN 019-236-01 to APN 048-221-09
 - (ii) Improvements: Where possible, pedestrian improvements shall should connect with existing infrastructure in the surrounding neighborhoods.
- (d) <u>Bicycle Storage</u>. A minimum of one lockable storage space for bicycle storage shall be provided for each dwelling unit. This lockable storage space may be located within a larger exterior storage area provided for the unit, or in a garage.
- (e) <u>Accessibility</u>. Developments must meet accessibility requirements of Title 24 of the Building Code or successor code in effect at the time the Building Permit application is submitted.
 - (i) Accessible parking shall be provided consistent with California State Law. This applies to the design and location of parking spaces, number of accessible spaces provided, and accessible path of travel through the development and to the public right-of-way.
- 2) Requirements for Structures
 - (a) <u>Number of Stories</u>. A maximum of three (3) stories as defined by the County Code exclusive of subsurface parking is allowed.

Atkinson PUD 5/26/2009

- (i) Three stories are allowed except in areas restricted to a two-story maximum, as delineated in Section I.B.2.a(ii) below, in order to provide a logical transition between existing neighborhoods and higher density development.
- (ii) To reduce bulk and mass, efforts shall be made to provide articulation and architectural features and to provide a transition from the adjacent properties. This transition shall be achieved by the following:
 - Restricting buildings to 28 feet and two stories in height adjacent to existing homes located along Atkinson Lane. See Section I.B.3.b for further detail.
 - Requiring buildings facing public roads to incorporate features such as stepback heights, articulation, variations in finishes, glazing, building separation and varied roof heights.
- (b) <u>Height.</u> Height of three-story structures may be up to 37 feet, exclusive of sub-surface parking, and the height of two-story structures may be up to 28 feet, exclusive of subsurface parking. Height will be measured in accordance with the provisions of County Code Section 13.10.477.
 - (i) For any structure proposed to be within 2 feet of the maximum height limit, the building plans shall include a roof plan and a surveyed contour map of the ground surface, superimposed and extended to allow height measurement of all features. Spot elevations shall be provided at points on the structure that have the greatest difference between ground surface and the highest portion of the structure above. This requirement is in addition to the standard requirement of detailed elevations and cross-sections and the topography of the project site, that clearly depict the total height of the proposed structure above preconstruction natural grade and finished grade.
- 3) Site Standards
 - (a) Lot Coverage and Floor Area Ratio. Lot Coverage Site Standards and Floor Area Ratio Site Standards specified in County Code Section 13.10.323 (b) do not apply.
 - (b) <u>Setbacks</u>. The following setbacks are established from the perimeter of the subject property, as shown on Exhibit A, to the structures in aggregate and are as follows:
 - (i) APN 048-211-25, located west of wetlands
 - North: 3 feet if developed in conjunction with adjacent City parcel, otherwise 10 feet.
 - West: 5 feet from 32-foot wide access roadway, located along the existing vehicular easement
 - East: outside 50-foot wetland buffer
 - South: 10 feet
 - (ii) APN 048-221-09, located north and east of the wetlands
 - Phase 1 Development Area:
 - 1. North: 15 feet for 2 story structures, 20 feet for 3 story structures
 - 2. West: outside 50' wetland buffer



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- 3. East: outside interim agricultural buffer
- 4. South: outside 50' wetland buffer
- Phase 2 Development Area:
 - 1. North: 15 feet for 2 story structures, 20 feet for 3 story structures
 - 2. West: outside 50' wetland buffer
 - 3. East: 3 feet if developed in conjunction with adjacent City parcel, otherwise 10 feet
 - 4. South: 15 feet
- (iii) For projects involving a Tentative Map, the interior setbacks and lot size shall be established through the Design Review process and are not subject to obtaining a Residential Development Permit under County Code Section 13.10.323(d)(1)(A) or its successor ordinance.
- (c) <u>Wetland Area.</u> A Riparian Exception approving a buffer of 50 feet from the edge of the delineated wetland area on the property is included with the adoption of this PUD. Inside this buffer limited activities will be permitted, including placement of interpretive signage at the perimeter of the buffer and the execution of ecological restoration activities including the removal of exotic plant species and establishment of native species. No lighting will be placed within the riparian buffer.
 - (i) Restoration of the wetland and the removal of non-native species from the pond area and buffer is required. A comprehensive management plan/wetland protection program shall be submitted to the County Planning Department for review and approval concurrent with the Level VII Design Review Permit application, and should be developed in conjunction with the Habitat Enhancement Plan detailed in Section IX.C. MM3.4-3b if such a plan is required.
 - (ii) A Riparian Exception is granted by this PUD for the encroachment, installation, and maintenance of drainage outlets and energy dissipaters under the following conditions:
 - No disturbance is allowed below the ordinary high-water mark of the mapped wetland other than restoration activities required by Section IX of this PUD.
 - Prior to issuance of the building permit for the first permanent structure, drainage plans complying with the requirements of this PUD, particularly those related to runoff-reduction and Low Impact Design guidelines, shall be reviewed and approved by both DPW Drainage and Environmental Planning.
 - Prior to issuance of the building permit for the first permanent structure, the applicant shall provide the County with a copy of the California Department of Fish and Game (CDFG) 1602 Streambed Alteration Agreement, or a statement from the CDFG that no permit is required for the restoration and drainage improvement construction activities to occur within the wetland or wetland buffer area.
- (d) <u>Stormwater Management</u>. Consistent with Section IX.G. MM 3.8-1a and MM 3.8-1b, development in the PUD area will utilize the wetland for stormwater retention,

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and the developer or developers of Phase I shall be responsible for the construction of a temporary detention basin, located in the Phase 2 Development Area, to mitigate the increase of stormwater runoff from the PUD area. The temporary detention basin shall be sized appropriately to accommodate run-off generated by the development of Phase 1 of the PUD area. The Developer of the Phase 2 Development Area shall be responsible for the design and construction of a drainage system sufficient to limit run off to predevelopment levels for a range of storm events up to the 25 year storm event. The application of appropriate erosion control measures at this location shall be required.

- (i) Low Impact Design (LID) techniques that maximize infiltration, minimize runoff volumes and rates, and minimize pollutant loadings, shall be incorporated into the project design. Such practices would include:
 - Providing on-site treatment for low-flow storm events
 - Enhancing treatment of off-site flows
 - Providing vegetated swales for water quality treatment
 - Designing for large event flood control
 - Incorporating landscape features that enhance water quality; and
 - Limiting the post-development runoff rate and volume to the predevelopment runoff rate and volume, to the maximum extent possible.

(e) <u>Open Space</u>. The open space requirements specified in County Code Section 13.10.323 e(6)F shall not apply. Instead, the developer will be required to provide a minimum of 50 square feet of private open space per unit, and a minimum of 150 square feet of common open space per unit. Common open space may consist of active or passive recreation space, designed with both children and adults in mind.

- (i) The Design Review process shall determine the final configuration and location of open space on-site, with special consideration for the opportunity to incorporate passive open space adjacent to the wetland area and active areas that are safe and observable from adjacent housing units.
- (f) <u>Signs.</u> Any signs shall comply with Section 13.10.580 or any successor ordinance and the location and design shall be reviewed and approved as part of the Design Review process. The following signs are allowed:
 - (i) A non-illuminated temporary sign pertaining to the sale, lease or rental of a dwelling and limited to six square feet in size or less.
 - (ii) A permanent identification sign, in-directly illuminated, of 12 square feet or less.
- (g) <u>Site Planning</u>. The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - (i) Where natural features exist, such as wetlands and drainages, open spaces should be preserved and used to frame and define residential areas.
 - (ii) Grading should limit the visual distinction between graded and adjacent natural landforms and be contoured to blend into adjacent open spaces.



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- (iii) Varied building heights are encouraged, both to provide visual interest and give the appearance of a collection of smaller structures. Building heights at the edge of the subdivision should be considered within the context of the project's surroundings, the adjacent uses, and should create a transition from the heights of adjacent existing residential development rather than form abrupt height changes. Section I.B.2.a(ii) addresses this concept in further detail.
- (iv) Arrange unit types to provide a logical transition between existing neighborhoods and higher density portions and provide complete consistent streetscapes along existing street frontages.
- (v) Orient buildings and associated improvements to minimize noise, light, glare, and other visual impacts to adjacent residential neighborhoods.
- (vi) Use buildings, landscaping, contrasting paving, and site design to frame neighborhood gateways and define common open spaces.
- (vii) Utilize permeable materials for walkways, driveways, alleys, and patios where possible and locate impervious areas to drain into bioswales or other stormwater detention features.
- (viii) Incorporate Best Management Practices (BMPs) for bioretention systems.
- (ix) Site orientation and building design should consider the use of alternative energy sources and passive solar design concepts.
- (x) The siting of multi-family buildings should consider the existing neighborhood context. Where buildings are not configured around courtyards, gathering areas, and open spaces, they should be oriented parallel to the public street or the internal streets, with some setback variation to provide visual relief.
- (xi) Public, communal, and private spaces should be clearly distinguishable.
- (xii) Ground floor units should have direct access from streets and common spaces.
- (xiii) Entry drives should be designed to create a positive identity for the project. Landscape and site design should frame and distinguish entry drives.
- (xiv) Parking should be unobtrusive and not disrupt the quality of common spaces and pedestrian environments. It should be distributed throughout the site in discrete courts and shall be screened by landscaping or buildings.
- (xv) Services should not be visible from public areas. Trash bins, utility meters, transformers, and other service elements should be enclosed or otherwise concealed from view.
- (xvi) Common open space should be centrally located, have a physical and visible connection to public open space, and connected to each project's internal pedestrian system.
- (xvii)Common spaces should incorporate play equipment for children and adults that are sized to accommodate the anticipated level of use and located such that they are safe and observable from adjacent areas. Additionally, a properly sized community garden site shall be provided.

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- (h) <u>Architectural and Building Design Standards.</u> The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - (i) The requirements of Chapter 13.10 relating to distance between structures shall not apply.
 - (ii) Provide a variety of architectural styles using high quality architectural materials.
 - (iii) All facades, including side and rear elevations, should have the same vocabulary of forms, details, and materials.
 - (iv) Create visual interest through the use of articulated facades, forms, and color, but maintain consistent architectural style and details on both the exposed facades of corner lots. Break up large wall and roof surfaces using three dimensional elements on facades, such as chimneys, balconies, bay windows or dormers.
 - (v) Incorporate energy-efficient building siting standards and materials.
 - (vi) Building forms should be articulated by varying roof heights and wall planes. Long, unbroken volumes and large, unarticulated walls and planes shall not be permitted.
 - (vii) Roof forms should cover the entire width and depth of buildings. Superficial roof forms (such as mansards affixed to the building) or false fronts, facades and parapets, shall not be allowed.
 - (viii) Flat roofs are strongly discouraged.
 - (ix) Individual entries should have a strong relationship with a fronting street, internal walkway, or courtyard, as appropriate to the overall siting concept. A transitional area from the public space or walkway to the private dwelling unit entry, such as a porch, steps, or landscape walkway, should be provided.
 - (x) Each dwelling unit's entry should be differentiated through architectural elements such as porches, stoops, or roof canopies, and detailing. Opportunities should be provided for residents to personalize their entry by providing ground level space or wide ledge for potted plants.
 - (xi) Stairways, fences, trash enclosures, and other accessory elements shall be designed as integral parts of the architecture. Manufactured components attached to the outside of buildings, such as stairways and shed, shall be prohibited.
 - (xii) On-site mechanical equipment visible from buildings or a public street should be screened.
- (i) <u>Materials and Color.</u> The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - (i) Architectural design within each residential subdivision should use a palette of materials that convey an image of quality and durability.
 - (ii) Color should be used as an important design element and should be natural or muted tones. Appropriate use of more than one predominant paint color is



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encouraged. Compatible accent colors are encouraged to enhance important building elements.

- (iii) Painted surfaces should use colors that reinforce architectural concepts and are compatible with natural materials such as brick or stone.
- (iv) Structures designed with obvious references to styles or periods should be consistent with that style or period.
- (j) <u>Landscaping Standards.</u> The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - All developable site areas not covered by structures, walkways, driveways or parking spaces shall be landscaped.
 - (ii) Use specimen trees and accent plant materials at major focal points, such as entries or where major walkways intersect with common open space areas.
 - (iii) Landscaping should support the distinction and transition between private, common and public spaces.
 - (iv) Design landscaping that is permanent with automated irrigation. Waterintensive plants, such as lawns and flowering exotics, should be used sparingly as accents.
 - (v) Use drought tolerant, native landscaping and drip irrigation is encouraged in common area landscaping.
 - (vi) Vines and climbing plants on buildings, trellises, walls and fences are encouraged, both to provide an attractive appearance and to minimize graffiti.
 - (vii) Parking lots should be generously landscaped to provide shade, reduce glare and provide visual interest. Parking lots shall provide shade trees (of at least 15 gallon in size) for each four (4) spaces, and should be screened from view with architectural walls, berms or shrubs where possible.
 - (viii) Incorporate natural features and existing trees into the landscape plan to the extent practical and feasible.
- (k) <u>Lighting</u>. The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - Provide lighting for specific tasks (i.e., illuminating common areas, parking, driveways, paths, and entryways).
 - (ii) Lighting should be mounted on architecturally designed fixtures that are consistent throughout the subdivision and are less than 16 feet in height, and preferably lower.
 - (iii) Place and design outdoor lighting around buildings, in parking lots, and along streets to prevent excessive "spillover" glare into adjacent residential and habitat areas and minimize night sky illumination.
 - (iv) Lighting in parking areas should be arranged to prevent direct glare into adjacent dwelling units and onto neighboring uses/properties.
 - Incorporate cutoffs into light fixtures to screen the view of light sources from residences.



- Agricultural Buffer (Interim). The following guidelines and requirements shall be used in evaluating a development proposal for the Phase 1 Development Area of APN 048-221-09.
 - (i) The interim Agricultural Buffer shall be shown on all plans for the development of the Phase 1 Development Area of APN 048-221-09, and indicated as nondevelopable land. The only development activities that will be permitted in this area are those related to the construction and maintenance of the Brewington Avenue extension, described in further detail under Section 1.B.3(1), below.
 - (ii) Vegetative barriers or other physical barriers such as walls or fencing 6 to 8 feet tall shall be installed within the agricultural buffer area. Such barriers shall be located as close to the urban development as possible, but in no case shall they be closer than 10 feet from any new roadway or structure, in order to allow for appropriate landscaping.
 - (iii) The Brewington Avenue extension shall be oriented along the western edge of the interim buffer to the extent that this alignment facilitates good site planning. All non-auto uses including parking, bike lanes, sidewalks or any other pedestrian use shall be limited to the western roadside only until such time as the interim Agricultural Buffer is no longer required.

II) Project Review

- A) <u>Entitlements.</u> All entitlements, with the exception of the building permit application review shall be processed concurrently at Level VII, subject to the processing provisions of 13.20.100, 18.10.210, 18.10.332, and 18.10.211.
- B) <u>Tentative Map</u>. If a Tentative Map approval is required, it must be included in the application. A Residential Development Permit, as required by Section 13.10.323(d)(1)(A), is not required.
 - Development that includes approval of a Tentative Map is subject to the provisions of the Subdivision Map Act and Chapter 14.01. Where a Tentative Map is proposed, the public hearing shall be expanded to address findings necessary under the Subdivision Map Act. Wherever possible the environmental review performed at the time the PUD is adopted will be utilized in the processing of the Tentative Map unless the Environmental Coordinator determines that additional California Environmental Quality Act (CEQA) review is required based upon the available information.
- C) <u>Phasing.</u> In the event that the PUD site is developed as multiple phases, the following requirements shall apply:
 - 1) Phase 2, as shown on Exhibit A, shall only be built in coordination with City actions to proceed with annexation of the adjacent land to the City of Watsonville.
 - 2) An emergency access point off of Atkinson Lane will be required, through APN 019-236-01, for the development of APN 048-221-09. This emergency access may be abandoned at such time as Brewington Lane is connected to Atkinson Lane with the annexation and development of the adjacent parcels to the east by the City of Watsonville.
 - 3) The development of APN 048-221-09 will also require the construction of the Brewington Extension roadway and the extension of the south-bound left-turn pocket at Crestview Drive/Freedom Boulevard intersection required by Section IX.K. of this PUD



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- 4) The two APNs that compose this site may be developed as separate projects, and cost of on-site work related to drainage and wetland restoration shall be shared between the two parcels.
- 5) APN 048-221-09 may be subdivided and developed as separate projects, providing that all requirements of the Subdivision Map Act are met, and providing that the entire parcel is master planned in a manner consistent with this PUD. The Master Plan must include, but is not limited to, elements such as roads, utilities, open space, and interior setbacks.
 - (a) Each phase of development shall be responsible for its fair share of the 40% affordable housing requirement, unless an alternative plan for the distribution of affordable units is approved at the time of the first Level VII Design Review on each of the parcels.

III) Affordability and Financing

- A) <u>Affordability Level</u>. All development proposals for these parcels are required to provide a minimum of forty (40) percent, of the total number of units as affordable, as defined by County Code Section 13.10.475.
- B) Financial Liability
 - 1) In the event that a developer believes that the affordable housing requirements for a project proposed for this site renders the project financially infeasible, the developer may request relief from a proportional amount of the affordability requirements. That request shall be submitted to the Planning Director with all supporting information, including the development pro forma for the project. The Planning Director shall analyze that request and make suitable recommendations to the Board of Supervisors. In the event that the Board finds that the developer has provided evidence that fulfillment of the affordable housing requirements renders the project financially infeasible, the Board shall grant an increase in the allowed unit resale price, above the price restrictions contained in Section 17.10.030(b)(1) and Chapter 17.10.030(b)(6) of the County Code, in an amount equal to that required to render the project financially feasible. In the event that such price modifications are granted, the developer shall grant the County Redevelopment Agency the option to purchase units at the revised sales price for the purpose of writing them down to suitable levels of affordability, consistent with the intent of this PUD.
- C) Participation Agreement
 - Prior to Building Permit issuance or prior to filing of the Final Map, if one is required, the developer shall enter into a Certification and Participation Agreement with the County of Santa Cruz to meet the Affordable Housing Requirements specified by Chapter 17.10 of the County Code and as noted in PUD Sections III.A. and III.B. above.
- D) Infrastructure
 - 1) In order to provide for an equitable distribution of infrastructure costs between the City and the County, the developer shall be subject to the following conditions:
 - (a) The payment of all applicable County impact fees and any additional fair-share costs for required improvements identified in Section IX of this PUD.
 - (b) Impact fees, with the exception of the Childcare impact fee, shall be held by the County in trust for future off-site improvements in the area.

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- (i) TIA fees shall be provided to the City to address the project's fair share of cost for traffic improvements within the City Limits, as required by the EIR.
- (ii) Park Impact fees shall be provided to the City provided the City completes annexation of the adjacent parcels by 2030 2020, and commits to the construction of the extension of Crestview Park as outlined in the Atkinson Lane Specific Plan.
- (iii) <u>Regarding Drainage Impact fees, the Board of the Zone 7A Flood Control and Water Conservation District shall, in consultation with representatives of the City of Watsonville, within 1 year of Level VII Design Review approval of the first project on the PUD site, develop a cost-sharing method for distribution of the Drainage Impact Fees between the County and the City, in the context of potential future annexation to the City of Watsonville be provided to the City provided the City completes annexation of the adjacent parcels by 2030.</u>
- E) Financing
 - The County and City shall develop a financing mechanism such as a PILOT, CFD, CSA, or other tool to address any shortfall between tax revenues generated by the project and the cost of providing services to the area, as required by Section IX.J. MM 3.12-1.
 - (a) If the City of Watsonville and the County of Santa Cruz have established a Community Facilities District for the PUD Area prior to final approval of a Level VII Design Review application by the County, the project applicant shall be subject to the conditions of that District.
 - (i) If the above condition is not met, the County shall, in the case of an application for the development of an affordable rental project, create a Payment In Lieu of Taxes program to meet the funding gap associated with the development.

IV) Design Review

- A) Public Hearings
 - Development proposals shall undergo Design Review and a public hearing process limited to design issues only. No discretionary permit is required for the by-right density or use of the site. For development proposals under these by-right provisions, applicants must apply for a Level VII Design Review, which requires review at public hearing by the Planning Commission and Board of Supervisors. The Design Review Permit is valid for a maximum of three (3) years. In order for the Design Review Permit to be exercised, the building permit shall be issued within the three-year period.
 - (a) Requests for a time extension for the Design Review Permit shall be processed as a Level III permit review. The permit may be extended for one year up to five (5) times for a total permit life of eight years.
- B) Development Standards
 - All requirements of the Site, Architectural and Landscape Design Review (Chapter 13.11) or successor ordinance in effect at the time a Design Review application is deemed complete for processing shall be applicable unless modified by this PUD.
 - 2) All applicable requirements and standards of the Zoning Regulations (Title 13, Chapter 13.10) and Environmental and Resource Protection Regulations (Title 16) in effect at the time a Design Review application is deemed complete for processing shall apply unless modified by this PUD.
 - 3) A geotechnical report shall be prepared for the site. Four copies of the report shall be submitted to the County for review at the time of project application and accepted prior to the application being determined complete. All requirements and recommendations of the

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approved report shall be incorporated into the project design. A Plan Review letter shall be submitted as part of the Design Review submittal and Building Permit Submittal. All future development on the site shall comply with the requirements of the accepted geotechnical report prepared by a licensed geotechnical engineer.

- 4) A restoration plan for the wetland area shall be prepared and submitted to the Planning Department for review at the time of the first project application, as required by Section I.B.3.c(i) of this PUD.
- 5) All future development on the site shall comply with the requirements and mitigations established by the EIR conducted for this project, on file with the County of Santa Cruz Planning Department.
- C) Minor Variations
 - Minor variations to this permit that do not affect the overall concept or density may be approved by the Planning Director at the request of the applicant or staff, as a Level III permit.
- D) Level VII Design Review Submittal Requirements
 - 1) Preliminary Architectural and Site Plans
 - (a) Preliminary architectural and site plans, prepared by a licensed architect, meeting the standards established by the Planning Department for multi-family residential application submittal, shall be submitted. The plans shall incorporate, but not be limited to, all requirements contained in this PUD.
 - (b) The site plan shall clearly delineate all non-usable areas, including but not limited to:
 - (i) Wetland area and buffer, as shown on Exhibit A.
 - 2) Utilities, Roads and Services
 - (a) Submit proof of authority from the City of Watsonville to build the required emergency access road on APN 019-236-01 as specified in PUD Section II.C.2.
 - (b) Submit preliminary engineered improvement plans to the Planning Department for all roads, curbs and gutters, storm drains, erosion control, and other improvements proposed or required by this PUD. Form and content of the plans shall meet the standards established by the Planning Department for multi-family residential application submittal, and shall meet the County's Design Criteria, except as modified by this PUD, in place at the time of Design Review Application Submittal.
 - (i) Preliminary improvement plans shall meet the following requirements:
 - All improvements shall be prepared by a registered civil engineer and shall meet the requirements of the County of Santa Cruz Design Criteria except as modified herein. Plans shall also comply with applicable provisions of Title 24 (Accessibility) of the State Building Code.
 - Preliminary drainage details including existing and proposed contours, plan views and centerline profiles of all driveway improvements, complete drainage calculations and all volumes of excavated and fill soils. This includes off-site work.
 - Preliminary grading plans must be submitted at time of application. The project design shall minimize grading on-site and off-site to the maximum

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extent possible. This includes designing the grading and foundations to follow existing topography as much as possible. The grading plans shall include existing and proposed contours, plan views and centerline profiles of all driveway improvements, locations, and heights of all retaining walls, preliminary drainage design, grading cross sections through proposed building pads, and all volumes of excavated and fill soils. This includes all on-site and off-site work.

- Submit preliminary sanitation plans to the Department of Public Works for all sanitary improvements proposed or required by this PUD.
- For the first project applicant on APN 048-221-09, the design of the southbound left-turn pocket from Freedom Boulevard to Crestview Drive shall be submitted, in compliance with Section IX.K. 3.13-11.
- (ii) All road plans shall comply with all requirements of the Department of Public Works Road Engineering and shall be consistent with the County's Design Criteria for road construction. Right-of-way width shall be that described in PUD Section I.B.1.c.
- 3) A sign plan indicating the location and size of all signs on the site shall be submitted. The signs shall be consistent with the provisions of this PUD.
- 4) A current water will-serve letter from the City of Watsonville Public Works and Utilities Department shall be submitted to the Planning Department.
 - (a) Before obtaining this will-serve letter, developers shall be required to provide the County with proof that they have met the requirements of Section IX.L. MM 4-3, requiring sufficient offsets for new water demand, at a rate of 1.2 gallons:1 gallon.
 - (b) The Local Agency Formation Commission (LAFCO) approval of extraterritorial water service will be required.
 - (c) All groundwater wells shall be properly abandoned and capped, in compliance with all state, federal and local regulations, as detailed in Section IX.F. MM 3.7-7.
- A current sanitary sewer will-serve letter from the City of Watsonville Public Works and Utilities Department (PWUD) shall be submitted to the Planning Department.
 - (a) The Local Agency Formation Commission (LAFCO) approval of an annexation into the <u>Sanitation District PWUD Service Area</u>, or extraterritorial sewer service, will be required prior to the issuance of a will-serve letter.
 - (b) Any existing septic systems shall be properly abandoned per County requirements, as detailed in Section IX.F. MM3.7-6.
 - (c) Due to the property's topography, a private pump station may be required to sewer some or all of the developments structures. The pump station shall be designed and constructed to resemble the development and shall be privately maintained. An onsite private generator will be required to run the sewer pump(s) in case of power outage. Odor control shall be required on the pump.
- V) Final Map Requirements and Timing.

If the project includes a Map, the following requirements shall be met prior to the final filing:

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- A) <u>Drainage</u>. Final engineered drainage details shall be submitted to the County Planning and Public Works departments for both on- and off-site drainage work. Drainage plans for Phase I shall show the temporary detention basin designed with sufficient capacity to address the drainage impacts identified by the EIR and included in Section IX of this PUD. Drainage from road improvements shall be filtered and released into the new drainage system. A Construction Activities Stormwater General National Pollution Discharge Elimination System (NPDES) Permit shall be obtained form the State Water Resources Control Board.
 - The allowable release rate from the site shall be limited to the volumes identified in Section IX.G. MM 3.8-1 or less based on an assessment performed by a drainage engineer and reviewed and approved by the Department of Public Works Drainage. The safe overflow paths for any proposed mitigation system shall be described and analyzed, and techniques such as minimizing site disturbance, minimizing impervious areas, utilizing pervious surfacing, eliminating directly connected impervious areas, clustering development, etc shall be considered.
- All runoff from parking and driveway areas shall pass through water quality treatment prior to the wetland and/or interim drainage basin.
 - 3) Depending on the nature of the proposed development, Public Works staff may inspect the construction of the drainage related items.
 - 4) Fees will be assessed on the net increase in impervious area due to the development project. Semi-pervious surfaces will be charged at a 50% rate.
- B) <u>Roads.</u> Final engineered road improvement plans shall be submitted to the County Planning and Public Works departments for both on- and off-site road improvements.
- C) <u>Sanitation.</u> The applicant shall form a homeowner's association with ownership and maintenance responsibilities for all on-site sewers for this project. Reference to the homeowners association shall be included on the Final Map and in the association's Covenants, Conditions &Restrictions, which shall be recorded and include <u>District PWUD</u>approved language on maintenance responsibilities.
 - The applicant shall provide a copy of the CC&Rs to the District <u>PWUD</u> prior to the filing of the Final Map.
- D) <u>Recorded Conditions</u>. Proof must be submitted that the conditions of all required permits (such as Design Review, NPDES) have been recorded in the official records of the County Recorder.
- E) <u>Affordable Housing</u>. The developer must enter into an Affordable Housing Participation Agreement with the County of Santa Cruz.
- F) Fees. All applicable in-lieu fees shall be paid.
 - 1) Park dedication in-lieu fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.
 - 2) Unless otherwise satisfied by meeting the requirements of County Code Chapter 15.04 or its successor ordinance, Child Care Development fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.
 - 3) Transportation improvement fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.

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4) Roadside improvement fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.

VI) Building Permit Requirements and Timing.

Prior to the issuance of any building permit, all of the following conditions shall be met, some of which may have been met at the Final Map stage:

- A) Plans shall be consistent with the approved Design Review project and all requirements of this PUD.
- B) Final engineered drainage details shall be submitted to the Department of Public Works, Drainage for both on-site and off-site drainage work.
 - The allowable release rate from the site shall be limited to the volumes identified in Section IX.G. MM 3.8-1 or less based on an assessment performed by a drainage engineer and reviewed and approved by the Department of Public Works Drainage. The safe overflow paths for any proposed mitigation system shall be described and analyzed, and techniques such as minimizing site disturbance, minimizing impervious areas, utilizing pervious surfacing, eliminating directly connected impervious areas, clustering development, etc shall be considered.
 - 2) All runoff from parking and driveway areas shall pass through water quality treatment prior to the wetland and/or interim drainage basin.
 - 3) Depending on the nature of the proposed development, Public Works staff may inspect the construction of the drainage related items.
 - 4) Fees will be assessed on the net increase in impervious area due to the development project. Semi-pervious surfaces will be charged at a 50% rate.
- C) Final engineered road improvement plans shall be submitted to the Department of Public Works, Road Engineering for both on-site and off-site road improvements.
- D) Submit proof that the conditions of all required permits (such as Design Review, Tentative Map) and all required Declarations of Restriction and Statements of Acknowledgment including those required by Section IX.A. MM 3.2-2c and Section IX.F. MM 3.7-10 have been recorded in the official records of the County Recorder.
- E) All applicable in lieu fees shall be paid, if not paid at the time of the filing of the Final Map.
 - Unless otherwise satisfied by meeting the requirements of County Code Chapter 15.01 or its successor ordinance, park dedication in-lieu fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid.
 - 2) Unless otherwise satisfied by meeting the requirements of County Code Chapter 15.04 or its successor ordinance, Child Care Development fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid.
 - 3) Transportation improvement fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid. A credit may be allowed for installation of improvements off-site that are part of the Capital Improvement Program or otherwise required by the conditions of this PUD.
 - 4) Roadside improvement fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid. A credit may be allowed for installation of





improvements off-site that are part of the Capital Improvement Program or otherwise required by the conditions of this PUD.

- 5) Fair-share fees toward road improvements required by Section IX.K of this PUD shall be paid by the developer at the time of Building Permit issuance, and shared between the County and the City of Watsonville in accordance with the conditions of Section V.E. of this PUD.
- 6) Submit a written statement signed by an authorized representative of PVUSD confirming payment in full of all applicable developer fees and other requirements lawfully imposed at the time of building permit issuance. The applicant/developer is advised that the development may be subject to inclusion in a Community Facilities District.
- F) Plan review letters shall be obtained from the technical report authors indicating that the plans comply with the County approved technical report and all of their recommendations have been incorporated into the project plans, particularly the requirements of Section IX.E. MM 3.6-1 and MM 3.6-2.
- G) All requirements of the Pajaro Valley Fire Protection District shall be met with respect to access, turnarounds, fees, water availability and design features.
- H) The units shall be connected for sewer service to the City of Watsonville Public Works and Utilities Department. All regulations, conditions and connection fees of the Public Works and Utilities Department shall be met and paid. Off-site improvements may be required. Final engineered plans shall be submitted, which comply with all requirements and standards of the Public Works and Utilities Department.
 - 1) If a private pump station is proposed as part of the project, a private pump station and sewer system maintenance and response manual shall be outlined by the applicant and submitted to the Public Works and Utilities Department for review and approval.
- All units shall be served by the City of Watsonville Water Department. All requirements of that water district including the payment of connection fees and groundwater impact fees or activities shall be met. Engineered improvement plans for all water line extensions required shall be submitted for the review and approval of the Water Department. Off-site improvements may be required.
- J) Final engineered plans shall be submitted complying with all requirements and standards of the City of Watsonville Water Department.
- K) The developer shall enter into an Affordable Housing Participation Agreement.
- L) Prior to the final inspection or clearance of the building permit, all of the site improvements shown on the approved building permit plans and Design Review approval shall be installed/ implemented.

VII) Construction Phase Requirements

- A) Prior to any site disturbance or physical construction on the subject property the following condition shall be met:
 - Pre-Construction Meeting: In order to ensure that the mitigation measures are communicated to the various parties responsible for constructing the project, prior to any disturbance on the property the applicant shall convene a pre-construction meeting on the site. The following parties shall attend: applicant, grading contractor supervisor, project

ATTACHMENT 6

arborist, and Santa Cruz County Environmental Planning staff. The temporary construction fencing demarcating the edge of the riparian corridor setback and the tree protection fencing will be inspected at that time. Approval of the results of the preconstruction biotic surveys will be reaffirmed at this time. The receiving site for any exported fill will also be identified and County approved grading permits presented.

- B) No land clearing, grading or excavating shall take place between October 15 and April 15 unless the Planning Director grants a separate winter grading permit, which may or may not be granted.
 - County standards for stormwater best management practices, including those related to erosion and sediment control during construction, shall be implemented.
- C) No land disturbance shall take place prior to issuance of building permits (except the minimum required to install required improvements, provide access for County required tests or to carry out work required by the conditions of an entitlement permit).
- D) Unless determined to be unnecessary by an archaeological field survey, an archaeologist shall be present on-site during all ground disturbance on the site.
- E) In the event that threatened or endangered plant or animal species are discovered on the site, the habitat areas for these species shall be avoided and no disturbance will be permitted. Section IX.C details further requirements for developers of the PUD area in order to minimize the potential impacts of construction activities on sensitive species in the area.
- F) Pursuant to Sections 16.40.040 and 16.42.100 of the County Code, if at any time during site preparation, excavation, or other ground disturbance associated with this development, any artifact or other evidence of an historic archaeological resource or a Native American cultural site is discovered, the responsible persons shall immediately cease and desist from all further site excavation and notify the Sheriff-Coroner if the discovery contains human remains, or the Planning Director if the discovery contains no human remains. The procedures established in Sections 16.40.040 and 16.42.100, and Section IX.D. MM 3.5-1a and 3.5-1c of this PUD shall be observed.
- G) To minimize noise, dust and nuisance impacts of surrounding properties to insignificant levels during construction, the owner/applicant shall or shall have the project contractor, comply with the following measures as well as those delineated in Section IX.I. MM 3.10-1 of this PUD, during all construction work:
 - Limit all construction to the time between 7:30 am and 4:30 pm weekdays unless a temporary exception to this time restriction is approved in advance by County Planning to address an emergency situation; and
 - 2) Each day it does not rain, wet all exposed soil frequently enough to prevent significant amounts of dust from leaving the site.
- H) The applicant shall designate a disturbance coordinator and a 24-hour contact number shall be conspicuously posted on the job site. The disturbance coordinator shall record the name, phone number, and nature of all complaints received regarding the construction-site. The disturbance coordinator shall investigate complaints and take remedial action, if necessary, within 24 hours of receipt of the complaint or inquiry.
- One (1) "construction/security trailer" (maximum 12 feet by 60 feet) is allowed on the site during construction. The size and location of the unit shall conform to all yard setbacks contained in the PUD and shall be shown on the plot plan. Compliance with Section

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13.10.683 or any successor ordinance is required. A building permit is required for the 458 installation of the construction trailer.

VIII) Mitigation Monitoring Program

A) The mitigation measures listed in Section IX of this PUD have been incorporated in the conditions of this approval in order to mitigate or avoid significant effects on the environment. As required by Section 21081.6 of the California Public Resources Code, a monitoring and reporting program for the mitigations is hereby adopted as a condition of approval. The purpose of this monitoring is to ensure compliance with the environmental mitigations during implementation and operation. Failure to comply with the conditions contained within the PUD, including the terms of the adopted mitigation monitoring program, may result in the revocation of the PUD pursuant to section 18.10.462 of the Santa Cruz County Code.

IX) Mitigation Measures

Continued on the following pages.

	Timing of Compliance		Project Design	Project Design	ATTA	Construction O 45	1
	Party Responsible for Verifying Compliance		County of Santa Pr	County of Santa P Cruz		County of Santa C Cruz	
	Party Responsible for Implementing		Project Applicant	Project Applicant		Project Applicant	
	Mitigation Measures		MM 3.2-2a: Consistent with Policy 5.13.23 (Agricultural Buffers Required) in the <i>Santa Cruz County General Plan</i> project applicants shall demonstrate adequate land use separation in conjunction with Design Review applications, consistent with the PUD subject to review and approval by the County of Santa Cruz Planning Department. Final site plans shall include an interim 200-foot agricultural buffer located within the Phase 2 development area, consistent with the conceptual land use plan for the proposed PUD. The buffer distance shall be measured from the edge of the parcel to the nearest residential property line and shall include a 6 to 8 foot barrier (eg. vegetated fencing) adjacent to the agricultural uses. Outdoor areas designed for <i>intensive</i> human use shall be restricted within the buffer zone. Sidewalks and bicycle lanes shall be agriculture use the interim 200-foot agricultural buffer within the buffer, but restricted on the western portion of the street. Upon termination of the adjacent Commercial Agriculture use the interim 200-foot agricultural buffer within the Phase 2 development area shall terminate.	MM 3.2-2 c. Consistent with Policy 5.13.31 (Agricultural Notification Recordation for Land Divisions) in the <i>Santa Cruz County General Plan</i> , project applicants within the PUD area shall file a Right-to-Farm Notification Statement to run with the Title as disclosure and notice in deeds at the time of transfer or sale of all properties within the PUD area. The statement shall inform any future property owners of the continuation of agricultural activities, including agricultural processing, in the area and shall disclose the potential effects of agricultural activities on adjacent land uses to future residents.		MM 3.3-1 : Project applicants limit areas of active disturbance to no more than 2.2 acres per day for initial site preparation activities that involve extensive earth moving activities (grubbing, excavation, rough grading), or 8.1 acres per day for activities that involve minimal earth moving (e.g. finish grading) during all phases of construction activities within the PUD area in accordance with the Monterev	10
Continued	Environmental Impacts	A) Agricultural Resources	Impact 3.2-2: The proposed project would place urban land uses adjacent to agricultural uses, which may impair agricultural production and result in land use compatibility conflicts.		B) Air Quality	Impact 3.3-1: The proposed project would result in short- term air quality impacts associated with construction activities. including grading.	
Cc	Phase	(Y	Phase 1, APN 048- 221-09	048-211-25 and 048-221-09	B)	048-211-25 and 048-221-09	

IX) Mitigation Measures

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Environmental Impacts Mitigation Measures For for for for for Mitigation Measures Implementing Compliance	operation of construction Bay Unified Air Pollution Control District CEQA Guidelines. If the proposed equipment, and demolition of project requires that grading and excavation exceed those acreages, project existing structures at the PUD applicants shall implement the following fugitive dust measures during grading and excavation and incorporate these measures on all grading plans for future development within the PUD area subject to review and approval by the County of Santa Cruz Planning Department:	 Water all active construction areas at least twice daily; Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least two feet of freehoard. 	 Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites; 	 Sweep daily (with water sweepers) all paved access roads, parking areas and staging areas at construction sites; 	 Sweep streets daily (with water sweepers) if visible soil material is carried onto adjacent public streets; 	 Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more); 	 Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, etc.); 	 Limit traffic speeds on unpaved roads to 15 mph; 	 Install appropriate best management practices or other erosion control measures to prevent silt runoff to public roadways; 	 Replant vegetation in disturbed areas as quickly as possible; 	 Install wheel washers for all exiting trucks, or wash off the tires or tracks of all trucks and equipment leaving the site; 	 Limit the area subject to excavation, grading and other construction activity at any one time; 	 Post a publicly visible sign which specifies the telephone number and person to contact regarding dust complaints (the person shall respond to complaints and take corrective action within 48 hours); and 	
Phase En	operation equipment existing area.				-									

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Phase	048-211-25	048-211-25 and 048-221-09	C	048-211-25 and 048-221-09
Environmental Impacts	Impact 3.3-2: The proposed project may result in the demolition of residential homes and associated structures within the PUD area, which may contain asbestos and/or lead.	Impact 3.3-3: The proposed project would result in long- term stationary and vehicular emissions, which would exceed the MBUAPCD thresholds.	C) Biological Resources	Impact 3.4-1: A population of federally Threatened and California Endangered Santa Cruz tarplant (Holocarpha macradenia) is located
Mitigation Measures	Mitigation measures MM 3.7-3a and MM 3.7-3b in Section 3.7, Hazards and Hazardous Materials would require that each structure is inspected by a qualified environmental specialist for the presence of asbestos containing materials (ACMs) and lead based paints (LBPs). If ACMs and LBPs are found during the investigations, a remediation program shall be developed to ensure that these materials are removed and disposed of by a licensed contractor in accordance with all federal, state and local laws and regulations.	 MM 3.3-3: Fireplaces proposed for future residential development within the PUD area shall be gas-fired and meet U.S. Environmental Protection Agency (EPA) certification requirements. The use of wood-burning fireplaces or wood burning stoves shall be prohibited in perpetuity on all residential properties included within the proposed project and shall be recorded on the title of all parcels and run with the land. This measure shall be demonstrated on all proposed tentative maps and improvement plans prior to approval of building permits within the PUD area. In addition, project applicants within the PUD area shall consider implementation of MBUAPCD-recommended mitigation. The County of Santa Cruz Planning Department shall review proposed tentative maps and improvement plans to identify emission reduction measures that are incorporated into the plans and staff may recommend additional measures as practical and feasible including the following: Incorporate energy-efficient appliances into residential uses. Orient buildings to minimize heating and cooling needs; Provide shade trees to reduce cooling needs; Include solar water heaters or centralized water heating systems; and cooling needs. 		MM 3.4-1: Subject to review and approval by the County of Santa Cruz Planning Department project applicants shall ensure that all construction and staging activities occur outside of APN 048-211-24 (PG&E parcel) containing Santa Cruz tarplant during all phases of the proposed project. Prior to construction activities, project applicants shall install tennorary construction fencine and informative
Party Responsible for Implementing	Project Applicant	Project Applicant		Project Applicant
Party Responsible for Verifying Compliance	County of Santa Cruz	County of Santa Cruz		County of Santa Cruz
Timing of Compliance	Demolition and Construction	Project Design		Construction Construction

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Timing of Compliance	Prior to Issuance of a Building Permit	Prior to Issuance of a Building Permit, Construction
Party Responsible for Verifying Compliance	County of Santa Cruz	County of Santa Cruz
Party Responsible for Implementing	Applicant	First Project Applicant
Mitigation Measures signs around the perimeter of APN 048-211-24 as construction occurs in the vicinity of this parcel. The location and integrity of the fence shall be verified in the field by County or City staff prior to grading and periodically checked throughout the construction period. Following construction, project applicants within the PUD area shall install permanent fencing around the perimeter of APN 048-211-24.	MM 3.4-2a: At the recommendation of the USFWS, project applicants shall conduct CRLF protocol level surveys within the PUD area prior to issuance of the building permit. Surveys shall be conducted in accordance with the USFWS recommendations by an approved biologist and shall include a set of eight field surveys that shall be conducted between February and September in order to examine the site during the CRLF breeding, non-breeding, and dispersal seasons. If CRLF are observed in the PUD area during protocol surveys, preconstruction surveys, inspections, or subsequent construction activities during all phases of the proposed project, project applicants shall cease all work within the PUD area. Capturing, handling, moving, or harassing CRLF is considered a violation of the ESA. If CRLF are observed, the applicant shall initiate consultation with the USFWS and CDFG to determine the appropriate permitting action; a section 7 consultation and development of a Biological Opinion or a section 10a consultation and development of an HCP may be required. Project conditions may be developed in consultation with USFWS and CDFG to avoid "take" of CRLF that may occur within the PUD area during construction activities. Project activities shall not resume until final federal approval of the proposed project is received. MM 3.4-2b: Project applicants shall have a USFWS-approved biologist conduct CRLF preconstruction surveys a minimum of 48 hours prior to initiation of project activities. Pre-construction surveys a minimum of two days and two nights, spaced a week apart, with notification to the USFWS.	MM 3.4-3a: Prior to the first construction activities in Phase I of the PUD area, a qualified herpetologist shall conduct three consecutive days of pond turtle trapping within the freshwater marsh to evaluate the existing turtle population and to determine its viability. If it is determined that a viable western bond turtle
Environmental Impacts Impacts entirely within the PG&E parcel in the westernmost portion of the PUD area on Assessors Parcel Number 048-211-24. No development is proposed for this portion of the PUD area; however the proposed residential development may result in indirect impacts to the population.	Impact 3.4-2: The California red-legged frog (CRLF) is federally-listed as "Threatened" and considered a CDFG 'Species of Special Concern." Although presence is unlikely, potential habitat for CRLF is present within the PUD area and the PUD area is located within dispersal distance of known CRLF localities. Project activities such as vegetation removal, grading, excavating, and vehicle and equipment travel may result in "take" of CRLF.	Impact 3.4-3: The WPT is a CDFG 'Species of Special Concern.' WPT is known to occur within the PUD area.
Phase	048-211-25 and 048-221-09	048-211-25 and 048-221-09

-	Party Responsible for Implementing Compliance	aud Post- construction
	Mitigation Measures Re Imp	 population is present, a Western Pond Turtle Habitat Enhancement Plan shall be prepared and implemented as described in MM 34-3b. If it is determined that no ond turtles are present, or that the existing population is no longer viable, all captured watern pond turtles shall be permanently relocated under the direction of the qualified herpetologist in consultation with the CDFG. In addition, a Habitat Enhancement Plan shall be prepared by a qualified wetland ecologist, phytologist and landscape architect that includes the following improvements to the wetland landscape architect that includes the following improvements to the wetland and upland planting plan to benefit wetland functions and values; Renoval of non-native vegetation; Beropoment of a wetland and upland planting plan to benefit wetland functions and values; Development of a wetland and upland planting plan to benefit wetland functions and values; Development of a monitoring program; and Bestivating, and reduced predation potential. The plan species; MM 3.4-3b: If it is determined that a viable western pond turtle by a qualified hereotogist, wetland ecologist, hydrologist, and landscape architect. The plan shall provide specify the location of Phase 1 for the western pond turtle by a qualified shall provide species; (a) Renoval of non-native species; (b) Renoval of non-native species; (c) Renoval of non-native species; (c) Renoval of non-native species; (d) Renoval of the temporary holding area and care requirements for exprese that habitat enhancement plan may include the following improvements: (e) Renoval of non-native species; (f) Renoval of non-native species; (g) Renoval of non-native species; (he construction of bulffougs from the pond to reduce predatio
	Environmental Impacts	Project activities may result in direct impacts to WPT utilizing portions of the PUD area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA.
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Party Responsible for Verifying Compliance						
Party Responsible for Implementing						
Mitigation Measures	western pond turtle; (h) Development of a monitoring program and; (i) Development of success criteria for habitat enhancement.	The Habitat Enhancement Plan shall be provided to the County of Santa Cruz Planning Department for review and approval in consultation with the CDFG prior to issuance of the building permit.	MM 3.4-3c: If the existing pond turtle population is determined to be viable as a result of data collection during trapping, all captured western pond turtles shall be temporarily relocated to a holding area until construction of the first project in the PUD area and habitat enhancement has been completed. Temporary relocation may be needed for up to two years. Upon completion of the construction and implementation of the Habitat Enhancement Plan, all relocated pond turtles shall be returned to the enhanced freshwater marsh within the PUD area outside of the breeding season when the turtles are active. All turtle relocations efforts shall be coordinated with the CDFG.	MM 3.4-3d : Prior to all construction, exclusionary fencing shall be established around the perimeter of the 50-foot wetland buffer area around the freshwater marsh and seasonal wetland to prevent any potentially uncaptured western pond turtles from entering construction areas. The fencing shall be marked by highly visible signage indicating that human activity is prohibited within these areas. A qualified biologist shall be present during placement of the exclusionary fencing to ensure that no pond turtles are impacted. The establishment of pond turtle exclusion fencing shall only occur between the months of September and March outside of the breeding season.	MM 3.4-3e: All captured pond turtles shall be tagged and fully documented at the time of capture (e.g., number, sex, age, carapace length, weight, overall condition, etc.). All non-native turtles that are captured shall also be documented and not returned to the wild. Trapping requirements, the holding location and required care during the holding period shall be coordinated with the CDFG and included in the Habitat Enhancement Plan.	MM 3.4-3f: A "Species Sensitivity Training" program will be established for western pond turtle during all phases of the proposed project. This program will be designed to educate construction personnel about the mitigation measures required for the execution of the project. All construction personnel will attend the sensitivity training that will movide instruction on western mond hards
Environmental Impacts						
Phase						

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Phase							59	
Environmental Impacts								
Mitigation Measures	identification, status and detailed protocol of the actions that should be taken in the event that a western pond turtle is encountered onsite during construction activities.	MM 3.4-3g: Implementation of the Habitat Enhancement Plan shall occur during the first construction to take place on the PUD area. During all later construction in the PUD area, exclusion fencing shall be placed around the eastern perimeter of the wetland buffer to preclude turtles from entering the construction area. In addition, brightly colored temporary construction fencing shall also be placed along the eastern perimeter to keep out construction personnel and equipment. MM 3.4-3h: To avoid harming WPT that may have evaded trapping (MM 3.4-3c), project applicants shall implement the following measures during all construction periods:	 Where trenching occurs, provide an escape ramp at each end of the open trench to avoid entrapment. The ramp may be constructed of dirt fill, wood planking, or other suitable material that is placed at an angle of 30 degrees or less. Backfill open segments of trench as soon as possible to avoid entrapment. 	 At the beginning of each day, check under all parked equipment for WPT before use. If any WPT are observed under equipment or within the work area, do not disturb or handle it. Cease project activities and contact the CDFG and the City or County for further guidance. 	 During project activities, all trash that may attract predators shall be properly contained, removed from the work site and disposed of regularly. Following construction, all trash and construction debris shall be removed from work areas. 	 All fueling and maintenance of vehicles and other equipment and staging areas shall not occur within or near wetland and/or riparian habitats or water bodies. A plan to allow a prompt and effective response to accidental spills shall be developed. All workers shall be informed of the importance of preventing spills and of the appropriate measures to be taken should a spill occur. The agencies should be contacted regarding spills if the approved biologist anticipates that 	 Impacts to WF1 may occur as a result of the spill. Smoking shall only be permitted in areas clear of vegetation and away from hazardous materials. Dispose of cigarette butts in an appropriate area away from the PUD area. 	MM 3.4-3i: Before and during all clearing of vegetation or initial ground
Party Responsible for Implementing								
Party Responsible for Verifying Compliance								
Timing of Compliance							1465	

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Timing of Compliance		Project Design and Construction 0.9.9.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0
Party Responsible for Verifying Compliance		County of Santa Proj Cruz Con
Party Responsible for Implementing		Project Applicant
Mitigation Measures	disturbing activities, a qualified biologist shall conduct a preconstruction survey for the WPT. MM 3.4-3j: Access into the freshwater marsh habitat and associated wetland buffier by humans and/or their pets shall be discouraged. Permanent signage shall be placed at the perimeter of the wetland buffer area on both APN 048-211-25 and APN 048-221-09 clearly stating that people and their pets should not enter the wetland area or associated buffer due to the presence of sensitive habitat. MM 3.4-3k: Monitoring of the revegetation areas in the PUD area shall be conducted for a period of three years by the first project applicant, or until success criteria have been met, vegetation is established, and exotic species are controlled. MM 3.4-3k: Upon return to the enhanced freshwater marsh habitat, all relocated pond turtles shall be monitored annually for a period of three years by the first project applicant to determine the overall success of the mitigation. Amual monitoring reports shall be prepared and provided to the County of Santa Cruz Planning Department, and the CDFG.	MM 3.4-4a: Future development within the PUD area shall retain mature trees to the extent possible and replace removed trees with in-kind species and vegetation structure within the PUD area. Tree replacement shall be indicated on landscape plans subject to review and approval by the County of Santa Cruz Planning Department. MM 3.4-4b: If a project applicant cannot avoid construction activities outside of the breeding season (February through August) and cannot clear vegetation prior to the breading season, a qualified wildlife biologist shall conduct avian nest surveys prior to construction activities that may disturb nests (e.g. vegetation) include special-status birds, and all birds (and their nests) protected under the MBTA, and shall encompass the PUD area and a 200-foot-wide buffer, to examine nearby tree stands and structures. If an active nest is found, it will be meessary to consult with the appropriate resource agencies (CDFG, USFWS) to determine appropriate construction buffers or other avoidance measures. If nesting or wintering special-status birds are not found, no further action would be necessary. MM 3.4-4c: If the project applicant cannot avoid construction activities during the breeding season, a qualified biologist shall conduct a specific yellow
Environmental Impacts		Impact 3.4-4: The PUD area provides potential wintering habitat for the ferruginous hawk (a 'Bird of Conservation Concern'), nesting and wintering habitat for the white tailed kite (a 'Fully Protected species'), and nesting habitat for the yellow warbler (a CDFG 'Species of Special Concern'), as well as other common raptor and bird species. The federal Migratory Bird Treaty Act (MBTA) and CDFG Codes prohibit the destruction or possession of individual birds, birds of prey, eggs or active nests without federal and/or state authorization. Project activities may disrupt avian procise including species.
Phase		048-211-25 and 048-221-09
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Timing of Compliance		Construction
Party Responsible for Verifying Compliance		Cruz Cruz
Party Responsible for Implementing		Project Applicant
Mitigation Measures	warbler nest survey in the riparian and scrub habitats of the PUD area during all phases of the proposed project during this period. If active nests are found within the PUD area, a minimum 250-foot construction buffer shall be established during the peak of the warblers breeding season (April through July), or until the young have fledged. A qualified biologist shall monitor the activity of any warbler nests to determine when construction activities may re-commence within the established buffer area.	 MM 3.4-5a: Prior to initiation of project activities including, but not limited to, vegetation, snag, and tree removal and demolition of structures on APNs 048-211-05 or loud construction-related noise within the work area, the County of Santa Cruz Planning Department shall require that project applicants within the PUD area implement the following measures: Conduct a pre-construction survey for bats over a minimum of four visits at least 15 days prior to the beginning of tree/vegetation removal, building demolition and other project activities, to determine if the area is being actively utilized by bats for spring/summer maternity colonies (April to September). Surveys shall also include determining if any trees or buildings marked for removal have characteristics that make them suitable bat roosting habitat (e.g., hollows, broken limbs, crevices, etc.). For any trees/snags to determine if a colony is present prior to trimming or cutting. Visual inspection, trapping, and acoustic surveys may be utilized by at horoughly evaluate the trees/snags to determine if a colony is present prior to trimming or cutting. Visual inspection, trapping, and acoustic surveys may be utilized by a thorough visual inspection of foliage to reduce the risk of displacing or harming foliage to roduce bats and be required. If a tree or structure is determined or to be an active roost ite, it may be immediately trimmed or removed. If the tree or structure is not roosting bats are observed, no further mitigation would be required. Removal of occupied trees/snags or structures shall be mitigated for by the creation of a snag or other artificial roost structure is not structure is not removed in the PUD area. With the input form a professional bat specialist and coordinate with CDFG design alternative roost structure standed for the creation of a snag or other artificial roost structure shall be immediately trimmed or termoved. If the tree or structure is not structure(s) that provide suitable habita loc
Environmental Impacts	status bird species that may utilize habitats within the PUD area.	Impact 3.4-5: The PUD area provides potential habitat for several special-status bat species. If special-status bat species roost within the PUD area, construction-related activities could result in the direct loss of active roosts.
Phase		048-211-25 and 048-221-09

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Party Responsible for Verifying Compliance		County of Santa Cruz
Party Responsible for Implementing		Project Applicant
Mitigation Measures	 alternatives. Protect maternity colonies that have pre-volant young (not yet able to fly). If active bat roosts are observed during the maternity roosting season, avoid disturbing the roost until after all juvenile bats are able to fly from the roost. The project biologist must confirm there are no prevolant young present before a colony is displaced. It is assumed that after September 1 colonies have no pre-volant young. Coordinate with CDFG and a biologist that is permitted to handle special-status bats to develop appropriate exclusion methods if necessary. Project activities involving potential disturbances to roosting bats shall correspond with the time frame stated in the California Fish and Game Commission regulations. The CFGC stipulates bats may be excluded from occupied roosts in two time periods; between September 1 and October 15 and between February 15 and April 15 (CFGC 2006). If bats are found roosting within these time frames; it may be necessary to passively exclude them from trees or structures scheduled for removal. If necessary, prior to initiating project activities; passive exclusion methods shall be installed for a minimum of two weeks and monitored by a qualified biologist within the appropriate time frames above. At a minimum, monitoring efforts shall include conducting acoustic and evening emcrease arrester. 	MM 3.4-6: The County of Santa Cruz Planning Department shall require that project applicants have a qualified biologist examine the PUD area for San Francisco dusky footed woodrats before and during any and all initial vegetation, woody debris, and/or tree removal, or other initial ground disturbing activities. If a woodrat nest/house structure is encountered in the area of disturbance, avoid disturbing the structure or evicting the individuals. Project applicants shall coordinate with CDFG to establish protective buffer widths around the structures and install exclusion zones around each structure before initiating tree/vegetation removal and ground disturbing activities. If a woodrat is incidentally encountered in the work area and does not voluntarily move out of the area, a biological monitor, with the appropriate CDFG permits, shall be on call during project activities to relocate the animal out of the construction area to the nearest safe location (as approved and authorization from CDFG). Woodrats shall not be handled without prior agency authorization from CDFG.
Environmental Impacts		Impact 3.4-6: The San Francisco dusky-footed woodrat is a CDFG 'Species of Concern.' Project activities may result in destruction of potential woodrat habitat and harm to the potential San Francisco dusky-footed woodrat population in the PUD area.
Phase		048-211-25 and 048-221-09

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Timing of Compliance	Construction		Construction Construction
Party Responsible for Verifying Compliance	County of Santa Cruz		County of Santa Cruz
Party Responsible for Implementing	Project Applicant		Project Applicant
Mitigation Measures	Future development within the PUD area would be required to comply with the County's erosion control ordinance and with the National Pollution Discharge Elimination System (NPDES) permitting requirements for construction of site stormwater discharges in accordance with mitigation measure MM 3.8-2 in Section 3.8: Hydrology and Water Quality .		 MM 3.5-1a: Project applicants on both parcels and in each Phase of development of the PUD area shall comply with Sections 16.40.040 and 16.42.100 of the Santa Cruz County Code (Native American Cultural Sites Ordinance), which includes regulations for the protection, enhancement, and perpetuation of Native American cultural sites. If human remains or any artifact or other evidence of a Native American cultural site are found during ground disturbance or excavation, the project applicant(s) shall cease and desist from further excavations and disturbance within 200 feet of the discovery: state around the discovery in accordance with the requirements in the ordinance; and notify the Sheriff-Coroner if the discovery contains no human remains. The procedures established in Scienos 16.40.040 and 16.42.100 shall be observed. MM 3.5-Le: If human remains on the Santa Cruz County Planning Director if the discovery contains no human remains. The procedures established in Scienos 16.40.040 and 16.42.100 shall be observed. MM 3.5-Le: If human remains of Native American origin are discovered during ground-disturbing activities, project applicant(s) shall comply with state laws relating to the dispositions of Native American heritage Commission (NAHC) (Public Resources Code, Section 5097.98). If human remains are discovered or recognized in any location other than a dedicated cemetery, there shall be no further excavation or disturbance of the PUD area or any nearby area reasonably suspected to overlie adjacent human remains until: The Santa Cruz County Sheriff-Coroner has been informed and has determined that no investigation of the cease of death is required, and fighter the area of Native American origin, the performance of the PUD area or any nearby area reasonably suspected to overlie adjacent human remains until: The Santa Cruz County Sheriff-Coroner has been informed and has determined that no investigation of the cease of death is required, and etermined that no investigatio
Environmental Impacts	Impact 3.4-7: Construction activities may result in increased crosion, runoff, accumulation of water, and introduction of harmful materials to wetland habitats within the PUD area.	D) Cultural Resources	Impact 3.5-1: The PUD area does not contain any recorded or anticipated resources of archeological, cultural, or pre- historic significance. However, site preparation and grading could disrupt undiscovered archeological and cultural resources of importance under CEQA and/or eligible for listing on the California Register.
Phase	048-211-25 and 048-221-09	(D)	048-211-25 and 048-221-09

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Phase	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
		or O The California NAHC was unable to identify a descendant or the descendant failed to make a recommendation within 24 hours after being notified by the NAHC.			
E)	E) Geology and Soils				
048-211-25 and 048-221-09	Impact 3.6-1: The PUD area would experience strong ground shaking during a major earthquake on any of the nearby faults, resulting in the exposure of people and/or structures to potentially substantial adverse effects, including the risk of loss, injury, or death.	MM 3.6-1 : All future development within the PUD area shall be designed in accordance with the requirements of the of the California Building Code (CBC) in effect at the time of Building Permit applications. Project applicants within the PUD area shall consult with a qualified engineer to prepare a design level geotechnical report in accordance with the CBC and the recommendations contained with the Feasibility Level Geotechnical Investigation and Engineering Geology Report, prepared by Pacific Crest Engineering in March 2009. Recommendations included in the Feasibility Geotechnical Investigation and Engineering Geology Report include: site grading, cut and fill slopes, erosion control, utility trenches, surface drainage, pavement design, and soil corrosivity. Prior to final inspection, project applicants shall provide certification from a qualified professional that all development has been constructed in accordance with all geologic and geotechnical reports.	Project Applicant	County of Santa Cruz	Building Permit Application

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Phase Environmental Environmental Mitigation Measures Free Forms Phase For	048-211-25 Impact 3.6-21: The potential and MM 3.6-21: Project applicants shall consult with a qualified engineer to perform a for liquefaction to occur along the southern embankment of inonjunction with a design level geotechnical report for future development within the revaluation shall be in accordance with the area and near portion in the western portion of the site is high and consequently the potential structural damage and associated human safety hazards. MM 3.6-21: Project applicant and associated in conjunction with a design level geotechnical report for future development western portion of the site is high and consequently the potential structural damage and associated human safety hazards. MM 3.6-21: Project applicant and associated in conjunction with a design level geotechnical report shall also potential structural damage and associated human safety hazards. Project Applicant and section report shall also potential structural damage and associated human safety hazards. Project Applicant and section report shall also potential structural damage and ssociated human safety hazards. Project Applicant and ssociated human safety and ssociated human safety and ssociated human safety hazards. Project Applicant and ssociated human safety and ssociated human safety and ssociated human safety and ssociated human safety hazards. Project Applicant and ssociated human safety and ssociated human safety and ssociated human safety and ssociated human safety hazards. Project Applicant and ssociated human safety and ssociated human safety and ssociated human safety and ssociated human safety hazards. Project Applicant and ssociated human safety and ssociated welland boundary for the pond Jone and ssociated welland boundary for the pond Jone and ssociated human safety hazards. Project Applicant and ssociated	048-211-25Impact 3.6-4: The proposed project is partially located on acquisition of the NPDES General Permit for construction activities as oils with slight to moderate erosion hazard and would result in substantial soil project would be less than significant.Country of SantaCountry of SantaConstruction048-221-09project is partially located on acquisition of the NPDES General Permit for construction activities as erosion hazard and would result in substantial soil project would be less than significant.Country of SantaCountry of SantaCountry of Santa048-221-09project specification activities as tresult in substantial soil project would be less than significant.Section 3.8: Hydrology and Water Quality pater QualityProject ApplicantCountry of SantaConstruction048-221-09soils with slight to moderate erosion nater and would resolution or the loss of topsoil in these areas if disturbed during short-term constructionDescretated with the proposed project would be less than significant.Country of SantaCountry of Santa048-221-09activities.Descretated with the proposed project would be less than significant.Descretated with the proposed project would be less than significant.	048-211-25 Impact 3.6-5: The proposed Implementation of mitigation measure MM 3.6-1, which would require that future Project Applicant County of Santa Project Design and project includes approximately development be designed in accordance with the recommendations contained Project Applicant County of Santa Project Design 048-221-09 22 acres of expansive soils of low strength, which could within a design-level geotechnical report, would reduce this impact to a less than Cruz Cruz 048-221-09 10w strength, which could significant level. No additional mitigation measures are necessary. project to a less than Cruz he PUD area.	Phase 048-211-25 and 048-221-09 048-221-09 048-221-09 048-221-09 048-221-09	Environmental Impacts Impact 3.6-2: The potential for liquefaction to occur along the southern embankment of Corralitos Creek, the central area, and near pond in the western portion of the site is high and consequently the potential structural damage and associated human safety hazards. Impact 3.6-4: The proposed project is partially located on soils with slight to moderate erosion hazard and would result in substantial soil erosion or the loss of topsoil in these areas if disturbed during short-term construction activities. Impact 3.6-5: The proposed project includes approximately 22 acres of expansive soils of low strength, which could create substantial risk to life or property on these portions of the PUD area.	Mittigation Measures Mittigation Measures againtiative evaluation of liquefaction and liquefaction-induced lateral spreading in conjunction with a design level geotechnical report for future development within the PUD area. The evaluation shall be in accordance with the recommendations contained within the Feasibility Level Geotechnical Investigation and Engineering Geology Report prepared by Pacific Creat Envestigation and Engineering and potential ground settlement generated by liquefaction and lateral spreading and shall incorporate the following into the final site plans, unless the additional additional incorporate the following into the final site plans, unless the additional of the PUD area. The 50 foot set back should apply to the 100-year food plain elevation or ordinary for the pond located in the western portion of the PUD area. The 50 foot set back should apply to the 100-year food plain elevation or ordinary for the pond located in the western of the PUD area. The 50 foot set back should apply to the 100-year food plain elevation or ordinary for the pond, and acquisition of the NPDES General Permit for constructual and food acquisition of the NPDES General Permit for construction activities a required by MM 3.8.2 in Section 3.8: Hydrology and Water Quality would ensure that potential soil erosion impacts associated with the proposed project would be less than significant. Implementation of the NPDES General Permit for construction activities			
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Atkinson PUD 5/26/2009

Timing of Compliance		Demolition and Construction	Project Design and Pre- construction
Party Responsible for Verifying Compliance		County of Santa Cruz	County of Santa Cruz
Party Responsible for Implementing		Project Applicant	Project Applicant
Mitigation Measures	Materials	MM 3.7-3a: Pursuant to Cal OSHA regulations, project applicants shall have each structure within the PUD area on APN 048-211-25 inspected by a qualified environmental specialist for the presence of ACMs and LBPs prior to obtaining a demolition permit from the County of Santa Cruz Planning Department. If ACMs and LBPs are found during the investigations, project applicants within the PUD area shall develop a remediation program to ensure that these materials are removed and disposed of by a licensed contractor in accordance with all federal, state and local laws and regulations, subject to approval by the MBUAPCD, and the Santa Cruz County Environmental Health Department, as applicable. Any hazardous materials that are removed from the structures shall be disposed of at an approved landfill facility in accordance with federal, state and local laws and negulations. MM 3.7-3b: Project applicants within the PUD area shall have the interior of all on-site structures on APN 048-211-25 visually inspected by a qualified environmental specialist to determine the presence of hazardous materials prior to obtaining a demolition permit from the County of Santa Cruz Planning Department. Should any hazardous materials be encountered within any of the structures, the material shall be tested and properly disposed of in accordance with federal, state, and local regulatory requirements. Any stained soils or surfaces undermeath the removed materials shall be sampled. Subsequent testing shall be tracted and properly disposed of in accordance with federal, state, and local regulatory requirements. Any stained soils or surfaces undermeath the removed materials shall be sampled. Subsequent testing shall be tracted and properly disposed of in accordance with federal, state, and local regulatory requirements. Any stained soils or surfaces undermeath the removed materials shall be sampled. Subsequent testing shall be rested and properly disposed of in accordance with federal, state, and local regulatory requirements. Any stain	MM 3.7-6: Subject to review by the County of Santa Cruz Environmental Health Department, the project applicant shall map the specific location of all septic tanks located on APN 048-211-25 on a survey within the Phase 1 development area. Once located, the septic tanks shall be removed and properly disposed of at an approved landfill facility. Once the tanks are removed, a visual inspection of the areas beneath and around the removed tanks shall be performed. Any stained soils observed underneath the septic tanks shall be sampled. Results of the sampling (if necessary) shall indicate the level or remediation efforts that may be required. In the event that subsequent testing indicates the presence of any hazardous materials beyond acceptable thresholds, a work plan shall be prepared subject to review and approval by the County of Santa Cruz Environmental Health Department in order to remediate the soil in accordance with all applicable federal. state. and local
Environmental Impacts	Hazards and Hazardous Materials	Impact 3.7-3: The proposed project may result in the demolition of four residential homes and associated structures at the project site, which may contain asbestos and/or lead.	Impact 3.7-6: Implementation of the proposed project may expose people or property to hazardous materials associated with the abandonment of septic systems within the PUD area.
Phase	F)	048-211-25	048-211-25

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e Responsible Timing of for Compliance Compliance		t County of Santa Project Design Cruz and Pre- construction	t County of Santa Project Design, Pre- construction, and Construction	t County of Santa Prior to issuance Cruz of a Building
Party Responsible for Implementing		Project Applicant	Project Applicant	Project Applicant
. Mitigation Measures	regulations prior to issuance of a grading permit.	MM 3.7-7: The County of Santa Cruz Planning Department shall ensure that project applicants properly close and abandon all groundwater wells within both phases of the proposed project pursuant to applicable federal, state, and local regulations prior to grading activities. Soils located within the vicinity of the water wells shall be inspected. If any stained soils are observed surrounding the water wells shall be sampled and in the event that subsequent testing indicates the presence of pesticide residues beyond acceptable thresholds, the potential health risks shall be evaluated and a work plan shall be prepare in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	MM 3.7-8a: The project applicants shall hire a qualified hazardous materials consultant with Phase I and/or Phase II experience to review files for the off-site property located at 1488 Freedom Boulevard prior to construction activities during all phases of the proposed project. Should files indicate that the property located at 1488 Freedom Boulevard may have impacted the PUD area, Phase II testing shall occur to confirm or deny the presence of contaminated groundwater prior to construction activities. If unanticipated contaminated groundwater prior to construction activities. If unanticipated contaminated groundwater prior to construction activities. If unanticipated contaminated groundwater prior to construction activities. The project applicants shall ensure that proper safety/handling procedures are followed involving contaminated groundwater is found during construction activities and approval by the County of Santa Cruz. MM 3.7-8b: If unknown wastes of suspect materials are discovered during construction activities associated with each phase of the proposed project, the project applicants shall immediately stop work in the vicinity of the suspected contaminant, remove workers and the public from the area, notify the County of Santa Cruz Planning Department; secure the area as directed by the Project that testing indicates the presence of hazardous materials beyond acceptable thresholds, a work plan shall be prepared in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	MM 3.7-9: Prior to issuance of a grading permit for future development within the PUD area on APN 048-221-09 during Phase 1 and Phase 2 of the proposed project, the project applicants shall retain a qualified hazardous materials
Environmental Impacts		Impact 3.7-7: Implementation of the proposed project may expose people or property to hazardous materials associated with groundwater contamination due to contamination due to abandonment of agricultural water wells within the PUD area.	Impact 3.7-8: An off-site property located at 1488 Freedom Boulevard approximately 0.16 miles from the PUD area released petroleum hydrocarbons into the soil and groundwater. Should the contamination migrate towards the PUD area it may contaminate the groundwater.	Impact 3.7-9: The PUD area has historically been used for agricultural purposes for several decades and may
Phase		048-221-09	048-211-25 and 048-221-09	048-221-09

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Phase		048-211-25	G) I	048-211-25
Environmental Impacts	contain pesticide residues on the soil. Pesticide residues within the PUD area may pose a significant long-term chronic health threat to human health and the environment for proposed residential uses within the PUD area.	Impact 3.7-10: The PUD area is located in the airport approach zone for the Watsonville Municipal Airport. In addition, a portion of Assessors Parcel Number 048-211-25 is located within the Zone 6 (Traffic Pattern Zones for the Watsonville Municipal Airport	G) Hydrology and Water Quality	Impact 3.8-1: Development of
Mitigation Measures	surface soil and subsurface soil for pesticide residues in accordance with the Department of Toxic Substances and Control (DTSC) and CalEPA Guidance Manual Interim Guidance for Sampling Agricultural Fields for School Sites, Second Revision (DTSC and CalEPA 2004) to provide a uniform approach for evaluating former agricultural properties where pesticides have been applied. The soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Cruz. Soil sampling and testing shall include, but not be limited to the following in accordance with the DTSC and CalEPA guidance documents: sampling the freshwater marsh in the western portion of the PUD area adjacent to the former agricultural areas of the PUD area; sampling each area of a parcel which historically produced different agricultural crops; sampling of one surface soil sample from zero to six inches and one sub- surface sample from two three feet with the minimum number of samples based on the size of the parcel; and analytical testing for these samples for pesticide residues, including but not limited to include DDT and it's derivatives DDD and DDE, toxaphene, dieldrin, and aldrin. In the event that subsequent testing indicates the presence of pesticide residues beyond acceptable thresholds, the potential health risks shall be evaluated and a work plan prepared in order to remediate the soil in accordance with all applicable federal, state, and local regulations. All subsequent testing and remediation activities are subject to review and approval by the County of Santa Cruz Environmental Health Department prior to issuance of a grading permit.	MM 3.7-10: Project applicants within all phases of the PUD area shall file an overflight easement with the City of Watsonville to run with the title of the property as disclosure and notice in deeds at the time of transfer or sale of all properties within the PUD area. The disclosure shall inform future property owners that their property is located in an airport approach zone and that the City of Watsonville has the right to regulate or prohibit light emissions, either direct or indirect which may interfere with pilot vision; regulate or prohibit light emissions, either direct or energy substances that would impair the visibility or otherwise interfere with the operation of aircraft including steam, dust, and smoke; and regulate or prohibit electrical emissions which would interfere with aircraft communication systems or navigational equipment. The easement shall run with the land until such time the Watsonville Municipal Airport is no longer in use.	uality	Impact 3.8-1: Development of MM 3.8-1a: Future development within Phase 1 of the PUD area shall identify
Party Responsible for Implementing		Project Applicant		Project Applicant
Party Responsible for Verifying Compliance		County of Santa Cruz		County of Santa
Timing of Compliance		Time of Property Transfer or Sale		Project Design

Party Responsible for Implementing Compliance	Truz and drainage plan o pre-development o pre-development consistent with the hods, and reamine phods, and reamine phods, and reamine and est discharge e entity that is common and best discharge e entity that is rogram regetation common and the City of hube expection. The event of the event estimated in the event estim
Mitigation Measures	with Tentative Map or Building Permit submittals, a detailed final drainage plan designed to control the rate and volume of storm water runoff to pre-development conditions for a variety of storm event recurrences up to the 10-year storm eensistent with the envergental stormwater plan in the PLD and-consistent with the County of Santa Cuz performance standards or equivalent methods, and retaining the existing functions of storage. filtration, infiltration and evaparation of stormwater. The final drainage control plans shall include: detailed hydrologic modeling, existing facilities, soil and topographic data; erosion control facilities; Low impact Development (LID) techniques; compliance with waste discharge requirements; phasing and implementation; identification of the entity that is responsible for facility design and construction; Clean Water Program compliance; and facility maintenance to ensure for long-term vegetation. maintenance and access. As part of the final drainage plan, the culvert connecting the previous by the County of Santa Cruz Public Works Director and the City of Watsonville Public Works Director and Abul be eveniethen the project upplicant(-) All drainage improvements shall be subject to review and approval by the County of Santa Cruz Public Works Director and the City of Watsonville Public Works Direc
Environmental Impacts	the proposed project would alter existing drainage patterns, increase impervious surfaces and increase surface water runoff, thus contributing to localized drainage, flooding and erosion problems within and/or in the vicinity of the PUD area.
Phase	and 048-221-09

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Timing of Compliance		Project Design and Construction
Party Responsible for Verifying Compliance		Cruz Cruz
Party Responsible for Implementing		Project Applicant
Mitigation Measures	maintenance and access. All drainage improvements shall be subject to review and approval by the Public Works Director. Prior to final inspection: the project applicant (s) shall provide the County Planning Department with certification from a registered Civil-Engineer or licensed contractor-County Public Works Stall shall confirm that the stormwater detention facilities have been constructed in accordance with approved plans.	 MM 3.8-2: In order to comply with the National Pollution Discharge Elimination System (NPDES), requirements for construction of site storm water discharges, project applicants shall prepare and implement a Stormwater Pollution Prevention Plan (SWPPP) if construction exceeds one acre or more within the PUD area. The SWPPP shall specify how the discharger will protect water quality during construction activities subject to review and approval by the County of Santa Cruz Ponshing Department or the City of Watsonville Community Development Department or the City of Watsonville Community Development Department or the City of Watsonville Community Development Department. These measures shall include but are not limited to the following: design and construction of cut and fill slopes in a manner that will minimize erosion; protection of exposed slope areas; control of surface water flows over exposed soils; use of wetting or sealing agents or sedimentation ponds; limiting soil excavation in high winds; construction of beams and runoff diversion ditches; and use of sediment traps, such as weed-free straw bales and/or straw waddles. In addition, project applicants shall implement the following measures during construction activities within the PUD area: Stabilize and revegetate all areas of disturbed soil with appropriate native species. Monitor revegetation success and take remedial measures as necessary. When hay or straw is used in erosion control, ensure that it is weed free; If possible, conduct work during low. or no-flow periods. Consult weather forecasts from the National Weather Service at least 72 hours prior to performing work that may result in sediment transity is necessary to brine to the site, nesent evidence ectifying the material is necessary to brine to the site, nesent evidence ectifying the material is
Environmental Impacts		Impact 3.8-2: Soil disturbance associated with site preparation, grading and construction activities resulting from the proposed project may cause soil erosion and sedimentation, and/or the release of other pollutants into adjacent waterways, including Corralitos Creek.
Phase		048-211-25 and 048-221-09

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6/4/2009					
Phase	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
		void of any noxious or invasive species or pollutants.			
048-211-25 and 048-221-09	Impact 3.8-3: The proposed project would generate urban non-point contaminants, which may be carried in stornwater runoff from paved surfaces to downstream water bodies.	Implementation of mitigation measures MM 3.8-1 a and MM 3.8-1 b would require that future development prepare a detailed final drainage plan designed to control the rate and volume of stormwater runoff to pre-development conditions for a variety of storm event recurrences up to the 10-year storm event for the Phase 1 development area and the 25-year storm event for Phase 2 development area consistent with the requirements of the PUD.	Project Applicant	County of Santa Cruz	Project Design and Construction
048-211-25 and 048-221-09	Impact 3.8-4: Implementation of the proposed project would increase impervious surfaces and increase surface water runoff, which may contribute to localized flooding in the vicinity of the PUD area.	As required by mitigation measures MM 3.8-1a and MM 3.8-1b , the proposed project is anticipated to contain stormwater runoff within the PUD area, would not increase stormwater runoff over existing conditions and therefore would not result in flooding within the PUD area or in the vicinity of the PUD area.	Project Applicant	County of Santa Cruz	Project Design and Construction
H	H) Land Use and Planning				
048-211-25 and 048-221-09	Impact 3.9-3: Development of the proposed project could create land use compatibility conflicts with surrounding uses.	Mitigation measures MM 3.2-1 and MM 3.2-2 in Section 3.2, Agricultural Resources require incorporation of a 200-foot buffer on the castern portion of the PUD area adjacent to existing agricultural uses within an interim agricultural buffer area, coterminous with the Phase 2 Development Area. In addition the mitigation measures ensure that future residents are notified of potential agricultural/urban conflicts.	Project Applicant	County of Santa Cruz	Project Design
(I	Noise				
048-211-25 and 048-221-09	Impact 3.10-1: The proposed project could result in construction-related noise that would exceed applicable noise standards at nearby noise sensitive land uses.	 MM 3.10-1: To minimize impacts associated with short-term construction noise, the County of Santa Cruz Planning Department shall ensure that all project applicants incorporate the following noise control measures into construction contracts for future development within Phases 1 and 2 of the proposed project in accordance with Policy 6.9.7 <i>County of Santa Cruz General Plan:</i> Limit construction that involves motorized equipment to Monday through Friday from 7:30 am to 4:30 pm to avoid the times of day and the days of the week when noise effects would cause the greatest annoyance to residents and to those using the area for recreation; 	All Project Applicants	County of Santa Cruz	Construction

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Allow exceptions to the specified construction hours only for

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	Timing of Compliance			Prior to issuance of Building Permit	Prior to Issuance of a Building Permit
	Party Responsible for Verifying Compliance			County of Santa Cruz	County of Santa Cruz
	Party Responsible for Implementing			County of Santa Cruz	County of Santa Cruz
	Mitigation Measures	 construction emergencies and when approved by the County of Santa Cruz Planning Department; and Post a sign that is clearly visible to adjacent land uses that provides the phone number for the public to call to register complaints about construction-related noise problems. A single disturbance coordinator shall be assigned to log in and respond to all calls. All verified problems shall be resolved within 24 hours of registering the complaint. 	s, and Recreation	MM 3.12-1: To fund a potential gap in funding for municipal services, if deemed necessary, the City of Watsonville and the County of Santa Cruz shall work cooperatively to define and implement the appropriate funding mechanism(s) (e.g. a payment-in-lieu of taxes [PILOT] agreement, establishment of a community facilities district [CFD], a Mello Roos, etc.) to ensure that the proposed project pays its fair share to support municipal services.	Implementation of mitigation measure MM 3.12-1 would ensure that funding of additional law enforcement services would be handled through a funding mechanism between the City and the County to ensure that the proposed project pays its "fair share" of funding in order to provide three additional swom officers and one civilian staff member at the City of Watsonville Police Department in order to serve the PUD area under project buildout.
du'	Environmental Impacts		Public Services, Utilities, and Recreation	Impact 3.12-1: The proposed project would generate approximately 1,679 people, which would subsequently increase the demand for fire protection services within the PUD area. Future development within the PUD area would be required to pay applicable fire impact fees at the time of issuance of the building permits.	Impact 3.12-2: The proposed project would generate approximately 1,679 people, which would increase demand for law enforcement services. Future development within the PUD area would be required to pay applicable police impact fees at the time of issuance of the building permits.
Atkinson PUD 6/4/2009	Phase		ſ	048-211-25 and 048-221-09	048-211-25 and 048-221-09

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ble Timing of Compliance nce	anta Prior to Issuance of a Building Permit	anta Prior to Issuance of a Building Permit	anta Prior to Issuance of a Building Permit	anta Prior to Issuance of a Building Permit
Party Responsible for Verifying Compliance	County of Santa Cruz	County of Santa Cruz	County of Santa Cruz	County of Santa Cruz
Party Responsible for Implementing	County of Santa Cruz	County of Santa Cruz	County of Santa Cruz	County of Santa Cruz
Mitigation Measures	Implementation of mitigation measure MM 3.12-1 would be handled through a funding mechanism between the City and the County to ensure that the proposed project pays its "fair share" of funding in order to meet acceptable thresholds, including the projects "fair share" of funding parks and recreation facilities with buildout of the proposed project.	Implementation of mitigation measure MM 3.12-1 would be handled through a funding mechanism between the City and the County to ensure that the proposed project pays its "fair share" of funding for library facilities with buildout of the proposed project.	Future development within the PUD area would be required to pay applicable development impact fees at the time of issuance of the building permits. The County and the City will enter into an agreement to fund any infrastructure costs for the proposed project not covered by City or County impact fees and taxes. Funding of additional services would be handled through levies on future development in order to meet acceptable thresholds as required by mitigation measure MM 3.12-1.	Implementation of mitigation measure MM 3.12-1 would ensure that funding of additional services would be handled through levies paid by future development in order to meet acceptable thresholds, including the projects "fair share" of funding for stormwater infrastructure with buildout of the proposed project.
Environmental Impacts	Impact 3.12-4: The proposed project would increase a demand for parks in the area that is currently considered underserved. However, the proposed project would provide an additional 3.5 acre park adjacent to Crestview Park, and payment of applicable fees for parks and recreational uses.	Impact 3.12-5: The proposed project would generate approximately 1,679 people, which would increase demand for library services. The proposed project would result in an increase in expenditures as a result of increased service level demands.	Impact 3.12-8: Implementation of the proposed project would result in construction of on-site water infrastructure in order to serve the proposed project.	Impact 3.12-9: The proposed project would require expansion of stormwater facilities on-site, the construction of which could cause significant environmental effects. Future development within the PUD area would be required to pay
Phase	048-211-25 and 048-221-09	048-211-25 and 048-221-09	048-211-25 and 048-221-09	048-211-25 and 048-221-09

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ATTACHMENT 6 4

of the proposed project, project applic portional fair share towards installation ups/Harkin Slough Road and the Highv resections. This signal shall be the intersection of Harkins Slough Roa cing of these intersections and the pott signal at the southbound ramp terminal and is approximately \$520,000 dollars. Share contribution to the estimated imp is calculated as the project portion of a shall pay applicable traffic impact fees there to both peak hours. To shall pay applicable traffic impact fees t prior toissuance of building permits fi 'atsonville shall coordinate with Caltra 1.	n (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)		Rec Projec	Mitigation Measures		pancy of the proposed project, project applic eir proportional fair share towards improving blohan Road at the East Lake Avenue (Highw ection to include a dedicated eastbound left-tu lane, a shared eastbound left-turn/through la The estimated cost of this improvement is \$1 vement, project applicants shall pay the Paja fee to the County of Santa Cruz towards cons in the County's Capital Improvement Progra	pancy of the proposed project, project applic cir proportional fair share towards installation B Ramps/Harkin Slough Road and the Highv ad intersections. This signal shall be d with the intersection of Harkins Slough Ro is spacing of these intersections and the pott e new signal at the southbound ramp terminal covement is approximately \$520,000 dollars. a fair share contribution to the estimated im pution is calculated as the project portion of a 1 to the intersection for both peak hours. To licants shall pay applicable traffic impact fees venent prior toissuance of building permits f y of Watsonville shall coordinate with Caltra section.
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of the proposed project portional fair share tow ps/Harkin Slough Road rsections. This signal s the intersection of Hark ceing of these intersectic signal at the southbound ant is approximately \$55 share contribution to th is calculated as the proj shall pay applicable tra	 project applicants ards improving the Avenue (Highway astbound left-turn J turn/through lane an rovement is \$1.5 m all pay the Pajaro V uz towards construc verment Program ((verment Program (0 verment englation of a l and the Highway hall be ins Slough Road/O ms and the potentia d ramp terminal. The e estimated improve ect portion of all fu cask hours. To fund ffic impact fees tow 		Party Responsible for Implementing Project Applicant Project Applicant	Mitigation Measures		1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.	MM 3.13-6: Prior to occupancy of the proposed project, project the PUD area shall pay their proportional fair share towards ins signal at the Highway I NB Ramps/Harkin Slough Road and th Ramps/Harkin Slough Road intersections. This signal shall be coordinated/interconnected with the intersection of Harkins Slo Valley Road due to the close spacing of these intersections and overflow of queues and the new signal at the southbound ramp estimated cost of this improvement is approximately \$520,000. proposed project shall pay a fair share contribution to the estim cost. The fair share contribution is calculated as the project por traffic that would be added to the intersection for both peak hou improvement, project applicants shall pay avaplicable traffic intu-

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ATTACHMENT 6 4

Phase	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
048-211-25 and 048-221-09	Impact 3.13-7: The proposed project would increase the volume/capacity ratio by more than one percent during both the AM and PM peak hours at the Airport Boulevard/Freedom Boulevard intersection, which is currently operating at unacceptable levels of service (LOS E of F).	MM 3.13-7: Prior to occupancy of the proposed project, project applicants within the PUD area shall pay their proportional fair share towards installation of a second through and right-turn lane on the Airport Boulevard approach from Highway I and a second left-turn lane on Freedom Boulevard approach from Boulevard/Freedom Boulevard intersection. The receiving leg on Airport Boulevard shall be widened in order to accommodate the additional through-lanes. The project would pay a fair share contribution to the estimated improvement cost. The fair share contribution is calculated as the project portion of all future traffic that would be added to the intersection for both peak hours. To fund this improvement, project applicants shall pay applicable traffic impact fees towards the proposed project.	Project Applicant	County of Santa Cruz	Prior to issuance of Building Permits
048-211-25 and 048-221-09	Impact 3.13-8: The proposed project would result in an increase in traffic at the Highway 1 NB Ramps/Larkin Valley Road intersection that would increase the volume to capacity ratio by more than one percent, which is currently operating at an unacceptable level of service.	MM 3.13-8 : Prior to occupancy of the proposed project, project applicants within the PUD area shall pay their proportional fair share towards installation of two roundabouts (one at the northbound hook ramp terminal and one at the Airport Boulevard/Larkin Valley intersection) at the Highway 1 NB Ramps/Larkin Valley Road Intersection. Since the ramp terminal and the intersection of Airport Boulevard/Larkin Valley Road are closely spaced, improvements shall take both intersection operations into consideration when constructing the proposed improvements. The estimated cost of these improvements is \$1,260,000 dollars. The project would pay a fair share contribution to the estimated improvement cost. The fair share contribution is calculated as the project portion of all future traffic that would be added to the intersection for both peak hours. To fund this improvement, project applicants shall pay applicable traffic impact fees towards construction of this improvement. The City of Watsonville shall coordinate with Caltrans and prepare a Project Study Report for improvements to this intersection.	Project Applicant	County of Santa Cruz	Prior to Occupancy of Project
⁶⁰⁷⁻²²¹⁻⁰⁶	Impact 3.13-11: The left-turn pocket from Freedom Boulevard onto Crestview Avenue would increase substantially with implementation of the proposed project and create an operational deficiency.	MM 3.13-11a : The first project applicant on APNs 048-221-09, shall design, fund and implement the southbound left-turn pocket from Freedom Boulevard to Crestview Drive by at least 50-feet. The estimated cost of this improvement is \$32,500. This improvement shall be installed prior to the buildout of the Phase 1 Development Area on APN 048-221-09, and shall be subject to review and approval by the City of Watsonville. A cost share agreement will be developed by both the City and the County to ensure that these improvements are fully implemented.	Project Applicant	County of Santa Cruz	Project Design and Construction

ATTACHMENT 6 4

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Phase	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
048-211-25		MM 3.13-11b: All project applicants shall contribute their fair share toward the installation of traffic improvements through the collection of TIA fees and/or any other cost sharing agreement.	Project Applicant	County of Santa Cruz	Building Permit Application
048-211-25	Impact 3.13-12: The proposed project would result in an increase in traffic that would be experienced by the neighbors on Brewington Avenue north of Crestview Drive; Gardener Avenue, east of Freedom Boulevard; and Atkinson Lane, east of Freedom Boulevard.	MM 3.13-12a: Prior to occupancy of any project on APNs 048-211-25, project applicants shall develop and implement a traffic calming plan on: (1)Atkinson lane, east of Freedom Boulevard, and 2) Gardner Avenue, east of Freedom Boulevard along the streets that are affected by the proposed project. A cost share agreement will be developed by both the City and the County to ensure that these improvements are fully implemented.	Project Applicant	County of Santa Cruz	Prior to Occupancy of Project
048-221-09		MM3.13-12b: Prior to occupancy of any project on APN 048-221-09, project applicants shall develop and implement a traffic calming plan on Brewington Avenue north of Crestview Drive along the streets that are affected by the proposed project. A cost share agreement will be developed by both the City and the County to ensure that these improvements are fully implemented.	Project Applicant	County of Santa Cruz	Prior to Occupancy of Project
[1]	L) CEQA Considerations				
048-221-09 048-211-25	Impact 4-2: The proposed project would contribute to a significant cumulative impact to hazardous conditions on Brewington Avenue south of Crestview Drive as a result of increased traffic from the proposed project.	MM 4-2: Project applicants shall pay their proportionate fair share contribution towards a traffic calming plan on Brewington Avenue, south of Crestview Drive. A cost share program will be developed by both the City and the County to ensure that these improvements are fully implemented.	Project Applicant	County of Santa Cruz	Prior to Occupancy of Project

ATTACHMENT 6 .

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	Liming of Compliance	Prior to Occupancy of Project
Party Responsible		County of Santa Prior to Cruz Project
10000	Kesponsible for Implementing	Project Applicant
	Mitigation Measures	MM 4-3: The City's groundwater impact fee program for the project area shall be modified to ensure that project water demand is fully offset (at a ratio of 1.2:1) either by comparing pre-development water demand to post development water demand or by participating in a water offset program with fixture and landscaping replacements in the City's water service area or, a combination of both. The project applicants shall be responsible for working with the City, or their designee, in developing an offset program that achieves the water saving objectives and shall bear the costs associated with the offset program including any additional replacement of plumbing fixtures and landscaping retrofits identified in the City water service area to meet the stated goals. Pre-development water demand shall be accounted for on a per parcel basis.
	Environmental	Impact 4-3: The proposed project in combination with reasonably foreseeable future growth would result in an incremental increase of water use that would continue to contribute to depletion of water supply within the Pajaro Valley Groundwater Basin, which is currently in overdraft condition.
6007/07/0	Phase	048-221-09 048-211-25

IN THE SUPERIOR COURT of the STATE OF CALIFORNIA in and for the County of Santa Cruz

CERTIFICATE OF PUBLICATION

Ad No .:

STATE OF CALIFORNIA

I, Mary Pipo,

hereby certify that the **Watsonville Register Pajaronian**, a newspaper of general circulation, within the provisions of the government code of the State of California, printed and published in the City of Watsonville, County of Santa Cruz, State of California; that I am the principal clerk of the printer of said newspaper; that the

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Legal Notice;

ublic.

of which the annexed clipping is a true printed copy was published in said newspaper on the following dates, to wit:

INC 13, 200

I certify under penalty of perjury that the foregoing is true and correct, at Watsonville, California, on

the

Mary Pipo, Legal Clerk

I, Tess E. Fitzgerald, Supervising Clerk of the Board of Supervisors of the County of Santa Cruz, do hereby certify that Ordinance No. 5040, adopted on we figure that been duly published in accordance with Section 25124 of the Government Code.

Tess E. Fitzgerald, Supervising Board Clerk By:

PUBLIC NOTICE

ADOPTED ORDINANCE NO. 5048 (SUMMARY)

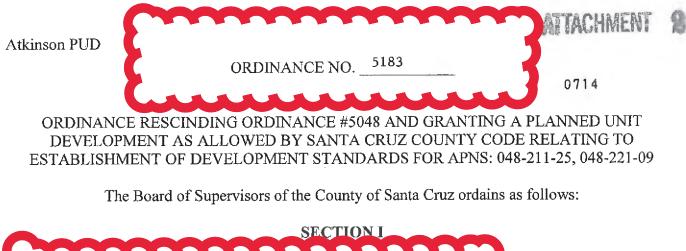
NOTICE IS HEREBY GIVEN that at its regularly scheduled meeting on June 9, 2009 the Board of Supervisors of the County of Santa Cruz adopted Ordinance No. 5048 granting a Planned Unit Development as allowed by Santa Cruz County Code relating to establishment of Development Standards for APNS: 048-211-25 and 048-221-09. This Ordinance was) (Paste c

> AYES: Pirie, Leopold, Stone and Coonerty NOES: None ABSENT: None ABSTAIN: Campos

Copies of the full text of this ordinance are available at the Office of the Clerk of the Board, Room 500, Governmental Center Building, 701 Ocean Street, Santa Cruz, California 95060.

Date: June 10, 2009 June 13, 2009 01543388

"Proof of Publication must be filed with the County Clerk's Office within 30 days of the asage ization f 340 date, pursuant to Civil Code Section 2466."



Ordinance #5048 enacted on June 9, 2009 is hereby rescinded.
SECTION
SECTIONI

A Planned Unit Development is hereby granted to the property located between Atkinson Lane and Brewington Avenue, in the Pajaro Valley Planning Area, also known as the Atkinson Lane Housing Site, and shown on Exhibit A attached hereto and subject to the conditions shown on Exhibit B, attached hereto.

SECTION III

The Board of Supervisors hereby adopts the recommendations of the Planning Commission for the Planned Unit Development as described in Section I, and adopts their findings in support thereof without modification as set forth below:

- 1. That the proposed location of the uses are in accordance with the objectives of the County Code and the purposes of the district in which the site is located.
- 2. That the proposed location of the Planned Unit Development and the conditions under which it would be operated or maintained will not be detrimental to the public's health, safety or welfare, or materially injurious to properties or improvements in the vicinity.
- 3. That the proposed Planned Unit Development will comply with each of the applicable provisions of Chapter 18.10 of the County Code.
- 4. That the standards of dwelling unit density, site area and dimensions, site coverage, yard spaces, heights of structures, distances between off-street loading facilities and landscaped areas will produce a development that is compatible with and integrated into the surrounding built and natural environment consistent with the objectives of the County Code.
- 5. That the standards of dwelling unit density, site coverage, yard spaces, heights of structures, distances between structures, off-street parking, and off-street loading facilities will be such that the development will not generate more traffic than the streets in the vicinity can carry and will not overload utilities.
- 6. That the combination of different dwelling and/or structure types and the variety of land uses in the development will complement each other and will harmonize with existing and proposed land uses, structures, and the natural environment in the vicinity.



- 7. That the degree of departure from the required development and density standards is roughly proportional to the benefits provided to the neighborhood and/or the community in which the Planned Unit Development is located.
 0715
- 8. That the proposed development is consistent with the General Plan/Local Coastal Program Land Use Plan.

SECTION IV

The Board of Supervisors hereby adopts the recommendations of the Planning Commission for the Development Permit as described in Section I, and adopts their findings in support thereof without modification as set forth below:

- 1. That the proposed location of the project and the conditions under which it would be operated or maintained will not be detrimental to the health, safety, or welfare of persons residing or working in the neighborhood or the general public, and will not result in inefficient or wasteful use of energy, and will not be materially injurious to properties or improvements in the vicinity.
- 2. That the proposed location of the project and the conditions under which it would be operated or maintained will be consistent with all pertinent County ordinances and the purpose of the zone district in which the site is located.
- 3. That the proposed use is consistent with all elements of the County General Plan and with any Specific Plan which has been adopted for the area.
- 4. That the proposed use will not overload utilities, and will not generate more than the acceptable level of traffic on the streets in the vicinity.
- 5. That the proposed project will complement and harmonize with the existing and proposed land uses in the vicinity and will be compatible with the physical design aspects, land use intensities, and dwelling unit densities of the neighborhood.
- 6. The proposed development project is consistent with the Design Standards and Guidelines (sections 13.11.070 through 13.11.076), and any other applicable requirements of this chapter.

SECTION V

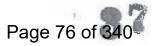
This ordinance shall become effective 31 days after adoption.

PASSED AND ADOPTED this <u>20th</u> day of <u>May</u> 2014 by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES:	SUPERVISORS	Coonerty, Leopold, Caput, McPherson & Friend
NOES:	SUPERVISORS	None
ABSENT:	SUPERVISORS	None
ABSTAIN:	SUPERVISORS	None

ZACH FRIEND

Chairman of the Board of Supervisors



ATTACHMENT 2

TESS FITZGERALD

Clerk of the Board

APPROVE AS T 6 cea County Jounsel

I HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL ON THE IN HE OFFICE ATTEST MY HAND AND SEAL THIS SUSAN A. MAURIELLO, COUNTY ADMINISTRATIVE OFFICER AND EX-OFFICIO CLERK OF THE BOARD OF SUPERVISORS OPUNTY OF SANTA CRUZ, CALIFORNIA BY, DEPUTY

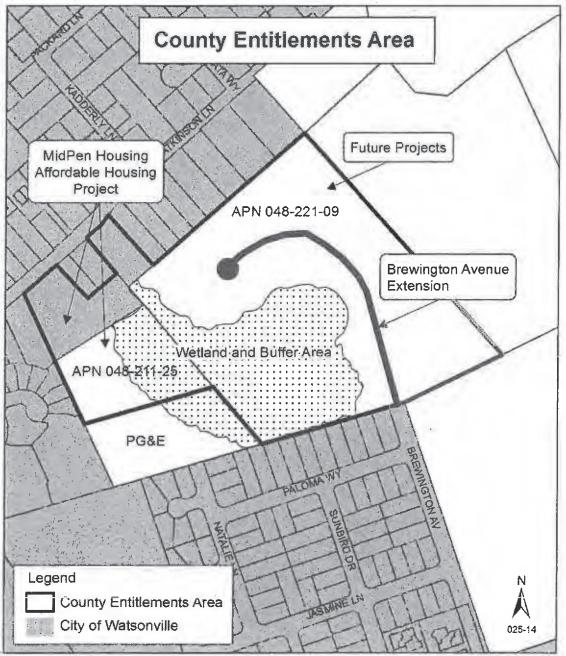
EXHIBIT A

0717

Planned Unit Development Conditions of Approval

Property located between Atkinson Lane and Brewington Avenue, in the Pajaro Valley Planning Area.

APNs: 048-211-25, 048-221-09



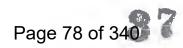


EXHIBIT B

Planned Unit Development Conditions of Approval

0718

Property located between Atkinson Lane and Brewington Avenue, in the Pajaro Valley Planning Area.

APNs: 048-211-25, 048-221-09

This 16.8 acre site contains 10.0 useable (developable) acres, 1.3 acres on APN 048-211-25 and 8.7 acres on APN 048-221-09, equating to a total <u>development potential on county parcels</u> of 200 dwelling units, 26 on APN 048-211-25 and 174 on APN 048-221-09; of these, 30 total affordable units are required under County Code Section 17.10.030(b)(1), 3 <u>units</u> plus an in-lieu fee for 0.9 of a unit on APN 048-211-25, and 26 <u>units</u> plus an in-lieu fee for 0.1 of a unit on APN 048-221-09, and 51 total affordable units are required under County Code Section 17.10.030(b)(6), 7 on APN 048-211-25 and 44 on APN 048-221-09. Development of this site is by-right in that the use and density for the site are not discretionary. A Level VII design review hearing is required.

The EIR evaluating this PUD also evaluates adjacent land area for development by the City of Watsonville. This PUD addresses only two cited parcels above, and the County will not be responsible for the remainder of the development plan discussed in the EIR.

The term "County Entitlements" is introduced in the Settlement Agreement that the Santa Cruz County Farm Bureau, the County of Santa Cruz, and the City of Watsonville entered into on 2/14/2011 and refers to the County's actions on June 9, 2009 related to this project. The "County Entitlements Area" evaluated by the 2009 EIR and its 2014 Addendum also includes APNs 019-226-42 (MidPen parcel) and 019-236-01 (Lamb parcel) located within the City of Watsonville, which are considered to have a development potential of an additional 20 units that the Settlement Agreement allows to be considered for approval by the City of Watsonville.

I) General Site Standards

- A) All requirements and standards contained in Section 13.10.475 through 13.10.478 of the County Code (Regional Housing Needs "R" Combining District) shall be applicable unless expressly modified by the conditions of this Planned Unit Development (PUD).
- B) <u>Development Standards</u>. The following development standards supersede the development standards in the County Code. Unless specifically defined below, developments must meet all required development standards in the County Code at the time the Design Review application is deemed complete. All of the site standards contained within Chapter 13.10 shall be applicable unless modified by this Planned Unit Development.
 - 1) Circulation and Parking Requirements
 - (a) Parking requirements.
 - (i) 1.5 spaces per studio or one-bedroom unit;
 - (ii) 2.0 spaces for two-bedroom unit;



ATTACHMENT 23

- (iii) 2.5 spaces for three-bedroom unit; and
- (iv) 3.0 spaces per four-bedroom unit.

- (v) An additional 20% of the total number of parking spaces to accommodate guest parking.
- (vi) The Board of Supervisors, as part of the Design Review Permit, may consider a reduction to the required on-site parking standard above. Any request shall include an on-site parking management plan prepared by a traffic engineer.
- (vii) The maximum number of required parking spaces that may be compact in size shall be as specified in County Code Section 13.10.553 (e) or its successor ordinance.
- (viii) The standards for off-street parking facilities as outlined in County Code Section 13.10.554 at the time of application is deemed complete shall apply.
- (b) <u>Circulation Requirements.</u> Primary access through the PUD area will be provided via a collector street that will extend north from Brewington Avenue to be constructed by the first developer of APN 048-221-09 (Lamb parcel in County) the Phase I Development Area. An emergency-only access road through APN 019-236-01 (Lamb parcel in City) will serve future both the Phase I and Phase 2 D development Areas on APN 048-221-09. This emergency access road shall not be used for primary access to the project site and shall only be used for secondary access if the extension of Brewington Avenue up to and including the roundabout is completed through a development project. An access road from Atkinson Lane along the existing vehicular easement leading to the PG&E site will provide access to APN 048-211-25.
- (c) Roadway Design. The following standards shall apply to roadways on the project site:
 - (i) Right-of-Way Width:
 - 32 feet for access to APN 048-211-25: two 12-foot travel lanes and an 8-foot parking shoulder on east side only,
 - 52 feet for Brewington Avenue extension (Collector Street): from cast to west, 6-foot sidewalk, 8-foot parking shoulder, 4-foot bike lane, two 12-foot travel lanes, 4-foot bike lane, and 6-foot sidewalk. (eastern sidewalk, parking lane, and bike lane, to be constructed only after removal of the interim agricultural buffer)
 - 20 feet for two-way interior driveways,
 - 12 feet for one-way driveways, and
 - 20 feet for the temporary emergency-only access through APN 019-236-01 to APN 048-221-09
 - Improvements: Where possible, pedestrian improvements shall connect with existing infrastructure in the surrounding neighborhoods.
- (d) <u>Bicycle Storage</u>. A minimum of one lockable storage space for bicycle storage shall be provided for each dwelling unit. This lockable storage space may be located within a larger exterior storage area provided for the unit, or in a garage.

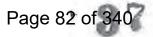


- (e) <u>Accessibility</u>. Developments must meet accessibility requirements of Title 24 of the Building Code or successor code in effect at the time the Building Permit application is submitted.
 - Accessible parking shall be provided consistent with California State Law.
 This applies to the design and location of parking spaces, number of accessible spaces provided, and accessible path of travel through the development and to the public right-of-way.
- 2) Requirements for Structures
 - (a) <u>Number of Stories</u>. A maximum of three (3) stories as defined by the County Code exclusive of subsurface parking is allowed.
 - (i) Three stories are allowed except in areas restricted to a two-story maximum, as delineated in Section I.B.2.a(ii) below, in order to provide a logical transition between existing neighborhoods and higher density development.
 - (ii) To reduce bulk and mass, efforts shall be made to provide articulation and architectural features and to provide a transition from the adjacent properties. This transition shall be achieved by the following:
 - Restricting buildings to 28 feet and two stories in height adjacent to existing homes located along Atkinson Lane. See Section I.B.3.b for further detail.
 - Requiring buildings facing public roads to incorporate features such as stepback heights, articulation, variations in finishes, glazing, building separation and varied roof heights.
 - (b) <u>Height.</u> Height of three-story structures may be up to 37 feet, exclusive of sub-surface parking, and the height of two-story structures may be up to 28 feet, exclusive of subsurface parking. Height will be measured in accordance with the provisions of County Code Section 13.10.477.
 - (i) For any structure proposed to be within 2 feet of the maximum height limit, the building plans shall include a roof plan and a surveyed contour map of the ground surface, superimposed and extended to allow height measurement of all features. Spot elevations shall be provided at points on the structure that have the greatest difference between ground surface and the highest portion of the structure above. This requirement is in addition to the standard requirement of detailed elevations and cross-sections and the topography of the project site, that clearly depict the total height of the proposed structure above preconstruction natural grade and finished grade.
- 3) Site Standards
 - (a) Lot Coverage and Floor Area Ratio. Lot Coverage Site Standards and Floor Area Ratio Site Standards specified in County Code Section 13.10.323 (b) do not apply.
 - (b) <u>Setbacks</u>. The following setbacks are established from the perimeter of the subject property, as shown on Exhibit A, to the structures in aggregate and are as follows:
 - (i) APN 048-211-25, located west of wetlands
 - North: 3 feet if developed in conjunction with adjacent City parcel, otherwise 10 feet.



- West: 5 feet from 32-foot wide access roadway, located along the existing vehicular easement
- East: outside 50-foot wetland buffer

- South: 10 feet
- (ii) APN 048-221-09, located north and east of the wetlands
 - Phase 1-Development Area:
 - Is North: 15 feet for 2 story structures, 20 feet for 3 story structures
 - 2. West: outside 50' wetland buffer
 - 3. East: outside interim 200' agricultural buffer or 3 feet if developed in conjunction with the adjacent City parcel.
 - 4. South: outside 50' wetland buffer and not less than 15 feet from the property line.
 - Phase 2-Development Area:
 - 1. North: 15 feet for 2 story structures, 20 feet for 3 story structures
 - 2. West: outside 50' wetland buffer
 - 3. East: 3 feet if developed in conjunction with adjacent City parcel, otherwise 10 feet
 - 4. South: 15-feet
- (iii) For projects involving a Tentative Map, the interior setbacks and lot size shall be established through the Design Review process and are not subject to obtaining a Residential Development Permit under County Code Section 13.10.323(d)(1)(A) or its successor ordinance.
- (c) <u>Wetland Area.</u> A Riparian Exception approving a buffer of 50 feet from the edge of the delineated wetland area on the property is included with the adoption of this PUD. Inside this buffer limited activities will be permitted, including placement of interpretive signage at the perimeter of the buffer. and the execution of ecological restoration activities including the removal of exotic plant species and establishment of native species. No lighting will be placed within the riparian buffer.
 - (i) Restoration of the wetland and the removal of non-native species from the pond area and buffer is required. A comprehensive management plan/wetland protection-program shall be submitted to the County Planning Department for review and approval concurrent with the Level VII Design Review Permit application, and should be developed in conjunction with the Habitat Enhancement Plan detailed in Section IX.C. MM3.4-3b_3g if such a plan is required.
 - (ii) A Riparian Exception is granted by this PUD for the encroachment, installation, and maintenance of drainage outlets and energy dissipaters <u>into the 50 foot</u> <u>buffer area, and interpretative signage</u> under the following conditions:
 - No disturbance is allowed within below the ordinary high water mark of the mapped wetland. other than restoration activities required by Section IX of this PUD.



- Prior to issuance of the building permit for the first permanent structure, drainage plans complying with the requirements of this PUD, particularly 0722 those related to runoff-reduction and Low Impact Design guidelines, shall be reviewed and approved by both DPW Drainage and Environmental Planning.
- Prior to issuance of the building permit for the first permanent structure, the
 applicant shall provide the County with a copy of the California Department
 of Fish and Game (CDFG) Wildlife (CDFW) 1602 Streambed Alteration
 Agreement, or a statement from the CDFG CDFW that no permit is required
 for the restoration and drainage improvement construction activities to occur
 within the wetland or wetland buffer area.
- (d) Stormwater Management. Consistent with Section IX.G. 3.8 MM 3.8-1a and MM 3.8-1b, development in the PUD area within the County Entitlements Area will utilize the wetland for stormwater retention and the developer or developers shall be responsible for providing a detailed final drainage plan and analysis demonstrating maintenance of the predevelopment 2-year, 2-hour release rate and storage as well as the 5-year predevelopment release rate while providing storage volume for the post development 25-year storm, and retaining existing functions of storage, filtration, infiltration and evaporation of stormwater. Phase I shall be responsible for the construction of a temporary detention basin, located in the Phase 2 Development Area, to mitigate the increase of stormwater runoff from the PUD area. The temporary detention basin shall be sized appropriately to accommodate run off generated of Phase 1 of the PUD area. The Developer of the Phase 2 Development Area shall be responsible for the design and construction of a drainage system sufficient to limit run off to predevelopment levels for a range of storm events up to the 25 year storm event. The application of appropriate erosion control measures at this location shall be required.
 - (i) Final drainage plans shall include information regarding detailed hydrologic modeling; existing facilities; soil and topographic data; erosion control and best management practices (BMPs); descriptions of proposed flood control facilities; Low Impact Development (LID) techniques; compliance with waste discharge requirements; phasing and implementation; identification of the entity that is responsible for facility design and construction; Clean Water Program compliance; and facility maintenance to ensure for long term vegetation maintenance and access.
 - (ii) Low Impact Design (LID) techniques that maximize infiltration, minimize runoff volumes and rates, and minimize pollutant loadings, shall be incorporated into the project design. Such practices would include:
 - Providing on-site treatment for low-flow storm events
 - Enhancing treatment of off-site flows
 - Providing vegetated swales for water quality treatment
 - Designing for large event flood control
 - · Incorporating landscape features that enhance water quality; and
 - Limiting the post-development runoff rate and volume to the predevelopment runoff rate and volume, to the maximum extent possible.

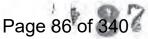
- (e) <u>Open Space</u>. The open space requirements specified in County Code Section 0723 13.10.323 e(6)F shall not apply. Instead, the developer will be required to provide a minimum of 50 square feet of private open space per unit, and a minimum of 150 square feet of common open space per unit. Common open space may consist of active or passive recreation space, designed with both children and adults in mind.
 - (i) The Design Review process shall determine the final configuration and location of open space on-site, with special consideration for the opportunity to incorporate passive open space adjacent to the wetland area and active areas that are safe and observable from adjacent housing units.
- (f) <u>Signs.</u> Any signs shall comply with Section 13.10.580 or any successor ordinance and the location and design shall be reviewed and approved as part of the Design Review process. The following signs are allowed:
 - A non-illuminated temporary sign pertaining to the sale, lease or rental of a dwelling and limited to six square feet in size or less.
 - (ii) A permanent identification sign, in-directly illuminated, of 12 square feet or less.
- (g) <u>Site Planning</u>. The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - (i) Where natural features exist, such as wetlands and drainages, open spaces should be preserved and used to frame and define residential areas.
 - (ii) Grading should limit the visual distinction between graded and adjacent natural landforms and be contoured to blend into adjacent open spaces.
 - (iii) Varied building heights are encouraged, both to provide visual interest and give the appearance of a collection of smaller structures. Building heights at the edge of the subdivision should be considered within the context of the project's surroundings, the adjacent uses, and should create a transition from the heights of adjacent existing residential development rather than form abrupt height changes. Section I.B.2.a(ii) addresses this concept in further detail.
 - (iv) Arrange unit types to provide a logical transition between existing neighborhoods and higher density portions and provide complete consistent streetscapes along existing street frontages.
 - Orient buildings and associated improvements to minimize noise, light, glare, and other visual impacts to adjacent residential neighborhoods.
 - (vi) Use buildings, landscaping, contrasting paving, and site design to frame neighborhood gateways and define common open spaces.
 - (vii) Utilize permeable materials for walkways, driveways, alleys, and patios where possible and locate impervious areas to drain into bioswales or other stormwater detention features.
 - (viii) Incorporate Best Management Practices (BMPs) for bioretention systems.
 - Site orientation and building design should consider the use of alternative energy sources and passive solar design concepts.



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- (x) The siting of multi-family buildings should consider the existing 0724 neighborhood context. Where buildings are not configured around courtyards, gathering areas, and open spaces, they should be oriented parallel to the public street or the internal streets, with some setback variation to provide visual relief.
- (xi) Public, communal, and private spaces should be clearly distinguishable.
- (xii) Ground floor units should have direct access from streets and common spaces.
- (xiii) Entry drives should be designed to create a positive identity for the project. Landscape and site design should frame and distinguish entry drives.
- (xiv) Parking should be unobtrusive and not disrupt the quality of common spaces and pedestrian environments. It should be distributed throughout the site in discrete courts and shall be screened by landscaping or buildings.
- (xv) Services should not be visible from public areas. Trash bins, utility meters, transformers, and other service elements should be enclosed or otherwise concealed from view.
- (xvi) Common open space should be centrally located, have a physical and visible connection to public open space, and connected to each project's internal pedestrian system.
- (xvii) Common spaces should incorporate play equipment for children and adults that are sized to accommodate the anticipated level of use and located such that they are safe and observable from adjacent areas. Additionally, a properly sized community garden site shall be provided.
- (xviii) The construction of road and/or utility stub outs that can be easily used for future development on APN's 048-231-01, 048-231-17, 048-231-18 (portion of), and 048-251-09 and which are not part of the project authorized by the County Entitlements or that would give credence to any argument that development of the Specific Plan Area was envisioned by and should be considered as part of the project authorized by the County Entitlements, shall be prohibited as part of any county-approved entitlements that use the 2009 EIR and its 2014 Addendum. All utility connections and road access are independent of the Watsonville Specific Plan Area and the County shall not take any action with respect to development in the County Entitlements Area that would necessitate or encourage the development of a Wagner Avenue Extension.
 - The above paragraph shall not apply to use of APN 019-236-01 for secondary access purposes. APN 019-236-01 shall not be used for primary access to the project(s) authorized to occur within the County Entitlements Area consistent with the EIR and its Addendum, and shall only be used for secondary access if the project(s) authorized by the County entitlements completes the proposed extension of Brewington Avenue up to and including the roundabout depicted within the County Entitlements Area.
- (h) <u>Architectural and Building Design Standards.</u> The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.

- The requirements of Chapter 13.10 relating to distance between structures shall not apply.
- Provide a variety of architectural styles using high quality architectural materials.
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- (iii) All facades, including side and rear elevations, should have the same vocabulary of forms, details, and materials.
- (iv) Create visual interest through the use of articulated facades, forms, and color, but maintain consistent architectural style and details on both the exposed facades of corner lots. Break up large wall and roof surfaces using three dimensional elements on facades, such as chimneys, balconies, bay windows or dormers.
- (v) Incorporate energy-efficient building siting standards and materials.
- (vi) Building forms should be articulated by varying roof heights and wall planes. Long, unbroken volumes and large, unarticulated walls and planes shall not be permitted.
- (vii) Roof forms should cover the entire width and depth of buildings. Superficial roof forms (such as mansards affixed to the building) or false fronts, facades and parapets, shall not be allowed.
- (viii) Flat roofs are strongly discouraged.
- (ix) Individual entries should have a strong relationship with a fronting street, internal walkway, or courtyard, as appropriate to the overall siting concept. A transitional area from the public space or walkway to the private dwelling unit entry, such as a porch, steps, or landscape walkway, should be provided.
- (x) Each dwelling unit's entry should be differentiated through architectural elements such as porches, stoops, or roof canopies, and detailing. Opportunities should be provided for residents to personalize their entry by providing ground level space or wide ledge for potted plants.
- (xi) Stairways, fences, trash enclosures, and other accessory elements shall be designed as integral parts of the architecture. Manufactured components attached to the outside of buildings, such as stairways and shed, shall be prohibited.
- (xii) On-site mechanical equipment visible from buildings or a public street should be screened.
- Materials and Color. The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - Architectural design within each residential subdivision should use a palette of materials that convey an image of quality and durability.
 - (ii) Color should be used as an important design element and should be natural or muted tones. Appropriate use of more than one predominant paint color is encouraged. Compatible accent colors are encouraged to enhance important building elements.
 - (iii) Painted surfaces should use colors that reinforce architectural concepts and are compatible with natural materials such as brick or stone.



- (iv) Structures designed with obvious references to styles or periods should be consistent with that style or period.
- (j) <u>Landscaping Standards.</u> The following guidelines shall be used in evaluating a 0726 development proposal during the Level VII Design Review Permit process.
 - All developable site areas not covered by structures, walkways, driveways or parking spaces shall be landscaped.
 - (ii) Use specimen trees and accent plant materials at major focal points, such as entries or where major walkways intersect with common open space areas.
 - (iii) Landscaping should support the distinction and transition between private, common and public spaces.
 - (iv) Design landscaping that is permanent with automated irrigation. Waterintensive plants, such as lawns and flowering exotics, should be used sparingly as accents.
 - Use drought tolerant, native landscaping and drip irrigation is encouraged in common area landscaping.
 - (vi) Vines and climbing plants on buildings, trellises, walls and fences are encouraged, both to provide an attractive appearance and to minimize graffiti.
 - (vii) Parking lots should be generously landscaped to provide shade, reduce glare and provide visual interest. Parking lots shall provide shade trees (of at least 15 gallon in size) for each four (4) spaces, and should be screened from view with architectural walls, berms or shrubs where possible.
 - (viii) Incorporate natural features and existing trees into the landscape plan to the extent practical and feasible.
- (k) <u>Lighting</u>. The following guidelines shall be used in evaluating a development proposal during the Level VII Design Review Permit process.
 - Provide lighting for specific tasks (i.e., illuminating common areas, parking, driveways, paths, and entryways).
 - Lighting should be mounted on architecturally designed fixtures that are consistent throughout the subdivision and are less than 16 feet in height, and preferably lower.
 - (iii) Place and design outdoor lighting around buildings, in parking lots, and along streets to prevent excessive "spillover" glare into adjacent residential and habitat areas and minimize night sky illumination.
 - (iv) Lighting in parking areas should be arranged to prevent direct glare into adjacent dwelling units and onto neighboring uses/properties.
 - Incorporate cutoffs into light fixtures to screen the view of light sources from residences.
- Agricultural Buffer (Interim). The following guidelines and requirements shall be used in evaluating a development proposal for the Phase 1 Development Area of APN 048-221-09.
 - (i) The interim As applicable, an Agricultural Buffer shall be shown on all plans for project(s) located on the development of the Phase 1 Development Area of

APN 048-221-09, and indicated as non-developable land. The only development activities that will be permitted in this area are those related to the construction and maintenance of the Brewington Avenue extension, described in further detail under Section 1.B.3(I), below. 0727

- (ii) <u>A 200 foot interim Agricultural Buffer shall be established on APN 048-221-09</u> consistent with County Code Section 16.50.095 with the following exceptions:
- (iii) The only development activities that will be permitted in this area are those related to the construction and maintenance of the Brewington Avenue extension, described in further detail under Section 1.B.3(1), below.
- (iv) Vegetative barriers or other physical barriers such as walls or fencing 6 to 8 feet tall shall be installed within the agricultural buffer area. Such barriers shall be located as close to the urban development as possible, but in no case shall they be closer than 10 feet from any new roadway or structure, in order to allow for appropriate landscaping.
 - The Brewington Avenue extension If the Brewington Avenue extension is located within the Agricultural Buffer, it shall be oriented along the western edge of the interim Agricultural Buffer to the extent that this alignment facilitates good site planning. All non-auto uses including parking, bike lanes, sidewalks or any other pedestrian use shall be limited to the western roadside only until such time as the interim Agricultural Buffer is no longer required.
 - The interim Agricultural Buffer shall not be used for public recreation, park purposes, trails, picnic areas, roads (other than Brewington Avenue Extension) or sidewalks or other similar uses that would encourage public use of the buffer area.
 - The construction and maintenance of the Brewington Avenue extension and other infrastructure needed to support the County project(s) authorized by the County Entitlements shall be permitted within the Agricultural Buffer.

II) Project Review

- A) <u>Entitlements.</u> All entitlements, with the exception of the building permit application review shall be processed concurrently at Level VII, subject to the processing provisions of 13.20.100, 18.10.210, 18.10.332, and 18.10.211.
- B) <u>Tentative Map</u>. If a Tentative Map approval is required, it must be included in the application. A Residential Development Permit, as required by Section 13.10.323(d)(1)(A), is not required.
 - Development that includes approval of a Tentative Map is subject to the provisions of the Subdivision Map Act and Chapter 14.01. Where a Tentative Map is proposed, the public hearing shall be expanded to address findings necessary under the Subdivision Map Act. Wherever possible the environmental review performed at the time the PUD is adopted will be utilized in the processing of the Tentative Map unless the Environmental Coordinator determines that additional California Environmental Quality Act (CEQA) review is required based upon the available information.
- C) <u>Phasing.</u> In the event that the PUD site is developed as multiple phases, the following requirements shall apply: <u>Phasing</u>. The PUD area may accommodate multiple development

ATTACHMENT &

projects. The development area consists only of the County Entitlement Area parcels and does not include parcels that comprise a possible future City Specific Plan Area, as follows:

County Entitlements Area	Specific Plan Area	
048-211-25 (MidPen County Parcel)	048-251-09	0728
048-221-09 (Lamb County Parcel)	048-231-18	
019-226-42 (MidPen City Parcel)	048-231-01	
019-236-01 (Lamb City Parcel*)	048-231-17	
* emergency access only)	019-226-43	
	019-226-44	

- 2) Phase 2, as shown on Exhibit A, shall only be built in coordination with City actions to proceed with annexation of the adjacent land to the City of Watsonville
- An emergency access point off of Atkinson Lane will be required, through APN 019-236-01, for the development of APN 048-221-09. This emergency access may be abandoned at such time as Brewington Lane is connected to Atkinson Lane with the annexation and development of the adjacent parcels to the east by the City of Watsonville.
- The development of APN 048-221-09 will also require the construction of the Brewington Extension roadway and the extension of the south-bound left-turn pocket at Crestview Drive/Freedom Boulevard intersection required by Section IX.K., 3.13 of this PUD
- 4) The two APNs that compose this site may be developed as separate projects, and cost
 of on-site work related to drainage and wetland restoration shall be shared between the
 two parcels.
- 4) 5) APN 048-221-09 may be subdivided and developed as separate projects, providing that all requirements of the Subdivision Map Act are met, and providing that the entire parcel is master planned in a manner consistent with this PUD. The Master Plan must include, but is not limited to, elements such as roads, utilities, open space, and interior setbacks.
 - (a) Each phase of development shall be responsible for its fair share of the 40% affordable housing requirement, unless an alternative plan for the distribution of affordable units is approved at the time of the first Level VII Design Review on each of the parcels.

III) Affordability and Financing

- A) <u>Affordability Level</u>. All development proposals for these parcels are required to provide a minimum of forty (40) percent, of the total number of units as affordable, as defined by County Code Section 13.10.475.
- B) Farm worker Housing. To the greatest extent feasible, development proposals that provide affordable housing opportunities for farm workers shall be given preference on APN's 048-221-09 and 048-211-25. In an effort to maximize outside funding sources for these development projects, the County and/or its development partner(s) will pursue all available



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Atkinson PUD

funding opportunities, including funds from the Farm Bureau or its affiliates for farm worker housing. County staff shall confer with the Farm Bureau though its attorneys Wittwer & Parkin LLP about the Farm Bureau's available funding prior to considering an application to the County for development proposal(s) on APN's 048-221-09 and 048-211-25. Nothing in this section is intended to conflict with or supersede the goals relating to affordable housing in the PUD pursuant to the County Entitlements as stated in the MOU between the City of Watsonville and the County of Santa Cruz, dated June 12, 2007.

C) Financial Liability

- 1) In the event that a developer believes that the affordable housing requirements for a project proposed for this site renders the project financially infeasible, the developer may request relief from a proportional amount of the affordability requirements. That request shall be submitted to the Planning Director with all supporting information, including the development pro forma for the project. The Planning Director shall analyze that request and make suitable recommendations to the Board of Supervisors. In the event that the Board finds that the developer has provided evidence that fulfillment of the affordable housing requirements renders the project financially infeasible, the Board shall grant an increase in the allowed unit resale price, above the price restrictions contained in Section 17.10.030(b)(1) and Chapter 17.10.030(b)(6) of the County Code, in an amount equal to that required to render the project financially feasible. In the event that such price modifications are granted, the developer shall grant the County Redevelopment Agency the option to purchase units at the revised sales price for the purpose of writing them down to suitable levels of affordability, consistent with the intent of this PUD.
- D) Participation Agreement
 - Prior to Building Permit issuance or prior to filing of the Final Map, if one is required, the developer shall enter into a Certification and Participation Agreement with the County of Santa Cruz to meet the Affordable Housing Requirements specified by Chapter 17.10 of the County Code and as noted in PUD Sections III.A. and III.B. above.
- E) Infrastructure
- In order to provide for an equitable distribution of infrastructure costs between the City and the County, the developer shall be subject to the following conditions:
 - (a) The payment of all applicable County of Santa Cruz and City of Watsonville impact fees; as further described in a 2014 executed Atkinson Memorandum of Understanding between the County of Santa Cruz and the City of Watsonville, and as discussed in the 2014 EIR Addendum, and any additional fair-share costs for required improvements identified in Section IX of this PUD
 - (b) Impact fees, with the exception of the Childcare impact fee, shall be held by the County in trust for future off-site improvements in the area.
 - (i) TIA fees shall be provided to the City to address the project's fair share of cost for traffic improvements within the City Limits, as required by the EIR.
 - (ii) Park Impact fees shall be provided to the City provided the City completes annexation of the adjacent parcels by 2030, and commits to the construction of the extension of Crestview Park as outlined in the Atkinson Lane Specific Plan.
 - (iii) Regarding Drainage Impact fees, the Board of the Zone 7A Flood Control and Water-Conservation District shall, in consultation with representatives of the

City of Watsonville, within 1 year of Level VII Design Review approval of the first project on the PUD site, develop a cost sharing method for distribution of the Drainage Impact Fees between the County and the City, in the context of potential future annexation to the City of Watsonville.

F) Financing

- The County and City shall develop a financing mechanism such as a <u>Municipal Services</u> <u>Mitigation Payment</u>, <u>PILOT</u>, CFD, CSA, or other tool to address any shortfall between tax revenues generated by the project and the cost of providing services to the area, as required by Section IX.J. <u>3.12</u> MM 3.12-1.
 - (a) If the City of Watsonville and the County of Santa Cruz have established a Community Facilities District for the PUD Area prior to final approval of a Level VII Design Review application by the County, the project applicant shall be subject to the conditions of that District.
 - (i) If the above condition is not met, the County shall, in the case of an application for the development of an affordable rental project, create a <u>Municipal Services</u> <u>Mitigation Payment requirement as a condition of approval Payment In Lieu of</u> Taxes program to meet the funding gap associated with the development.
- IV) Design Review
 - A) Public Hearings
 - Development proposals shall undergo Design Review and a public hearing process limited to design issues only. No discretionary permit is required for the by-right density or use of the site. For development proposals under these by-right provisions, applicants must apply for a Level VII Design Review, which requires review at public hearing by the Planning Commission and Board of Supervisors. The Design Review Permit is valid for a maximum of three (3) years. In order for the Design Review Permit to be exercised, the building permit shall be issued within the three-year period.
 - (a) Requests for a time extension for the Design Review Permit shall be processed as a Level III permit review. The permit may be extended for one year up to five (5) times for a total permit life of eight years.
 - B) Development Standards
 - All requirements of the Site, Architectural and Landscape Design Review (Chapter 13.11) or successor ordinance in effect at the time a Design Review application is deemed complete for processing shall be applicable unless modified by this PUD.
 - 2) All applicable requirements and standards of the Zoning Regulations (Title 13, Chapter 13.10) and Environmental and Resource Protection Regulations (Title 16) in effect at the time a Design Review application is deemed complete for processing shall apply unless modified by this PUD.
 - 3) A geotechnical report shall be prepared for the site. Four copies of the report shall be submitted to the County for review at the time of project application and accepted prior to the application being determined complete. All requirements and recommendations of the approved report shall be incorporated into the project design. A Plan Review letter shall be submitted as part of the Design Review submittal and Building Permit Submittal. All

future development on the site shall comply with the requirements of the accepted geotechnical report prepared by a licensed geotechnical engineer.

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4) -A restoration plan for the wetland area shall be prepared and submitted to the Planning Department for review at the time of the first project application, as required by Section I.B.3.c(i) of this PUD.

All future development on the site shall comply with the requirements and mitigations established by the EIR conducted for this project, on file with the County of Santa Cruz Planning Department.

- C) Minor Variations
 - Minor variations to this permit that do not affect the overall concept or density may be approved by the Planning Director at the request of the applicant or staff, as a Level III permit.
- D) Level VII Design Review Submittal Requirements
 - 1) Preliminary Architectural and Site Plans
 - (a) Preliminary architectural and site plans, prepared by a licensed architect, meeting the standards established by the Planning Department for multi-family residential application submittal, shall be submitted. The plans shall incorporate, but not be limited to, all requirements contained in this PUD.
 - (b) The site plan shall clearly delineate all non-usable areas, including but not limited to:
 - (i) Wetland area and buffer, as shown on Exhibit A.
 - 2) Utilities, Roads and Services
 - (a) Submit proof of authority from the City of Watsonville to build the required emergency access road on APN 019-236-01 as specified in PUD Section II.C.2.1.
 - (b) Submit preliminary engineered improvement plans to the Planning Department for all roads, curbs and gutters, storm drains, erosion control, and other improvements proposed or required by this PUD. Form and content of the plans shall meet the standards established by the Planning Department for multi-family residential application submittal, and shall meet the County's Design Criteria, except as modified by this PUD, in place at the time of Design Review Application Submittal.
 - (i) Preliminary improvement plans shall meet the following requirements:
 - All improvements shall be prepared by a registered civil engineer and shall meet the requirements of the County of Santa Cruz Design Criteria except as modified herein. Plans shall also comply with applicable provisions of Title 24 (Accessibility) of the State Building Code.
 - Preliminary drainage details including existing and proposed contours, plan views and centerline profiles of all driveway improvements, complete drainage calculations and all volumes of excavated and fill soils. This includes off-site work.
 - Preliminary grading plans must be submitted at time of application. The project design shall minimize grading on-site and off-site to the maximum

extent possible. This includes designing the grading and foundations to follow existing topography as much as possible. The grading plans shall include existing and proposed contours, plan views and centerline profiles of all driveway improvements, locations, and heights of all retaining walls, 0732 preliminary drainage design, grading cross sections through proposed building pads, and all volumes of excavated and fill soils. This includes all on-site and off-site work.

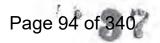
- Submit preliminary sanitation plans to the Department of Public Works for all sanitary improvements proposed or required by this PUD.
- For the first project applicant on APN 048-221-09, the design of the southbound left-turn pocket from Freedom Boulevard to Crestview Drive shall be submitted, in compliance with Section IX.K.<u>3:13 MM 3.13-11a and b.</u> <u>3.13-11.</u>
- (ii) All road plans shall comply with all requirements of the Department of Public Works Road Engineering and shall be consistent with the County's Design Criteria for road construction. Right-of-way width shall be that described in PUD Section I.B.1.c.
- 3) A sign plan indicating the location and size of all signs on the site shall be submitted. The signs shall be consistent with the provisions of this PUD.
- A current water will-serve letter from the City of Watsonville Public Works and Utilities Department (PWUD) shall be submitted to the Planning Department.
 - (a) Before obtaining this will-serve letter, developers shall be required to provide the County with proof that they have met the requirements of Section IX.L. <u>4.0</u> MM 4-3, requiring sufficient offsets for new water demand, at a rate of 1.2 gallons:1 gallon.
 - (b) The Local Agency Formation Commission (LAFCO) approval of extraterritorial water service will be required.
 - (c) All groundwater wells shall be properly abandoned and capped, in compliance with all state, federal and local regulations, as detailed in Section IX.F. <u>3.7</u> MM 3.7-7.
- 5) A current sanitary sewer will-serve letter from the City of Watsonville Public Works and Utilities Department (PWUD) shall be submitted to the Planning Department.
 - (a) The Local Agency Formation Commission (LAFCO) approval of an annexation into the PWUD Service Area, or extraterritorial sewer service, will be required prior to the issuance of a will-serve letter.
 - (b) Any existing septic systems shall be properly abandoned per County requirements, as detailed in Section IX.F. <u>3.7</u> MM3.7-6.
 - (c) Due to the property's topography, a private pump station may be required to sewer some or all of the developments structures. The pump station shall be designed and constructed to resemble the development and shall be privately maintained. An onsite private generator will be required to run the sewer pump(s) in case of power outage. Odor control shall be required on the pump.
- V) Final Map Requirements and Timing.

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If the project includes a Map, the following requirements shall be met prior to the final filing:

A) <u>Drainage</u>. Final engineered drainage details shall be submitted to the County Planning and Public Works departments for both on- and off-site drainage work. Drainage plans for Phase I shall show the temporary detention basin designed with sufficient capacity to address the drainage impacts identified by the EIR and included in Section IX of this PUD. Drainage from road improvements shall be filtered and released into the new drainage system. A Construction Activities Stormwater General National Pollution Discharge Elimination System (NPDES) Permit shall be obtained form the State Water Resources Control Board.

- The allowable release rate from the site shall be limited to the volumes identified in Section IX.G. 3.8 MM 3.8-1a or less based on an assessment performed by a drainage engineer and reviewed and approved by the Department of Public Works Drainage. The safe overflow paths for any proposed mitigation system shall be described and analyzed, and techniques such as minimizing site disturbance, minimizing impervious areas, utilizing pervious surfacing, eliminating directly connected impervious areas, clustering development, etc shall be considered.
- 2) All runoff from parking and driveway areas shall pass through water quality treatment prior to the wetland and/or interim drainage basin.
- 3) Depending on the nature of the proposed development, Public Works staff may inspect the construction of the drainage related items.
- Fees will be assessed on the net increase in impervious area due to the development project. Semi-pervious surfaces will be charged at a 50% rate.
- B) <u>Roads.</u> Final engineered road improvement plans shall be submitted to the County Planning and Public Works departments for both on- and off-site road improvements.
- C) <u>Sanitation</u>. The applicant shall form a homeowner's association with ownership and maintenance responsibilities for all on-site sewers for this project. Reference to the homeowners association shall be included on the Final Map and in the association's Covenants, Conditions & Restrictions, which shall be recorded and include PWUD-approved language on maintenance responsibilities.
 - The applicant shall provide a copy of the CC&Rs to the PWUD prior to the filing of the Final Map.
- D) <u>Recorded Conditions</u>. Proof must be submitted that the conditions of all required permits (such as Design Review, NPDES) have been recorded in the official records of the County Recorder.
- E) <u>Affordable Housing</u>. The developer must enter into an Affordable Housing Participation Agreement with the County of Santa Cruz.
- F) Fees. All applicable impact in lieu fees shall be paid as described in a 2014 executed Atkinson Memorandum of Understanding between the County of Santa Cruz and the City of Watsonville, and as discussed in the 2014 EIR Addendum.
 - 1) Park dedication in lieu fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.



ATTACHMENT 2

- 2) Unless otherwise satisfied by meeting the requirements of County Code Chapter 15.04 or its successor ordinance, Child Care Development fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.
- 3) Transportation improvement fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.
- 4) Roadside improvement fees shall be paid for each dwelling unit. The fees in effect at the time of filing of a Final Map, if applicable, shall be paid.

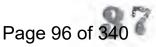
VI) Building Permit Requirements and Timing.

Prior to the issuance of any building permit, all of the following conditions shall be met, some of which may have been met at the Final Map stage:

- A) Plans shall be consistent with the approved Design Review project and all requirements of this PUD.
- B) Final engineered drainage details shall be submitted to the Department of Public Works, Drainage for both on-site and off-site drainage work.
 - The allowable release rate from the site shall be limited to the volumes identified in Section IX.G.3.8 MM 3.8-1a or less based on an assessment performed by a drainage engineer and reviewed and approved by the Department of Public Works Drainage. The safe overflow paths for any proposed mitigation system shall be described and analyzed, and techniques such as minimizing site disturbance, minimizing impervious areas, utilizing pervious surfacing, eliminating directly connected impervious areas, clustering development, etc shall be considered.
 - 2) All runoff from parking and driveway areas shall pass through water quality treatment prior to the wetland and/or interim drainage basin.
 - 3) Depending on the nature of the proposed development, Public Works staff may inspect the construction of the drainage related items.
 - 4) Fees will be assessed on the net increase in impervious area due to the development project. Semi-pervious surfaces will be charged at a 50% rate.
- C) Final engineered road improvement plans shall be submitted to the Department of Public Works, Road Engineering for both on-site and off-site road improvements.
- D) Submit proof that the conditions of all required permits (such as Design Review, Tentative Map) and all required Declarations of Restriction and Statements of Acknowledgment including those required by Section IX.A.3.2 MM 3.2-2c and Section IX.F. 3.7 MM 3.7-10 have been recorded in the official records of the County Recorder.
- E) All applicable <u>impact in-lieu</u> fees shall be paid <u>as described in a 2014 executed Atkinson</u> <u>Memorandum of Understanding between the County of Santa Cruz and the City of</u> <u>Watsonville, and as discussed in the 2014 EIR Addendum</u>. All applicable <u>impact in lieu</u> fees shall be paid <u>prior to issuance of building permits</u>, if not paid at the time of the filing of the Final Map.
 - Unless otherwise satisfied by meeting the requirements of County Code Chapter 15.01 or its successor ordinance, park dedication in-lieu fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid.

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- Unless otherwise satisfied by meeting the requirements of County Code Chapter 15.04 or its successor ordinance, Child Care Development fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid.
- 3) Transportation improvement fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid. A credit may be allowed for installation of improvements off-site that are part of the Capital Improvement Program or otherwise required by the conditions of this PUD.
- 4) Roadside improvement fees shall be paid for each dwelling unit. The fees in effect at the time of building permit issuance shall be paid. A credit may be allowed for installation of improvements off site that are part of the Capital Improvement Program or otherwise required by the conditions of this PUD.
- 5) Fair-share or impact fees toward road improvements required by Section IX.K of this PUD-shall be paid by the developer at the time of Building Permit issuance, and shared between the County and the City of Watsonville in accordance with the conditions of Section V.E. <u>F.</u> of this PUD.
- 6) Submit a written statement signed by an authorized representative of PVUSD confirming payment in full of all applicable developer fees and other requirements lawfully imposed at the time of building permit issuance. The applicant/developer is advised that the development may be subject to inclusion in a Community Facilities District.
- F) Plan review letters shall be obtained from the technical report authors indicating that the plans comply with the County approved technical report and all of their recommendations have been incorporated into the project plans, particularly the requirements of Section IX.E.3.6 MM 3.6-1 and MM 3.6-2.
- G) All requirements of the Pajaro Valley Fire Protection District shall be met with respect to access, turnarounds, fees, water availability and design features.
- H) The units shall be connected for sewer service to the City of Watsonville Public Works and Utilities Department. All regulations, conditions and connection fees of the Public Works and Utilities Department shall be met and paid. Off-site improvements may be required. Final engineered plans shall be submitted, which comply with all requirements and standards of the Public Works and Utilities Department.
 - If a private pump station is proposed as part of the project, a private pump station and sewer system maintenance and response manual shall be outlined by the applicant and submitted to the Public Works and Utilities Department for review and approval.
- All units shall be served by the City of Watsonville Water Department. All requirements of that water district including the payment of connection fees and groundwater impact fees or activities shall be met. Engineered improvement plans for all water line extensions required shall be submitted for the review and approval of the Water Department. Off-site improvements may be required.
- J) Final engineered plans shall be submitted complying with all requirements and standards of the City of Watsonville Water Department.
- K) The developer shall enter into an Affordable Housing Participation Agreement.
- L) Prior to the final inspection or clearance of the building permit, all of the site improvements shown on the approved building permit plans and Design Review approval shall be installed/ implemented.



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Atkinson PUD

VII) Construction Phase Requirements

- A) Prior to any site disturbance or physical construction on the subject property the following condition shall be met:
 - 1) Pre-Construction Meeting: In order to ensure that the mitigation measures are communicated to the various parties responsible for constructing the project, prior to any disturbance on the property the applicant shall convene a pre-construction meeting on the site. The following parties shall attend: applicant, grading contractor supervisor, project arborist, and Santa Cruz County Environmental Planning staff. The temporary construction fencing demarcating the edge of the riparian corridor setback and the tree protection fencing will be inspected at that time. Approval of the results of the preconstruction biotic surveys will be reaffirmed at this time. The receiving site for any exported fill will also be identified and County approved grading permits presented.
- B) No land clearing, grading or excavating shall take place between October 15 and April 15 unless the Planning Director grants a separate winter grading permit, which may or may not be granted.
 - 1) County standards for stormwater best management practices, including those related to erosion and sediment control during construction, shall be implemented.
- C) No land disturbance shall take place prior to issuance of building permits (except the minimum required to install required improvements, provide access for County required tests or to carry out work required by the conditions of an entitlement permit).
- D) Unless determined to be unnecessary by an archaeological field survey, an archaeologist shall be present on-site during all ground disturbance on the site.
- E) In the event that threatened or endangered plant or animal species are discovered on the site, the habitat areas for these species shall be avoided and no disturbance will be permitted. Section IX.C <u>3.4</u> details further requirements for developers of the PUD area in order to minimize the potential impacts of construction activities on sensitive species in the area.
- F) Pursuant to Sections 16.40.040 and 16.42.100 of the County Code, if at any time during site preparation, excavation, or other ground disturbance associated with this development, any artifact or other evidence of an historic archaeological resource or a Native American cultural site is discovered, the responsible persons shall immediately cease and desist from all further site excavation and notify the Sheriff-Coroner if the discovery contains human remains, or the Planning Director if the discovery contains no human remains. The procedures established in Sections 16.40.040 and 16.42.100, and Section IX.D. <u>3.5</u> MM 3.5-1a and 3.5-1c of this PUD shall be observed.
- G) To minimize noise, dust and nuisance impacts of surrounding properties to insignificant levels during construction, the owner/applicant shall or shall have the project contractor, comply with the following measures as well as those delineated in Section IX.4, <u>3.10</u> MM 3.10-1 of this PUD, during all construction work:
 - Limit all construction to the time between 7:30 am and 4:30 pm weekdays unless a temporary exception to this time restriction is approved in advance by County Planning to address an emergency situation; and
 - Each day it does not rain, wet all exposed soil frequently enough to prevent significant amounts of dust from leaving the site.

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- H) The applicant shall designate a disturbance coordinator and a 24-hour contact number shall be conspicuously posted on the job site. The disturbance coordinator shall record the name, phone number, and nature of all complaints received regarding the construction-site. The disturbance coordinator shall investigate complaints and take remedial action, if necessary, within 24 hours of receipt of the complaint or inquiry.
- One (1) "construction/security trailer" (maximum 12 feet by 60 feet) is allowed on the site during construction. The size and location of the unit shall conform to all yard setbacks contained in the PUD and shall be shown on the plot plan. Compliance with Section 13.10.683 or any successor ordinance is required. A building permit is required for the installation of the construction trailer.

VIII) Mitigation Monitoring Program

A) The mitigation measures listed in Section IX of this PUD consist of the updated mitigation measures per the 2014 EIR Addendum for the modified project. The mitigation measures have been incorporated in the conditions of this approval in order to mitigate or avoid significant effects on the environment. As required by Section 21081.6 of the California Public Resources Code, a monitoring and reporting program for the mitigations is hereby adopted as a condition of approval. The purpose of this monitoring is to ensure compliance with the environmental mitigations during implementation and operation. Failure to comply with the conditions contained within the PUD, including the terms of the adopted mitigation monitoring program, may result in the revocation of the PUD pursuant to section 18.10.462 of the Santa Cruz County Code.

IX) Mitigation Measures, and Mitigation Monitoring and Reporting Program (MMRP)

County of Santa Cruz



PLANNING DEPARTMENT

701 OCEAN STREET, 4TH FLOOR, SANTA CRUZ, CA 95060 (831) 454-2580 FAX: (831) 454-2131 TDD: (831) 454-2123 KATHLEEN MOLLOY PREVISICH TOM BURNS, PLANNING DIRECTOR

MENDED MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
3.1 Aesthet	3.1 Aesthetics and Visual Character				
All-Phases 1a and 1b/Remainder	No significant impacts.	No mitigation measures required.	Not applicable	Not applicable	Not applicable
3.2 Agricul	3.2 Agricultural Resources				
Eity Phase 2 048-231-17 048-231-17 048-231-18 048-251-09 048-251-09	Impact 3.2 1: Future development within the planning area will result in the conversion of approximately 42.4 acress of Prime Farmland and 1.4 acress of Farmland of Statewide Importance as designated on the California Department of Conservation Santa Cruz Gounty Important Farmlands Map to urban uses. In addition, construction of the off site improvements to Wagner Avenue would result in the conversion of an additional 0.8 acress of Inportant Farmland under the 3.6 foot right of way for a total maximum conversion of 45.31 acres of Important Farmland. This would be considered a significant impact.	The City of Watsonville General Plan contains no policies or implementation programs that require mitigation or offsets for the conversion of Important Farmland. Therefore, here are no feasible mitigation measures available to reduce the impact of agricultural land conversion from the City Phase 2-to u-less than significant level. As a result, implementation of the City Phase 2-would result in a Significant and Unavoidable impact. However, if an agricultural compensation program were developed, future development within the project site would be required to participate in order to address the conversion of prime farmland.	Not applicable.	Not applicable	Not applicable.
County Phase Ib/Remainder 048-221-09 048-221-09	Impact 3.2-2: The proposed project would place urban land uses adjacent to agricultural uses, which may impair agricultural production and result in land use compatibility conflicts. This is considered a potentially significant impact.	MM 3.2-2a: <u>A 200-foot interim agricultural buffer shall be</u> established. <u>Econsistent</u> with Policy 5.13.23 (Agricultural Buffers Required) in the Santa Cruz County General Plan and Section 16.50.095 in the Santa Cruz County Code project applicant(e) for development applications involving <u>APN 048</u> . <u>221-09.</u> shall demonstrate adequate land use separation in conjunction with Final Map consistent with the proposed Specific Plan and PUD for Phase 2 (County site) subject to review and approval by the County of Santa Cruz Planning Department. Final site plans shall include an interim 200 foot agricultural buffer within Phase 2 (County site) consistent with the conceptual land use plan for the proposed Specific Plan and PUD. The buffer distance shall be measured from the edge of the parcel to the nearest residential property line and shall include a six to eight foot barrier (e.g. vegetated from the agricultural include a six to eight foot barrier (e.g. vegetated from the agricultural adjacent to the agricultural uses and no part of the agricultural	Project Applicant	County of Santa Cruz	Project Design

MITIGATION MONITORING AND REPORTING PROGRAM	for the Atkinson Lane Specific Plan and Planned Unit Development
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Timing of Compliance		Hojeet Design
Party Responsible for Verifying Compliance		City of Watsonville
Party Responsible for Implementing		Project Applicant
Mitigation Measures	buffer shall be used for public recreation, park purposes, trails, picnic areas, road or sidewalks or other uses that would encourage public use of the buffer area, except for the construction and maintenance of the Brewington Avenue extrasion and other infrastructure needed to support housing project(s) authorized within the County Entitlements Area. Outdoor areas designed for intensive human use shall be restricted within the buffer zone. Sidewalks and bicycle lanes shall be allowed on the western portion of the public streets located within the buffer, but restricted on the castern portion of the street. Upon annexation of the adjacent commercial agricultural use, the interim 200- foot agricultural buffer within the Phase 2 development area shall terminate.	MM -3.2 Jb. Consistent with the <i>City of Watsonville</i> <i>Agricultural Buffer Policy</i> , project applicants shall demonstrate adequate land uso separation in eenjunction with Final Map consistent with the proposed Specific Plan and PUD for Phase 2 (City site) subject to review and approval by the City of Watsonville Community Development Department. Final site plans shall include a 200 foot minimum land use buffer along the eastern boundary of the planning area within Phase 2 (City site) of the proposed project consistent with the conceptual land uso plan. The buffer distance shall be measured from the edge of the pareel to the nearest residential property line and shall include a six to eight foot barrier (e.g. vegetuted fencing) eigeonal drainage facilities, and underground utilities, only landscape and related non accessible open space components are allowed within the first 150 feet of the buffer. Within the remaining 50 feet of the buffer, but restricted on the emaining 50 feet of the buffer, but restricted on the emaining 50 feet of the buffer, but restricted on the eastern portion of the street. Any other pedestrian trails, such as one along Corrulitos Creek, within the castern portion of the street within the remaining 50 feet of the buffer, but restricted on the eastern portion of the street. Any other pedestrian trails, such as one along Corrulitos Creek, within the caster portion of the street within the remaining street of the buffer, but restricted on the eastern portion of the street. Any other pedestrian trails, such as one along Corrulitos Creek, within the castern portion of the street within the remaining street and a developed adjacent to the planning area and a muagement buffer area shall only be permitted once a regional system has been developed with adjacent farm operators.
Environmental Impacts		Impact 3.2 21 The proposed project would place urban land uses adjacent to agricultural uses, which may impair agricultural production and result in land use compatibility conflicts. This is considered a potentially significant impact.
Phase/APN ¹		City Phone City P

Party Responsible Timing of for Verifying Compliance	f Santa Project Design		City of Watsonville Construction and/or County of Santa Cruz
Party R for V Com	County of Santa Cruz		City of Watsonvil and/or County of Santa Cruz
Party Responsible for Implementing	Project Applicant		Project Applicant
Mitigation Measures	MM 3.2-2c. Consistent with Policy 5.13.31 (Agricultural Notification Recordation for Land Divisions) in the Santa Cruz County General Plan, project applicants within the planning area shall file a Right-to-Farm Notification Statement to run with the Title as disclosure and notice in deeds at the time of transfer or sale of all properties <u>or projects</u> within the <del>planning area.</del> <u>County</u> <u>Entitlements Area</u> . The statement shall inform any future property owners of the continuation of agricultural activities, including agricultural processing, in the area and shall disclose the potential effects of agricultural activities on adjacent land uses to future residents.		<ul> <li>MM 3.3-1: Project applicants limit areas of active disturbance to no more than 2.2 acress per day for initial site preparation activities that involve extensive earth moving activities (grubbing, excavation, rough grading), or 8.1 acres per day for activities that involve minimal earth moving (e.g. finish grading) during all phases of construction activities within the <u>Atkinson</u> planning area in accordance with the Monterey Bay Unified Air Pollution Control District CEQA Guidelincs. If the preposed modified project requires that grading and excavation exceed inspired and excavation exceed modified project applicants shall implement the following fugitive dust measures during grading and excavation and incorporate these measures on all grading plans for future development within the planning area subject to review and approval by the County of Santa Cruz Planning Department or the City of Watsonville Community Development Department.</li> <li>Water all active construction areas at least twice daily;</li> <li>Cover all trucks hauling soil, sand, and other loose materials or require all trucks to maintain at least two feet of freeboard;</li> <li>Pave, apply water three times daily, or apply (non-toxic) soil stabilizers on all unpaved access roads, parking areas and staging areas at construction sites;</li> <li>Sweep streets daily (with water sweepers) all paved access roads, parking areas and staging areas at construction sites;</li> </ul>
Environmental Impacts	Impact 3.2-2: The proposed project would place urban land uses adjacent to agricultural uses, which may impair agricultural production and result in land use compatibility conflicts. This is considered a potentially significant impact.	lity	Impact 3.3-1: The proposed project would result in short-term air quality impacts associated with construction activities, including grading, operation of construction equipment, and demolition of existing structures at the planning area. This is considered a potentially significant impact.
Plase/APN ¹	County Phases l <u>a</u> <u>&amp;lb/</u> <u>Remainder</u> 048-211-25 048-211-25	3.3 Air Quality	All-Phases Ia and Ib/Remainder 048-231-09 048-231-17 048-231-19 048-231-17 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 019-226-43 019-226-43 019-226-43 019-226-43

MITIGATION MONITORING AND REPORTING PROGRAM

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Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
		<ul> <li>Hydroseed or apply (non-toxic) soil stabilizers to inactive construction areas (previously graded areas inactive for ten days or more);</li> </ul>			
		<ul> <li>Enclose, cover, water twice daily or apply (non-toxic) soil binders to exposed stockpiles (dirt, sand, ctc.);</li> </ul>			
		Limit traffic speeds on unpaved roads to 15 mph;     Trangl conversion to the second sec			
		<ul> <li>Install appropriate best management practices or other erosion control measures to prevent silt runoff to public roadways;</li> </ul>			
		Replant vegetation in disturbed areas as quickly as possible;			
		<ul> <li>Install wheel washers for all exiting trucks, or wash off the tires or tracks of all trucks and equipment leaving the site;</li> </ul>			
		<ul> <li>Limit the area subject to excavation, grading and other construction activity at any one time;</li> </ul>			
		• Post a publicly visible sign which specifies the telephone number and person to contact regarding dust complaints (the person shall respond to complaints and take corrective action within 48 hours); and			
		• Ensure that the phone number of MBUAPCD is visible to the public for compliance with Rule 402 (Nuisance).			
All-Phases <u>1a</u> and <u>1b/Remainder</u> 048-211-25 048-231-18 019-226-43 0019-226-44	Impact 3.3-2: The proposed project may result in the demolition of four residential homes and associated structures within the planning area, which may contain asbestos and/or lead. This would be considered a potentially significant impact.	Mittigation measures MM 3.7-3a and MM 3.7-3b in Section 3.7, Hazards and Hazardous Materials would require that each structure is inspected by a qualified environmental specialist for the presence of asbestos containing materials (ACMs) and lead based paints (LBPs). If ACMs and LBPs are found during the investigations, a remediation program shall be developed to ensure that these materials are removed and disposed of by a licensed contractor in accordance with all federal, state and local laws and regulations.	Project Applicant	<del>Gity of Watsonville</del> a <del>nd/or</del> County of Santa Cruz	Demolition and Construction
AvH-Phases 1a Aund 1b/Remainder	Impact 3.3-3: The proposed project would result in long-term stationary and vchicular emissions, which would exceed the MBUAPCD thresholds.	MM 3.3-3: Fireplaces proposed for future residential development within the planning area shall be gas-fired and meet U.S. Environmental Protection Agency (EPA) certification requirements. The use of wood-burning fireplaces or wood burning stoves shall be prohibited in perpetuity on all residential properties included within the proposed <u>modified</u> project and shall be recorded on the title of all parcels and run with the land. This measure shall be demonstrated on all proposed <u>function</u>	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design

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048-231-18 048-221-09 048-211-25 019-226-42 019-226-43 019-236-01 019-236-01	maps and improvement plans prior to approval of building permits within the planning area. In addition, project applicants within the planning area shall consider implementation of	Party Responsible for Implementing	Party Responsible for Verifying	Timing of Compliance
	<ul> <li>MBUAPCD-recommended mitigation. The City of Watsonville Community Development Department and the County of Santa Cruz Planning Department shall review proposed tentative maps and improvement plans to identify emission reduction measures that are incorporated into the plans and staff may recommend additional measures as practical and feasible including the following:</li> <li>Incorporate energy-efficient appliances into residential uscs.</li> <li>Orient buildings to minimize heating and cooling needs;</li> <li>Provide shade trees to reduce cooling needs;</li> <li>Include solar water heaters or centralized water heating systems; and</li> <li>Include solar water heaters or centralized water heating systems; and</li> <li>Increase insulation beyond Title 24 requirements to minimize heating and cooling needs.</li> </ul>		Compute	•
3.4 Biological Resources				
All Phases IaImpact 3.4-1: A population of federally andand and bl/RemainderThreatened and California Endangered Santa Threatened and California Endangered Santa Cruz tarplant ( <i>Holocarpha macradenia</i> ) is located entirely within the PG&E parcel in the westermost portion of the planning area on Assessors Parcel Number 048-211-24. No 048-231-17048-231-17 048-231-17Mestermost portion of the planning area on Assessors Parcel Number 048-211-24. No 048-231-18048-231-18 048-231-18No odevelopment is proposed for this portion of the planning area; however the proposed residential development may result in indirect impacts to the population. This is considered a potentially significant impact.0019-226-42 0019-226-43a potentially significant impact.	MM 3.4-1: Subject to review and approval by the County of Santa Cruz Planning Department and the City of Watsonville Community Development Department, project applicants shall ensure that all construction and staging activities occur outside of APN 048-211-24 (PG&E parcel) containing Santa Cruz tarplant during all phases of the proposed modified project. Prior to construction activities, project applicants shall install temporary construction fencing and informative signs around the perimeter of APN 048-211-24 as construction occurs in the vicinity of this parcel. The location and integrity of the fence shall be verified in the field by County or City staff prior to grading and periodically checked throughout the construction period. Following construction, project applicants within <u>the</u> <u>County Entitlements Area</u> <del>Phase 1 (County site) and Phase 2 (City site)</del> shall install permanent fencing around the perimeter of APN 048-211-24.	Project Applicant	City of Watsonville and/or County of Santa Cruz	Construction Construction
All Phuses Impact 3.4 2: The California red legged frog	MM 3.4 2at At the recommendation of the USFWS, project	Applicant	County of Santa	Prior to Issuance of

IGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development
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Timing of Compliance	6 Pennit	iround	0776
Com	a Building Permit	Prior to Ground Disturbance	
Party Responsible for Verifying Compliance	<del>Cruz and/or City of</del> W <del>atsonville</del>	County of Santa Cruz and/or City of Watsonville	
Party Responsible for Implementing		Applicant	
Mitigation Measures	applicants shall conduct CRLF protocol level surveys within the planning area prior to issuance of the building permit. Surveys shall be conducted in accordance with the USFWS recommendations by an approved biologist and shall include a set of eight field surveys that shall be conducted between February and September in order to examine the site during the CRLF breeding, non-breeding, and dispersal seasons. If CRLF are observed in the planning area during protocol surveys, preconstruction surveys, inspections, or subsequent construction activities during all phases of the proposed project, project applicants shall cease all work within the planning area. Capturing, handling, moving, or harassing CRLF is considered a violation of the ESA. If CRLF are observed, the applicant shall initiate consultation with the USFWS and CDFG to determine the appropriate permitting action; a section 10a consultation and development of an HCP may-be-required. Project conditions may be developed in consultation with USFWS and CDFG to avoid "take" of CRLF that may occur within the planning area during construction activities. Project envirties shall not resume until final federal approval of the proposed project is received.	MM 3.4-2b: Project applicants shall have a USFWS-approved biologist conduct CRLF preconstruction surveys a minimum of 48 hours prior to initiation of project activities. Pre-construction surveys shall consist of two days and two nights, spaced a week apart, with notification to the USFWS.	
Environmental Impacts	(CRLF) is federally listed as "Threatened" and eonsidered a CDFG 'Species of Special Concern.'-Although presence is unlikely, potential habitat for CRLF is present within the planning area and the planning area is located within dispersal distance of known CRLF localities. Project activities such as vegetation removal, grading, exeavating, and vehicle and equipment travel may result in "take" of CRLF, This adverse direct impact is considered a potentially significant impact.	Impact 3.4-2: The California red-legged frog (CRLF) is federally-listed as 'Threatened' and considered a <del>GDFGCDFW</del> 'Species of Special Concern.' Although presence is unlikely, potential habitat for CRLF is present within the planning area and the planning area is located within dispersal distance of known CRLF localitics. Project activities such as vegetation removal, grading, excavating, and vehicle and equipment travel may result in "take" of CRLF. This adverse direct impact is considered a potentially significant impact.	
Phase/APN ¹	048 221 09 048 221 - 25 019 226 42 019 226 44 019 236 01 019 236 01 38	All-Phases <u>1a</u> and <u>1b/Remainder</u> 048-221-09 048-221-09 048-221-25 019-226-43 019-226-43 019-226-43 019-226-43	X04 0F 34(

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Timing of Compliance	Prior to Issuance of a Building Permit	Prior to Issuance of a Building Permit, Construction and Post-construction	Prior to Issuance of a Building Permit, Construction, and
Party Responsible for Verifying Compliance	City of Watsonville	County of Santa Cruz and/or City of Watsonville	<del>County of Santa</del> Cruz-and/or City of
Party Responsible for Implementing	Applicant	Project Applicant	Project Applicant
Mitigation Measures	<ul> <li>MM 3.4.2er Prior to initiating construction activities within Phase 2 (Gity site), the project applicant(s) shall ensure that the irrigated agricultural basin is dry through the following processes:</li> <li>Discontinue pumping into the basin and cap the adjacent well to prevent leakage.</li> <li>Allow remaining water to evaporate naturally; do not de- water the basin.</li> </ul>	<ul> <li>MM 3.4-3a: <u>Based on the lack of suitable habitat within the</u> <u>onsite pond and the absence of a viable population of WPTs, the</u> <u>following shall be implemented.</u> <i>Prior to construction of the</i> <u>Phase 1 project, a qualified herpetologist shall conduct three</u> eensecutive days of pond turtle trapping within the freshwater marsh to evaluate the existing turtle population and to determine its viablility. If it is determined that a viable western pond turtle population is present, a Western Pond Turtle habitat Einhancement Plan shall be prepared and implemented as described in MM 3.4.3b. If it is determined that no pond turtle population is present, a western pond of the qualified herpetologist in consultation with <u>CDFW</u>. In addition, a Habitat Enhancement Plan shall be prepared by a qualified herpetologist in consultation with <u>CDFW</u>. In addition, a Habitat Enhancement Plan shall be prepared by a qualified wetland ecologist, hydrologist and landscape architect that includes the following improvements to the wetland:</li> <li>(a) Removal of non-native vegetation;</li> <li>(b) Development of a wetland buffer with native riparian and upland species;</li> <li>(c) Revegetation of the wetland buffer with native riparian and upland species;</li> </ul>	(c) Development of success criteria for habitat enhancement. MM 3.4.3bt If it is determined that a viable western pond turtle population is present, a Habitat Enhancement Plan shall be prepared and implemented prior to the construction of Phase 1
Environmental Impacts	Impact 3.4.2. The California red legged frog (CRLF) is federally listed as "Threatened" and considered a CDFG 'Species of Special Concern." Although presence is unlikely, potential habitat for CRLF is present within the planning area and the planning area is located within dispersal distance of known CRLF localities. Project activities such as vegetation removal, grading, excavating, and vehicle and equipment fravel may result in "take" of CRLF, This adverse direct impact is considered a potentially significant impact.	Impact 3.4-3: The WPT is a <u>CDFQCDFW</u> 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	Impact 3.4 3: The WPT is a CDFG 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities
	City Phase 2 048 231 - 17	All Phases <u>1a</u> <u>and</u> 1 <u>b/Remainder</u> 019-226-42 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43	seeud 11 340

# MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development

Mitgation Measures         Timing of Compliance         Timing of Go Tunplementing         Timing of Go Tunplementing           Rethe worksmer point witch by equilical elementing         For Verifying Compliance         For Verifying Compliance         Timing of Compliance           Rethe worksmer point witch by equilical elementing         Rethe worksmer point witch by equilication enviolegies/lytication         Matementing         Post-emistration Compliance           Rethe worksmer point witch by equilication         The baking area white: and worksmer menting and enviolegies/lytication         Post-emistration           Rethe worksmer         Post-emistration         Matementing         Post-emistration           Rethe worksmer         Post-emistration         Post-emistration         Post-emistration           Rether worksmer         Post-emistration         Post-emistration         Post-emistration           Rether work of lege (Hinted Forwith and -posts at march holicity         (H) Presentent of the post-emistration         Post-emistration           Rether work of lege (Hinted Forwith and -posts at march holicity         (H) Presentent of the post of the post of the post march holicity of the post of the pos	
A Additional and Additional Addita Additional Additional Additional Additional Additiona	Mitigation Measures
d d f Project Applicant Cruz and/or City of Watsonwille	for the western pond turtle by a qualified horpetologist, wetland ecologist, hydrologist, and landscape architect. The plan shall provide specific habitat enhancement strategies intended to improve breeding, basking, aestivating, and reduced predation potential. The plan shall also specify the location of the temporary holding area and care requirements for captured pond turtles. The habitat enhancement plan may include the following inprovements:
te te te te Project Applicant Cruz and/or City of Watsonwille	(a) Removal of non-native species; (b) Removal of the earthen berm dividing the freshwater marsh from the seasonal welland to create additional freshwater marsh habitat;
e te Projeet Applicant Cruz and/or City of Watsonwille	(e) Eradication of bullfrogs from the pond to reduce predation and competition;
d Project Applicant Cruz and/or City of Watsonwille	(d)Placement of logs (living downed willows) and rocks at strategic locations to improve basking opportunities that are protected from predators;
Reject Applicant County of Santa Cruz and/or City of Watsonville	(e) Development of a welland and upland planting plan; (l) Revegetation of the wetland-buffer with native riparian and upland species to provide greater opportunity for breeding and aestivation;
le Project Applicant County of Santa Gruz and/or City of Watsonwille	(g) Development of hydrologic requirements for freshwater marsh and western pond turtle;
te Preject Applicant County of Santa Cruz and/or City of Watsonville	( <del>i))Development of a monitoring program and;</del> (i) <del>Development of success criteria for habitat enhancement.</del>
Project Applicant County of Santa Cruz and/or City of Watsonville	The Habitat Enhancement Plan shall be provided to the County of Santa Cruz Planning Department, and the City of Watsonville Community Development Department for review and approval in consultation with the CDFG prior to issuance of the building
A Watsonville	MM3.4.3c: If the existing pond turtle population is determined to be viable as a result of data collection during transing -all
	eaptured western pond turtles shall be temporarily repondent to a holding area until Phase 1 eonstruction and habitat enhancement has been completed. Temporary relocation may be needed for up to two years. Upon completion of the construction and

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Phase/APN ^t	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Comiliance	Timing of Compliance
019-226-44 019-236-01	of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	within the planning area outside of the breeding season when the turtles are active. All turtle relocations efforts shall be coordinated with CDFG.			
All-Phases <u>1a</u> and <u>1b/Remainder</u> 048-211-25 019-226-43 019-226-43 019-226-44 019-226-01	Impact 3.4-3: The WPT is a CDFGCDFW 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	MM 3.4-3d: Prior to construction, exclusionary fencing shall be established around the perimeter of the 50-foot wetland buffer area around the freshwater marsh and seasonal wetland to prevent any potentially uncaptured western pond turtles from entering construction areas. The fencing shall be marked by highly visible signage indicating that human activity is prohibited within these areas. A qualified biologist shall be present during placement of the exclusionary fencing to ensure that no pond turtles are impacted. The establishment of pond turtle exclusion fencing shall only occur between the months of September and March outside of the breeding season.	Project Applicant	County of Santa Cruz and/or City of Watsonville	Prior to Issuance of a Building Permit, Construction, and Post-construction
Att.Phases <u>1a</u> <u>and</u> <u>1b/Remainder</u> 048-211-25 019-226-42 019-226-44 019-226-44 019-236-01	Impact 3.4-3: The WPT is a <u>CDFGCDFW</u> 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	MM 3.4-3e: All captured pond turtles shall be tagged and fully documented at the time of capture (e.g., number, sex, age, carapace length, weight, overall condition, etc.). All non-native turtles that are captured shall also be documented and not returned to the wild. Trapping requirements, the holding location and required care during the holding period shall be coordinated with the <u>CDFGCDFW</u> and included in the Habitat Enhancement Plan.	Project Applicant	County of Santa Cruz and/or City of Watsonville	Prior to Issuance of a Building Permit, Construction, and Post-construction
WH Phases 1a Band Dand Ods-221-09 Ods-211-25 Ods-211-25 Cost 226-43 Polo 226-43	Impact 3.4-3: The WPT is a <u>CDFGCDFW</u> 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife	MM 3.4-3f: A "Species Sensitivity Training" program will be established for western pond turtle during all phases of the established modified project. This program will be designed to educate construction personnel about the mitigation measures required for the execution of the project. All construction personnel will attend the sensitivity training that will provide instruction on western pond turtle identification, status and detailed protocol of the actions that should be taken in the event that a western pond turtle is encountered onsite during	Project Applicant	County of Santa Cruz and/or City of Watsonville	Prior to Issuance of a Building Permit, Construction, and Post-construction

MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development
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Timing of Compliance		Prior to Issuance of a Building Permit, Construction, and Post-construction	Prior to Issuance of a Building Permit, Construction, and Post-construction
Party Responsible for Verifying Compliance		County of Santa Cruz	County of Santa Cruz and/or City of Watsonville
Party Responsible for Implementing		Project Applicant	Project Applicant
Mitigation Measures	construction activities.	MM 3.4-3g: Implementation of the Hubitat Enhancement Plan shall occur during the construction of the Phase 1 portiong of the project. During the Construction of project sites located within the County Entitlements Area the Phase 2 of the County site, exclusion fencing shall be placed around the eastern adjacent perimeter of the wetland buffer to preclude any potential turtles from entering the construction area. In addition, brightly colored temporary construction fencing shall also be placed along the eastern adjacent perimeter to keep out construction personnel and equipment.	<ul> <li>MM 3.4-3h: To avoid harming WPT that may have evaded trapping (MM 3.4-3hea), project applicants shall implement the following measures during Phase 1<u>a &amp; b/Remainder of</u> construction and Phase 2 construction.</li> <li>Where trenching occurs, provide an escape ramp at each end of the open trench to avoid entrapment. The ramp may be constructed of dirt fill, wood planking, or other suitable material that is placed at an angle of 30 degrees or less. Backfill open segments of trench as soon as possible to avoid entrapment.</li> <li>At the beginning of cach day, check under all parked equipment for WPT before use. If any WTP are observed under equipment or within the work area, do not disturb or handle it. Case project activities and contact the CDFG and the City or County for further guidance.</li> <li>During project activities, all trash that may attract predators shall be properly contained, removed from the work site and disposed of regularly. Following construction, all trash and construction debris shall be removed from work areas.</li> <li>All fueling and maintenance of vehicles and other equipment and staging areas shall not occur within or near wetland and/or riparian habitats or shall be removed from work areas.</li> </ul>
Environmental Impacts	species is considered under CEQA and is considered a potentially significant impact.	Impact 3.4-3: The WPT is a CDFGCDFW 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	Impact 3.4-3: The WPT is a CDFGCDFW 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact,
Phase/APN ¹	019-226-44 019-236-01	County Phase 1-& 2 la and 1b/Remainder 048-221-09 048-221-25 019-236-01 019-236-01	All-Phases <u>1a</u> and 048-251-09 048-211-25 019-226-42 019-226-43 019-226-43 019-226-44 019-226-44 019-226-44 019-226-44 019-226-44 019-226-44 019-226-44 019-226-44 019-226-44 019-226-44

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MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
		<ul> <li>importance of preventing spills and of the appropriate measures to be taken should a spill occur. The agencies should be contacted regarding spills if the approved biologist anticipates that impacts to WPT may occur as a result of the spill.</li> <li>Smoke in areas clear of vegetation and away from hazardous materials. Dispose of cigarette butts in an appropriate area away from the planning area.</li> </ul>		•	
Att-Phases <u>1a</u> and <u>1b/Remainder</u> 048-231-17 048-231-17 048-231-17 048-231-12 048-231-09 048-231-09 048-211-25 019-226-42 019-226-43 019-226-43 019-226-43	Impact 3.4-3: The WPT is a <del>CDFGCDFW</del> 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that arc scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	MM 3.4-3i – Before and during clearing of vegetation, or initial ground disturbing activities, a qualified biologist shall conduct a preconstruction survey for the WPT.	Project Applicant	County of Santa Cruz and/or City of Watsonville	Prior to Issuance of a Building Permit, Construction, and Post-construction
County Phase 1 <u>a &amp; 1b/</u> <u>Remainder</u> 2 048-211-25 048-221-09 048-221-09 048-221-09 048-221-09	Impact 3.4-3: The WPT is a CDFGCDFW 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact.	MM 3.4-3j: Access into the freshwater marsh habitat and associated wetland buffer by humans and/or their pcts shall be discouraged. Permanent signage shall be placed at the perimeter of the wetland buffer area clearly stating that pcople and their pets should not enter the wetland area or associated buffer due to the presence of sensitive habitat.	Project Applicant	County of Santa Cruz	Prior to Issuance of a Building Permit, Construction, and Post-construction
CSCounty Phase	Impact 3.4-3: The WPT is a CDFGCDFW 'Species of Special Concern.' WPT is known	MM 3.4-3k: Monitoring of the revegetation areas shall be conducted for a period of three years or until success criteria	Project Applicant	County of Santa Cruz	Prior to Issuance of a Building Permit

MITIGATION MONITORING AND REPORTING PROGRAM	for the Atkinson Lane Specific Plan and Planned Unit Development
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Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
<u>Remainder</u> 048-221-09 048-211-25	to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native wildlife species is considered under CEQA and is considered a potentially significant impact,	have been met, vegetation is established, and exotic species are controlled.			Construction, and Post-construction
County Phase 4 42 42 42 42 42 42 42 42 42	Impact 3.4.3: The WPT is a CDFG 'Species of Special Concern.' WPT is known to occur within the planning area. Project activities may result in direct impacts to WPT utilizing portions of the planning area that are scheduled for construction. Land use changes to upland-areas and potential dispersal habitat may result in indirect impacts to the viability of the local WPT population. Interference with the movement of any native-wildlife species is considered under CEQA and is considered a potentially significant impact.	MM 3.4.3I: Upon return to the enhanced freshwator marsh habitat, all relocated pond turtles staal be monitored annually for a period of three years to determine the overall success of the mitigation. Annual monitoring reports shall be prepared and provided to the County of Santa Cruz Planning Department, the City Watsonville Community Development Department, and the CDFG.	Project Applicant	County of Santa Gruz	Prior to Issuance of a-Building Permit, Construction, and Post-construction
All-Phases <u>Ia</u> and <u>1b/Remainder</u> 048-231-17 048-231-17 048-231-18 048-221-09 048-221-09 048-211-25 0919-226-43	Impact 3.4-4: The planning area provides potential wintering habitat for the ferruginous hawk (a 'Bird of Conservation Concern'), nesting and wintering habitat for the white tailed kite (a 'Fully Protected species'), and nesting habitat for the yellow warbler (a CDFG 'Species of Special Concern'), as well as other common raptor and bird species. The federal Migratory Bird Treaty Act (MBTA) and CDFG Codes prohibit the destruction or possession of individual birds, birds of prey, eggs or active nests without federal and/or state authorization. Project activities may disrupt avian species, including special-status bird species that may	MM 3.4-4a: Future development within the planning area shall retain mature trees to the extent possible and replace removed trees with in-kind species and vegetation structure within the planning area. Tree replacement shall be indicated on landscape plans subject to review and approval by the County of Santa Cruz Planning Department or the City of Watsonville Community Development Department.	Project Applicant	City of Watsonville and/or County of Santa Çruz	Project Design and Construction
<b>C</b> 019 226 44	uunize naonais within inc planning area.				182

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Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
All-Phases <u>1a</u> and <u>1b/Remainder</u> 048-231-17 048-231-17 048-231-17 048-231-09 048-231-09 048-211-25 019-226-43 019-226-43 019-236-01	Impact 3.4-4: The planning area provides potential wintering habitat for the ferruginous hawk (a 'Bird of Conservation Concern'), nesting and wintering habitat for the white tailed kite (a 'Fully Protected Species'), and nesting habitat for the yellow warbler (a CDFGCDFW 'Species of Special Concern'), as well as other common raptor and bird species. The federal Migratory Bird Treaty Act (MBTA) and <del>CDFGCDFW</del> Codes prohibit the destruction or possession of individual birds, birds of prey, eggs or active nests without federal and/or state authorization. Project activities may disrupt avian species, including special-status bird species that may utilize habitats within the planning area.	MM 3.4-4b: If the project applicant cannot avoid construction activities outside of the breeding season (February through August) and cannot clear vegetation prior to the breeding season, a qualified wildlife biologist shall conduct avian nest surveys prior to construction activities that may disturb nests surveys prior to construction activities that may disturb nests (e.g. vcgetation clearing, tree removal, grading, large equipment operation, or demolition) within the <u>Atkinson</u> planning area <del>during all phases of the proposed project</del> . These surveys shall include special-status birds, and all birds (and their nests) protected under the MBTA, and shall encompass the planning area and a 200-foot-wide buffer, to examine nearby tree stands and structures. If an active nest is found, it will be necessary to consult with the appropriate resource agencies ( <u>CDFW</u> , USFWS) to determine appropriate construction buffers or other avoidance measures. If nesting or wintering special-status birds are not found, no further action would be necessary.	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design and Construction
9 All-Phases Ia and 1b/Remainder 048 231 -17 048 231 -17 048 231 -17 048 251 -09 048 251 -09	<b>Impact 3.4.4:</b> The planning area provides potential wintering habitat for the ferruginous hawk (a, 'Bird of Conservation Concern'), nesting and wintering habitat for the white tailed kite (a 'Fully Protected species'), and nesting habitat for the yellow warbler (a <u>CDFGCDFW</u> 'Species of Special Concern'), as well as other common raptor and bird species. The federal Migratory Bird Treaty Act (MBTA) and <u>CDFGCDFW</u> Codes prohibit the destruction or possession of individual birds, birds of prey, eggs or active nests without federal and/or state authorization. Project activities may disrupt avian species, including special-status bird species that may utilize habitats within the planning area.	MM 3.4-4c: If the project applicant cannot avoid construction activities during the breeding season (February through August) and cannot clear vegetation prior to the breeding season, a qualified biologist shall conduct a specific yellow warbler nest survey in the riparian and scrub habitats of the <u>Atkinson</u> planning area during all phases <u>Ia and Ib/Remainder</u> of the <del>proposed <u>modified</u> project during this period. If active nests are found within the planning area, a minimum 250-foot construction buffer shall be established during the peak of the warblers breeding season (April through July), or until the young have fiedged. A qualified biologist shall monitor the activity of any warbler nests to determine when construction activities may re-commence within the established buffer area.</del>	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design and Construction
AH-Phases 1a and 1b/Remainder	Impact 3.4-5: The planning area provides potential habitat for several special-status bat species. If special-status bat species roost within the planning area, construction-related activities could result in the direct loss of active	MM 3.4-5: Prior to initiation of project activities including, but not limited to, vegetation, snag, and tree removal and demolition of structures on Assessor Parcel Numbers: 019-226-043, 019- 226-042, 048-211-25, 048-221-09, and 048-231-17, or loud construction-related noise within the work area the Contro of	Project Applicant	City of Watsonville and/or County of Santa Cruz	Site clearing and Construction

MITIGATION MONITORING AND REPORTING PROGRAM

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MITIGATION MONITORING AND REPORTING PROGRAM	Jor the Atkinson Lane Specific Plan and Planned Unit Development
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Timing of Compliance	•	Construction
Party Responsible for Verifying Compliance		City of Watsonville and/or County of Santa Gruz
Party Responsible for Implementing		Project Applicant
Mitigation Measures	<ul> <li>project biologist must confirm there are no pre-volant young present before a colony is displaced. It is assumed that after September 1 colonics have no pre-volant young.</li> <li>Coordinate with CDFGCDFW and a biologist that is permitted to handle special-status basts to develop appropriate exclusion methods if necessary. Project activities involving potential disturbances to roosting bats shall correspond with the time frame stated in the California Fish and Game Commission regulations. The CFGC state stated in the California Fish and Game Commission regulations. The CFGC state stated in the california potenteal from occupied roosts in two time periods; between September 1 and October 15 and between February 15 and April 15 (CFGC 2006). If bats are found roosting within these time frames, it may be necessary to passively exclude them from trees or structures scheduled for removal. If necessary, prior to initiating project activities, passive exclusion methods shall be installed for a minimum of two weeks and monitored by a qualified biologist within the appropriate time frames and under conducting acoustic and evening emergence surveys.</li> </ul>	MM-3.4 6: The County of Santa Cruz Planning Department and the City of Watsonvillo Community Development Department shall require that project applicants have a qualified biologist examine the planning area for San Francisco dusky footed woodrats before and during any initial vegetation, wooded woodrats before and during uny initial ground disturbing activities. If a woodrat nesthouse structure is encountered in the area of disturbance, avoid disturbing the structure or evicting the individuals. Project applicants shall coordinate with CDFG to establish protectivo buffer widths around the structures and install exelusion zones around each structure before initiating tree/vegetation removal and ground disturbing activities. If a woodrat is incidentally encountered in the work area and distal exelusion zones around each structure before initiating tree/vegetation removal and ground disturbing activities. If a woodrat is incidentally encountered in the work area and distal exelusion removal and ground disturbing activities. If a woodrat is incidentally encountered in the work area and distal he appropriate CDFG permits, shall be on call during project activities to relocate the animal out of the construction area to the nearest safe location (as approved and authorized by CDFG). Woodrats shall not be handled without prior agency authorization from CDFG.
Environmental Impacts		Impact 3.4 6: The San Francisco dusky footed woodrat is a CDFG-'Species of Concern.' Project activities may result in destruction of potential woodrat habitut and harm to the potential woodrat habitut and harm to the potential San Francisco dusky-footed woodrat population in the planning area. This is considered a potentially significant impact.
Phase/APN ¹	48	All Phases 10, 122, 10, 11, 12, 11, 12, 10, 12, 11, 12, 10, 11, 12, 10, 11, 12, 10, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 11, 12, 12

ible Timing of g Compliance	Ile Construction	He Project Design, Construction, and Pest Construction Pest Construction
Party Responsible for Verifying Compliance	City of Watsonville and/or County of Santa Cruz	City of Watsonville
Party Responsible for Implementing	Project Applicant	Project Applicant
Mitigation Measures	Future development within the <u>Atkinson</u> planning area would be required to comply with each jurisdictions erosion control ordinances and comply with the National Pollution Discharge Elimination System (NPDES) permitting requirements for construction of site stormwater discharges in accordance with mitigation measure MM 3.8-2 in Section 3.8: Hydrology and Water Quality.	MM 3.4 Sar. Project applicants within Phase 2 (City-site) shall provide replacement wetland acreage that shall be created at a ratio of 2:1 acceptuble to the City of Watsonville and the CDFG for removal of the agricultural basin in the northeastern portion of the planning area. Because the agricultural basin is man- made and actively flooded by mechanical pumps, replacement wetlands shall not be required to support."in kind" freshwater marsh habint. Created wetland habitat will be designed by a certified landscape architect and wetland specialist to function as wetlands, support wetland vegetation typical of the Central California coast region ( <i>Typhu angustifolia</i> , <i>Seirpus californieus</i> , <i>Salix</i> spp., etc.) at the stormwater detontion basin in the southern portion of the planning area within the expanded Crestview Park. Long term monitoring of mitigation wetland specialist to detorning wetlands within the planning area shall be conducted for a period of five years or until the time the established success criteria are met (see Table 3.4.3). Monitoring will be performed annually by a qualified botanist/wetland specialist to determine whether mitigation wetland creation will be performance criteria. The success of wetland creation will be plant evaluated on the basis of density and diversity of native plant
Environmental Impacts	Impact 3.4-7: Construction activities may result in increased erosion, runoff, accumulation of water, and introduction of harmful materials to wetland habitats within the planning area. This is considered a potentially significant impact.	Impact 3.4 8: Phase 2 (City site) of the proposed project would remove the irrigated agricultural basin and associated freshwater marsh and coast live oak riparian tree canopy in the northwest corner of the planning area near types are considered 'sensitive' and provide nesting and foraging habitat for avian species. Removal of this the freshwater marsh and riparian vegetation would be considered a potentially significant impact.
Phase/APN ¹	All-Phases <u>1a</u> <u>and</u> <u>1b/Remainder</u> 048-231-01 048-231-17 048-231-12 048-251-09 048-251-09 048-251-09 048-251-09 048-251-09 019-226-42 019-226-44 019-226-44	Cirk Phase 2 6048 231 01 048 231 13 048 231 13 048 231 13 048 231 13 048 231 13 Page 114 of 34 9 9 9 9 9 9 9 9 9 9 9 9 9

MITIGATION MONITORING AND REPORTING PROGRAM

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MITIGATION MONITORING AND REPORTING PROGRAM	for the Atkinson Lane Specific Plan and Planned Unit Development
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Timing of Compliance		Project Dosign, Construction, and Post Construction and	
Party Responsible for Verifying Compliance		City of Watsonwille	
Party Responsible for Implementing		Project Applicant	
Mitigation Measures	Species at the wetland creation site. If excessive mortality         occurrs, plantings will be replaced at a 1:1 ratio. The wetland         specialist will be responsible for solecting the species for         replacement plantings. Recommendations for enhancement and         continued long term success of created wetlands will be         included in annual monitoring reports submitted to the City of         Watsonville and CDFG.         Table 34.1-Success Criteria for Wetland to the City of         Watsonville and CDFG.         2       Percent of Plants Surviving 80% Survival in Good or Fair         2       Percent of Plants Surviving 80% Survival in Good or Fair         3       Percent of Plants Surviving 73% Survival in Good or Fair         4       Percent of Plants Surviving 73% Survival in Good or Fair         5       Percent of Plants Surviving 73% Survival in Good or Fair         5       Percent of Plants Surviving 73% Survival in Good or Fair	<ul> <li>MM 3.4 8b- For all oaks greater than 6 inches DBH or greater than 8 feet tall that are removed, project applicants within Phase 2 (City-site) shall plant replacement oaks along the margins of the ripatian buffer and epheneral drainage in the western half of the planning area and within the designated agricultural buffer and along Cornalitos Creek at 3:1 ratio subject to review and approval by the City of Vatsonville Community Development between the develop a 13:1 ratio subject to review and approval by the City of Vatsonville Community Development Department. A qualified biologist or restoration ecologist and landscape archites. The plan shall include, but shall be limited to, the following measures:</li> <li>Planting sativities. The plan shall include, but shall be limited to, the following measures:</li> <li>Planting shall occur following completion of grading and construction activities. Replacement oak will provide riparian habitat similar to impacted habitat around the irrigated agricultural basin.</li> <li>Einhance replacement oak habitat around the irrigated agricultural basin.</li> <li>Einhance replacement oak habitat around the irrigated agricultural basin.</li> <li>Einhance replacement oak habitat around the irrigated agricultural basin.</li> <li>Einhance replacement oak habitat around the irrigated agricultural basin.</li> </ul>	Ennimeement Fian is required by initigation measure MM
Environmental Impacts		Impact 3.4 8. Phase 2 (City site) of the proposed project would remove the irrigated agricultural basin and associated freshwater march and coast live oak riparian tree canopy-in the northwest corner of the planning area mear the terminus of Atkinson Lane. These habitat types are considered "sensitive" and provide nesting and foraging habitut for avian species. Removal of this the freshwater marsh and riparian vegetation would be considered a potentially significant impact.	
Phase/APN ¹		The second secon	<b>X</b> A

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible	Party Responsible	Party Responsible Party Responsible Timing of
		MANUBAUON MACASULOS	for Implementing	for verifying Compliance	Compliance
		Habitat Enhancement Plan.			
.5 Cultura	3.5 Cultural Resources				
County Phase 1 <u>a</u> & <u>1b/</u> <u>Remainder</u> 2 048-211-25 048-221-09	Impact 3.5-1: The planning area does not contain any recorded or anticipated resources of archeological, cultural, or pre-historic significance. However, site preparation and grading could disrupt undiscovered archeological and cultural resources of importance under CEQA and/or eligible for listing on the California Register. This is considered a potentially significant impact.	MM 3.5-1a: Project applicants within County Phases 1 <u>a</u> and <u>1b/Remainder Phase 2</u> of the <del>proposed modified</del> project shall comply with Sections 16.40.040 and 16.42.100 of the Santa Cruz County Code (Native American Cultural Sites Ordinance), which includes regulations for the protection, enhancement, and perpetuation of Native American cultural sites. If human remains or any artifact or other evidence of a Native American cultural site are found during ground disturbance or excavation, the project applicant(s) shall cease and desist from further excavations and disturbance within 200 feet of the discovery; stake around the discovery in accordance with the requirements in the ordinance; and notify the Sherriff-Coroner if the discovery contains human remains or the Santa Cruz County Planning Director if the discovery contains no human remains. The procedures established in Sections 16.40.040 and 16.42.100 shall be observed.	Project Applicant	County of Santa Cruz	Construction
City Phase 1 <u>a</u> & <u>3</u> 019-226-42 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 019-226-43 048-231-41	Impact 3.5-1: The planning area does not contain any recorded or anticipated resources of archeological, cultural, or pre-historic significance. However, site preparation and grading could disrupt undiscovered archeological and cultural resources of importance under CEQA and/or cligible for listing on the California Register. This is considered a potentially significant impact.	MM 3.5-1b: Project applicants within City Phase 1 <u>a</u> and Phase 2 of the proposed <u>modified</u> project shall ensure that if any previously undisturbed cultural, historic, or archaeological resources are uncovered in the course of site preparation, clearing or grading activities that the City of Watsonville Community Development Director is notified and operations within 200 feet of the discovery are halted until such time as a qualified professional archaeologist can be consulted to evaluate the find and recommend appropriate action. If the find is determined to be significant, appropriate mitigation measures shall be formulated and implemented subject to review and approval by the City of Watsonville Community Development Department.	Project Applicant	City of Watsonville	Construction
a Att Phases 1a Aut Phases 1a and b D V Remainder 10 048 -231 -01 70048 -231 -17	Impact 3.5-1: The planning area does not contain any recorded or anticipated resources of archeological, cultural, or pre-historic significance. However, site preparation and grading could disrupt undiscovered archeological and cultural resources of importance under CEQA and/or eligible for	MM 3.5-1c: If human remains of Native American origin are discovered during ground-disturbing activities, project applicant(s) shall comply with state laws relating to the dispositions of Native American burials, which falls within the jurisdiction of the California Native American Heritage Commission (NAHC) (Public Resources Code, Section 5097.98). If human remains are discovered or reconvized in any	Project Applicant	City of Watsonville and/or County of Santa Cruz	Construction Construction

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
048-231-18 048-251-09 048-211-25 019-226-43 019-226-44 019-226-44 019-236-01	listing on the California Register. This is considered a potentially significant impact.	<ul> <li>location other than a dedicated cemetery, there shall be no further excavation or disturbance of the planning area or any nearby area reasonably suspected to overlie adjacent human remains until: <ul> <li>The Santa Cruz County Sheriff-Coroner has been informed and has determined that no investigation of the cease of death is required, and</li> <li>If the remains are of Native American origin,</li> <li>The descendants from the deceased Native Americans have made a recommendation to the landowner or the person responsible for the excavation work for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave good as provided in the Public Resources Code, Section 5097.98, or</li> </ul> </li> </ul>			
<b>3.6 Geology and Soils</b>	and Soils				
All-Phases <u>1a</u> and <u>1b/Remainder</u> 048 <u>231 01</u> 048 <u>231 17</u> 048 <u>231 18</u> 048 <u>231 18</u> 048 <u>231 18</u> 048 <u>231 19</u> 048 <u>231 11</u> 048 <u>231 09</u> 048 <u>231 09</u> 048 <u>231 09</u> 048 <u>231 09</u> 048 <u>231 09</u> 048 <u>231 09</u> 048 <u>231 01</u>	Impact 3.6-1: The planning area would experience strong ground shaking during a major earthquake on any of the nearby faults, resulting in the exposure of people and/or structures to potentially substantial adverse effects, including the risk of loss, injury, or death. This is considered a potentially significant impact.	MM 3.6-1: Future development within the planning area shall be designed in accordance with the requirements of the current edition of the CBC. Project applicants within the planning area shall consult with a qualified engineer to prepare a design level geotechnical report in accordance with the CBC and the recommendations contained with the Feasibility Level Geotechnical Investigation and Engineering Geology Report, prepared by Pacific Crest Engineering Geology Report include: site grading, cut and fill slopes, erosion control, utility trenches, surface drainage, pavement design, and soil corrosivity. Prior to final inspection, project applicants shall provide certification from a qualified professional that all development has been constructed in accordance with all geologic and geotechnical reports.	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design
All Phases 1a	Impact 3.6-2: The potential for liquefaction to occur along the <u>area southern embankment of</u>	MM 3.6-2: Project applicants shall consult with a qualified engineer to perform a quantitative evaluation of liquefaction and	Project Applicant	City of Watsonville and/or County of	Project Design

MITIGATION MONITORING AND REPORTING PROGRAM

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MITIGATION MONITORING AND REPORTING PROGRAM	for the Atkinson Lane Specific Plan and Planned Unit Development
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Timing of Compliance	Party Responsible for Verifying Compliance	Party Responsible for Implementing	Mitigation Measures
aned Unit Development	for the Atkinson Lane Specific Plan and Planned Unit Developmen	for the Atkinson Lane	

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Timing of Compliance		Project Design	Construction	
Party Responsible for Verifying Compliance	Santa Cruz	City of Watsonville	City of Watsonville and/or County of Santa Cruz	
Party Responsible for Implementing		Project Applicant	Project Applicant	
Mitigation Measures	<ul> <li>liquefaction-induced lateral spreading in conjunction with a design level geotechnical report for future development within the planning area. The evaluation shall be in accordance with the recommendations contained within the Feasibility Level Geotechnical Investigation and Engineering Geology Report prepared by Pacific Crest Engineering in March 2009. The design level geotechnical report shall also specify foundations and structural elements that are designed to resist forces and potential ground settlement generated by liquefaction and lateral spreading and shall incorporate the following into the final site plans, unless the additional analysis indicates it is not necessary:</li> <li>Development shall be set-back a minimum of 450 feet from the southerm "top of bank" for Corralitos Creek and 50 feet from the elineated wetland boundary (Appendix D) for the poind located in the western portion of the planning area. The 50 foot set back should apply to the 100-year flood plain elevation or ordinary high water mark of the pond, and to bevelopment shall be constructed upon a structural mat foundation system; likely consisting of a 12-inch thick concrete slab, with one or two layers of reinforcing steel placed within the mat.</li> </ul>	Implementation of mitigation measures MM 3.6-1 and MM 3.6- 2, which would require that development is set back a minimum of 150 feet from the southern "top of bank" for Corralitos Creek unless the subsequent project lovel geotechnical investigation allows for a reduced setback. No additional mitigation measures are necessary.	Compliance with the respective erosion control ordinances and acquisition of the NPDES General Permit for construction activities as required by MM <b>3.8-2</b> in Section <b>3.8:</b> Hydrology and Water Quality would ensure that potential soil erosion impacts associated with the <del>proposed modified</del> project would be less than significant.	
Environmental Impacts	Corratitos Creek, the central arca, and near <u>the</u> pond in the western portion of the site is high and consequently the potential for lateral spreading is high, which could result in potential structural damage and associated human safety hazards. This is considered a potentially significant impact.	Impact 3.6-3: The potential for seismically induced landsliding is considered low. Howaver, slope failures are possible along the steep-embankments of Corralitos Creek during strong seismic shaking, which could present a risk. This is considered a potentially significant impact.	Impact 3.6-4: The proposed project is partially located on soils with slight to moderate erosion hazard and would result in substantial soil erosion or the loss of topsoil in these areas if disturbed during short-term construction activities. This is considered a potentially significant impact.	
Phase/APN ¹	1b/Remainder           048-231-01           048-231-17           048-231-17           048-231-17           048-231-17           048-231-17           048-231-12           048-221-09           048-221-25	City Phase 2 048-231-01 048-231-17 048-231-18	Alt-Phases <u>1a</u> and <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u> <u>and</u>	2

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
019-226-42 0 <del>19-226-43</del> 019-226-44 019-236-01					
All-Phases <u>1a</u> <u>and</u> <u>1b/Remainder</u> 048-231-17 048-231-17 048-231-17 048-251-09 048-251-09 048-251-09 048-251-09 048-211-25 019-226-43 019-226-43 019-226-44 019-226-01	Impact 3.6-5: The proposed project includes approximately 22 acres of expansive soils of low strength, which could create substantial risk to life or property on these portions of the planning area. This is considered a potentially significant impact.	Implementation of mitigation measure MM <b>3.6-1</b> , which would require that future development be designed in accordance with the recommendations contained within a design-level geotechnical report, would reduce this impact to a less than significant level. No additional mitigation measures are necessary.	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design
3.7 Hazard	3.7 Hazards and Hazardous Materials				
Att-Phases la and 1b/Remainder 019 226 43 019 226 44 019 226 44 019 226 44 019 226 11-25 019 231 18	Impact 3.7-3: The proposed project may result in the demolition of <del>fourg</del> residential homes and associated structures at the project site, which may contain asbestos and/or lead. This would be considered a potentially significant impact.	MM 3.7-3a: Pursuant to Cal OSIHA regulations, project applicants shall have each structure within the planning area within Assessor Parcel Numbers: 019-226-44, 048- 211-25, and 048-231-18 inspected by a qualified environmental specialist for the presence of ACMs and LBPs prior to obtaining a demolition permit from the County of Santa Cruz Planning Department and the City of Watsonville Community Department and the City of Watsonville Community Department Department. If ACMs and LBPs are found during the investigations, project applicants within the planning area shall develop a remediation program to ensure that these materials are removed and disposed of by a licensed contractor in accordance with all federal, state and local laws and regulations, subject to approval by the MBUAPCD, Gity of Watsonville, and the Santa Cruz County Environmental Health Department, as applicable. Any hazardous materials that are removed from the structures shall be disposed of at an approved	Project Applicant	<del>Gity of Watsonville and/or</del> County of Santa Cruz	Demolition and Construction
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MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development

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Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
		landfill facility in accordance with federal, state and local laws and regulations.			
All-Phases <u>1a</u> and <u>1b/Remainder</u> 019-226-44 048-211-25 048-231-18	Impact 3.7-3: The proposed project may result in the demolition of <del>four</del> residential homes and associated structures at the project site, which may contain asbestos and/or lead. This would be considered a potentially significant impact.	MM 3.7-3b: Project applicants within the planning area shall have the interior of all on-site structures within Assessor Parcel Numbers: 019-226-43, 019-226-44, 048-211-25, and 048-231- 48-visually inspected by a qualified environmental specialist to determine the presence of hazardous materials prior to obtaining a demolition permit from the County of Santa Cruz Planning Department and the City of Watsonville Community Department and the City of Watsonville Community Department and the City of the structures, the material shall be encountered within any of the structures, the material shall be tested and properly disposed of in accordance with federal, state, and local regulatory requirements. Any stained soils or surfaces underneath the removed materials shall be sampled. Subsequent testing shall indicate the appropriate level of remediation necessary and a work plan shall be prepared in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	Project Applicant	<del>Gity of Watsonville</del> <del>and/or</del> County of Santa Cruz	Demolition and Construction
City Phase 2 048-231-18 048-251-09	Impact 3.7.4: There is the potential presence of hazardous materials located within the boundaries of the planning area based on the site inspection which determined that there are above ground storage tanks (AST3) and a debris pile on APN 048-231-18, as well as debris pile on APN 048-231-18, as well as evidence of a burn pit on Assessors Parcel Number 048-251-09 within Phase 2.(City site) of the proposed project. This is considered a potentially significant impact.	MM 3.7. 4a. The City of Watsonville Community Development Department shall ensure that project applicants remove the miscellamous debris (i.e., stockpiled metal piping and 55-gallon drums, etc.) on APN 048 231-18 and APN 048 251-09 within Plase 2 (City site) of the planning area prior to construction activities at the project site. Once removed, a visual inspection of the areas beneath the miscellaneous debris shall be performed. If any stained soils are observed beneath the debris piles, the soil shall be sampled. In the event that subsequent testing indicates the presence of any hazardous materials beyond acceptable thresholds, a work plan shall be prepared in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	Project Applicant	City of Watsonville	Bemolition and Construction
City Phase 2 048-231-18	Impact 3.7.4: There is the potential presence of hazardous materials located within the boundaries of the planning area based on the site inspection which determined that there are above-ground storage tanks (ASTs) and a debris pilo on APN 048 231-18, as well as evidence of a burn pit on Assessors Parcel Number 048-251-09 within Phase 2.00 vithin	MM 3.7 4bt The City of Watsonville Community Development Department shall ensure that project applicants remove and properly dispose of the aboveground storage tanks on APN 048- 231 18 within Phase 2 (City ste) of the proposed project at an approved landfill facility prior to construction activities within the planning area. Done the ASTs are removed, a visual inspection of the areas beneath and around the removed. ASTs chall be nectored by an order on the second by an and the tangention of the areas beneath and around the second by a second in the planning area.	Project Applicant	City of Watconville	Construction and Construction

MITIGATION MONITORING AND REPORTING PROGRAM

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Timing of Compliance		Demolition and Construction	Demolition and Construction	Project Design and Pre-construction
Party Responsible for Verifying Compliance	4	City of Watsonville De	City of Watsonville De	County of Santa Pro Cruz Pre
Party Responsible for Implementing		Project Applicant	Project Applicant	Project Applicant
Mitigation Measures	ASTs, the soil shall be sampled. In the event that subsequent testing indicates the presence of any hazardous materials beyond acceptable thresholds, a work plan shall be prepared in order to femediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grating permit.	MM 3.7 4ct: The City of Watsonville Community Development Department shall ensure that project applicants sample and exeavate stained soils located within agricultural equipment storage areas on and within on site storage structures (located on bare soil) on APN 048 231 18 within Phase 2 (City site) of the proposed project to determine the extent of contamination prior to construction activities. If during soil removal, evidence of petroleum products appears to continue below the ground surface, sampling would be performed to characterize the extent of contamination and identify appropriate remedial measures in decordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	MM 3.7 51 Prior to relocation of the transformers located within the planning area, the project applicants shall work with PG&Es to identify the proper handling procedures regarding PCBs and relocate the power lines and transformers prior to development within the planning area in coordination with the City of Watsonville Community Development Department and the County of Santa Cruz Planning Department. The costs for relocation of the overhead power line shall be shared by project applicants within all phases of the proposed project.	MM 3.7-6: Subject to review by the County of Santa Cruz Environmental Health Department, the project applicant shall map the specific location of all septic tanks located on APN 048-211-25 on a survey within Phase 1 <u>a</u> (County site). Once located, the septic tanks shall be removed and properly disposed of at an approved landfill facility. Once the tanks are removed, a visual inspection of the areas beneath and around the removed tanks shall be performed. Any stained soils observed underneath the septic tanks shall be sampled. Results of the sampling (if necessary) shall indicate the level or remediation efforts that may be required. In the event that subsequent testing indicates the presence of any hazardous materials beyond
Environmental Impacts	<del>of the proposed project. This is considered a</del> <del>potentially significant impact.</del>	Impact 3.7 4: There is the potential presence of hazardous materials located within the boundaries of the planning area based on the site inspection which determined that there are above ground storage tanks (ASTs) and a debris pile on APN 048-231-18, as well as evidence of a burn pit on Assessors Parcel Number 048-251-09 within Phase 2.(City site) of the proposed project. This is considered a potentially significant impact.	Impact 3.7 5: Overhead powerlines with transformers traversing the planning area in a morth/south direction are located within the planning area. This is considered a potentially significant impact.	Impact 3.7-6: Implementation of the proposed project may expose people or property to hazardous materials associated with the abandonment of septic systems within the planning area. This would be considered a potentially significant impact.
Phase/APN ¹		City Phase 2 048 231 18	99 City & County Phase 2 County Phase 048 221 09 048 231 17 048 231 18 048 231 09 048 231 09	County Phase

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	for the Alkinson Lane Specific Plan and Planned Unit Development

Timing of Compliance		Project Design and Pre-construction	Project Design, Pre- construction, and Construction	Project Design, Pre- construction, and Construction
Party Responsible for Verifying Compliance		City of Watsonvillc and/or County of Santa Cruz	City of Watsonville and/or County of Santa Cruz	City of Watsonville and/or County of Santa Cruz
Party Responsible for Implementing		Project Applicant	Project Applicant	Project Applicant
Mitigation Measures	review and approval by the County of Santa Cruz Environmental Health Department in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	MM 3.7-7: The City of Watsonville Community Development Department and the County of Santa Cruz Planning Department shall ensure that project applicants properly close and abandon all groundwater wells within both phases of the proposed <u>modified</u> project pursuant to applicable federal, state, and local regulations prior to grading activities. Soils located within the vicinity of the water wells shall be inspected. If any stained and in the event that subsequent testing indicates the presence of pesticide residues beyond acceptable thresholds, the potential health risks shall be evaluated and a work plan shall be prepare in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	MM 3.7-8a: The project applicants shall hire a qualified hazardous materials consultant with Phase I and/or Phase II experience to review files for the off-site property located at 1488 Freedom Boulevard prior to construction activities during all phases of the proposed <u>modified</u> project. Should files indicate that the property located at 1488 Freedom Boulevard may have impacted the planning area, Phase II testing shall occur to confirm or deny the presence of contaminated groundwater prior to construction activities. If unanticipated contaminated groundwater is found during construction activities, the project applicants shall ensure that proper safety/handling procedures are followed involving contaminated groundwater within the planning area during all phases <u>la</u> <u>l/Remainder</u> of the proposed <u>modified</u> project subject to review and approval by the City of Watsonville and County of Santa Cruz.	MM 3.7-8b: If unknown wastes of suspect materials are discovered during construction activities associated with each phase <u>la and lb/Remainder</u> of the proposed <u>modified</u> project,
Euvironmental Impacts		Impact 3.7-7: Implementation of the proposed project may expose people or property to hazardous materials associated with groundwater contamination due to abandonment of agricultural water wells within the planning area. This is considered a potentially significant impact.	Impact 3.7-8: An off-site property located at 1488 Freedom Boulevard approximately 0.16 miles from the planning area released petroleun hydrocarbons into the soil and groundwater. Should the contamination migrate towards the planning area it may contaminate the groundwater. This is considered a potentially significant impact.	Impact 3.7-8: An off-site property located at 1488 Freedom Boulevard approximately 0.16 miles from the planning area released
Phase/APN ¹		All-Phases <u>1a</u> and <u>1b/Remainder</u> 048-211-25 048-21-09 019-226-42 019-236-01 048-231-01 048-231-01 048-231-13 048-231-14	All Phases <u>1a</u> and <u>1b/Remainder</u> 048-231-01 048-231-17 048-231-17 048-231-18 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-04 019-226-43 019-226-43 019-226-44	Contract 1a

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MITIGATION MONITORING AND REPORTING PROGRAM	for the Atkinson Lane Spe

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Timing of Compliance		Prior to issuance of a Building Permit 566.00	
Party Responsible for Verifying Compliance	4	City of Watsonville 1 and/or County of Santa Cruz	
Party Responsible for Implementing		Project Applicant	
Mitigation Measures	the project applicants shall immediately stop work in the vicinity of the suspected contaminant; remove workers and the public from the area; notify the County of Santa Cruz Planning Department or the City of Watsonville Community Development Department; secure the area as directed by the Project Engineer; and notify the Hazardous Waste/Materials Coordinator. In the event that testing indicates the presence of hazardous materials beyond acceptable thresholds, a work plan shall be prepared in order to remediate the soil in accordance with all applicable federal, state, and local regulations prior to issuance of a grading permit.	MM 3.7-9: Prior to issuance of a grading permit for future development within the <u>County Entitlements Area</u> planning area on APNs 019-226-43, 019-226-44, 019-236-01, 048-231-01, 048-211-25, 019-226-42, and 048-221-09, 048-231-17, 048-231-18, and 048-231-19, 048-231-09, 048-231-17, 048-231-18, and 048-231-08 during Phase 1 and 048-231-15, 019-226-42, and 048-231-14, 048-231-04, 0412 in order to adequately test the surface soil and subsurface soil for pesticide residues in accordance with the Department of Toxic Substances and Control (DTSC) and CalEPA Guidance Manual Interim Guidance for Sampling Agricultural Fields for School Sites, Second Revision (DTSC and CalEPA 2004) to provide a uniform approach for evaluating former agricultural Proval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of Watsonville and County of Santa Curz. Soil sampling and testing program shall be subject to review and approval by the City of the planning area adjacent to the former agricultural areas of the planning a	
Environmental Impacts	petroleum hydrocarbons into the soil and groundwater. Should the contamination migrate towards the planning area it may contaminate the groundwater. This is considered a potentially significant impact.	Impact 3.7-9: The planning area has historically been used for agricultural purposes for several decades and may contain pesticide residues on the soil. Pesticide residucs within the planning area may pose a significant long- term chronic health threat to human health and the environment for proposed residential uses within the planning area. This is considered a potentially significant impact.	
Phase/APN ¹	048-231-01 048-231-17 048-231-19 048-251-09 048-251-09 048-251-09 048-211-25 019-226-43 019-226-43 019-226-43 019-236-01	All-Phases Ia and 1b/Remainder 019-226-44 019-226-44 019-226-44 048-231-17 048-231-18 048-24 04	

In the event that subsequent testing indicates the presence of pesticide residues beyond acceptable thresholds, the potential health risks shall be evaluated and a work plan prepared in order to remediate the soil in accordance with all applicable federal, state, and local regulations. All subsequent testing and remediation activities are subject to review and approval by the County of Santa Cruz Environmental Health Department and the City of Watsonville prior to issuance of a grading permit. MM 3.7-10: Project applicants within all phases of the planning area shall file an overflight easement with the City of Watsonville to run with the title of the property as disclosure and notice in deeds at the time of transfer or sale of all properties within the planning area. The disclosure shall inform future property owners that their property is located in an airport approach zone and that the City of Watsonville has the right to
ning Project Applicant e form rport t to
regulate or prohibit light emissions, either direct or indirect which may interfere with pilot vision; regulate or prohibit release into the air any substances that would impair the visibility or otherwise interfere with the operation of aircraft including steam, dust, and smoke; and regulate or prohibit electrical emissions which would interfere with aircraft communication systems or navigational equipment. The easement shall run with the land until such time the Watsonville Municipal Airport is no longer in usc.
MM 3.8-1a: Future development within the CountyProject ApplicantCity of WatsonvilleEntitlements Area Phase-1 of the Atkinson planning area shall identify-with Tentative Map submittals, a detailed final drainage plan and analysis demonstrating maintenance of theProject ApplicantCity of Watsonville
predevelopment 2-year, 2-hour release rate and storage as well as the 5-year predevelopment release rate while providing storage volume for the post development 25-year storm designed to control the rate and volume of storm water runoff to pre-development conditions for a variety of storm event recurrences up to the 10-year storm consistent with the County of Santa Cruz performance standards or equivalent methods, and retaining the existing functions of storage, filtration, infiltration and evaporation of stormwater. The final drainage control plans

MITIGATION MONITORING AND REPORTING PROGRAM

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OGRAM evelopment	Timing of Compliance		Project Design and Construction
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N MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development	Party Responsible for Verifying Compliance		City of Watsonville and/or County of Santa Cruz
MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development	Party Responsible for Implementing		Project Applicant
MITIGATI	Mitigation Measures	shall include: detailed hydrologic modeling, existing facilities, soil and topographic data; erosion control and best management practices; descriptions of proposed flood control facilities; Low Impact Development (LID) techniques; compliance with waste discharge requirements; phasing and implementation; identification of the entity that is responsible for facility design and construction; Clean Water Program compliance; and facility maintenance to ensure for long-term vegetation maintenance and access. As part of the final drainage plan, the culvert connecting the freshwater marsh to the temporary detention-basin shall be designed to reduce the potential for flooding of existing and fulture development by passing the 100-year peak spill rate and entrolling the surcharge elevation in the freshwater marsh/seasonal-wetland- All drainage improvements shall be subject to review and approval by the County of Santa Cruz Public Works Director and the City of Watsonville Public Works Director. County Public Works staff shall confirm that the <u>onsite</u> stormwater detention facilities have been constructed in accordance with approved plans.	MM 3.8 1b: Future development within Phase 2 of the planning area shall identify, with Tentative Map submittals, a detailed final drainage plan designed to control the rate and volume of stormwater runoff to pre development conditions for a variety of storm event recurrences up to the 25 year storm consistent with the conceptual stormwater plan in the proposed Specific Plan and PUD and the City of Watsonwille Stormwater Management Plan performance standards, or equivalent measures. The final drainage control plans shall include: detailed hydrologic modeling that takes into account the soil and topographic data: erosion control and best mangement practices; descriptions of proposed flood control facilities; Low impact Development (LID) techniques; compliance with waste discharge requirements; phasing and implementation;
	Environmental Impacts		Impact 3.8 1: Development of the proposed project would alter existing drainage putterns, increase impervious surfaces and increase surface water runoff, thus contributing to localized drainage, flooding and erosion problems within and/or in the vicinity of the planning area. This is considered a potentially significant impact.
	Phase/APN ¹	60	County Phase County Phase County Phase 048-231-01 048-231-17 048-231-17 048-231-17 048-231-09 048-231-09 048-231-09 048-231-09

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and construction; Clean Water Program compliance; and facility maintenance to ensure for long-term vegetation maintenance and

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access. All drainage improvements shall be subject to review

identification of the entity that is responsible for facility design

and approval by the City of Watsonville Public Works Director. Prior to final inspection, the project applicant (s) shall provide the City of Watsonville with certification from a registered Civil

Engineer or licensed contractor that the stormwater detention

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Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
		facilities have been constructed in accordance with approved plans.			
All Phases Ia and 1b/Remainder 048-231-01 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 048-231-17 019-226-43 019-226-44 019-226-44	Impact 3.8-2: Soil disturbance associated with site preparation, grading and construction activities resulting from the proposed project may cause soil erosion and sedimentation, and/or the release of other pollutants into adjacent waterways, including Corralitos Creek. This is considered a potentially significant impact.	 MM 3.8-2: In order to comply with the National Pollution Discharge Elimination System (NPDES), requirements for construction of site storm water discharges, project applicants shall prepare and implement a Stormwater Pollution Prevention Plan (SWPP) if construction exceeds one acre or more within the planning area. The SWPPP shall specify how the discharger will protect water quality during construction activities subject to review and approval by the Coumy of Santa Cruz Planning Department or the City of Watsonville Community Development Department. These measures shall include but are not limited to the following: design and construction of cut and fill slopes in a manner that will minimize erosion; protection of exposed slope arcas; control of surface water flows over exposed soils; use of wetting or scaling agents or sedimentation ponds; limiting soil excavation in high winds; construction of beams and runoff diversion ditches; and use of scdiment traps, such as weed-free straw bales and/or straw waddles. In addition, project applicants shall implement the following measures during construction activities within the planning area; Stabilize and revegetate all areas of disturbed soil with appropriate native species. Monitor revegetation success and take remedial measures as necessary; When hay or straw is used in erosion control, ensure that it is weed free; ff possible, conduct work during low- or no-flow periods. 	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design and Construction
		 Inspect and clean all equipment of soil containing noxious or invasive weeds or fungus before arriving on site. If any imported fill material is necessary to bring to the site, present evidence certifying the material is void of any noxious or invasive species or pollutants. 			0798

MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development

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Phase/APN ¹	Environmental Impacts	Mitigation Mcasures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
All Phases <u>1a</u> and <u>1b/Remainder</u> 048 <u>231 17</u> 048 <u>231 17</u> 048 <u>231 18</u> 048 <u>251 09</u> 048 <u>251 09</u> 048 <u>251 09</u> 048 <u>251 09</u> 048 <u>251 09</u> 048 <u>251 09</u> 019 <u>226 43</u> 019 <u>226 44</u> 019 <u>226 44</u>	Impact 3.8-3: The proposed project would generate urban non-point contaminants, which may be carried in stormwater runoff from paved surfaces to downstream water bodics. This is considered a potentially significant impact.	Implementation of mitigation measures MM 3.8-1a and MM 3.8-1b -would require that future development prepare a detailed final drainage plan designed to control the rate and volume of stormwater runoff to pre-development conditions for a variety of storm event recurrences up to the 10-year storm event for Phase l <u>a & 1b/Remainder</u> (County site) and the 25-year storm event for buildout of the planning area consistent with the conceptual stormwater plan in the proposed Specific Plan.	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design and Construction
All Phases Ia and 1b/Remainder 048-231-01 048-231-17 048-231-19 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 019-226-43 019-226-44 019-226-44	All-Phases 1a Impact 3.8-4: Implementation of the proposed and Ib/Remainder noise 1a project would increase impervious surfaces and increase surface water runoff, which may contribute to localized flooding in the vicinity of the planning area. This is considered a potentially significant impact. 048-231-04 potentially significant impact. 048-231-12 potentially significant impact. 048-221-09 potentially significant impact. 019-226-43 potentially significant impact. 019-226-43 potentially significant impact.	As required by mitigation measures-MM 3.8-1a and MM 3.8 . H _b , the proposed <u>modified</u> project is anticipated to contain stormwater runoff within the planning area, would not increase stormwater runoff over existing conditions and therefore would not result in flooding within the planning area or in the vicinity of the planning area.	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design and Construction
County Phase	Impact 3.9-3: Development of the proposed project could create land use compatibility conflicts with surrounding uses, which is considered a potentially significant impact.	Mitigation measures MM 3.2 1 and MM 3.2-2 <u>a</u> in Section 3.2, Agricultural Resources require incorporation of a <u>n</u> 200-foot buffer on the eastern portion of the planning area adjacent to existing a prioring the planning of the planning set and an anti-	Project Applicant	City of Watsonville and/or County of Santa Cruz	Project Design

MITIGATION MONITORING AND REPORTING PROGRAM

MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development

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Party Responsible Timing of for Verifying Compliance			f Santa Construction	City of Watsonville Construction 0080
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Mitigation Measures for I	interim-agricultural buffer within Phase I <u>b/Remainder</u> (County site) that is consistent with the proposed PUD Amendment/Modifications to the Approvals. It will also be subject to review and approval, with appropriate conditions regarding agricultural buffer design, by the County of Santa Cruz Planning Department and Agricultural Policy Advisory Commission. In addition the mitigation measures ensure that future residents are notified of potential agricultural/urban conflicts.		 MM 3.10-1a: To minimize impacts associated with short-term construction noise, the County of Santa Cruz Planning Department shall ensure that project applicants incorporate the following noise control measures into construction contracts for future development within County Phases 1 and 2 of the proposed <u>modified</u> project in accordance with Policy 6.9.7 <i>County of Santa Cruz General Plan</i>: Limit construction that involves motorized equipment to Monday through Friday from 7:30 am to 4:30 pm to avoid the times of day and the days of the week when noise effects would cause the greatest annoyance to residents and to those using the area for recreation; Allow exceptions to the specified construction hours only for construction employed modified projected noise problems. A single disturbance coordinator shall be areal to register complaints about construction-related noise problems. A single disturbance coordinator shall be resolved within 24 hours of registering the complaint. 	the all se- ccur
Environmental Impacts	However, with implementation of mitigation measures, this impact would be reduced to a less than significant level,		Impact 3.10-1: The proposed project could result in construction-related noise that would exceed applicable noise standards at nearby noise sensitive land uses. This is considered a potentially significant impact.	Impact 3.10-1: The proposed project could result in construction-related noise that would exceed applicable noise standards at nearby noise sensitive land uses. This is considered a potentially significant impact.
Phase/APN ¹	048 231 01 048 231 17 048 231 18 048 231 18 048 251 09 048-221-09	3.10 Noise	County Phase 1 <u>a. &</u> 2 2 048-211-25 048-221-09 048-221-09	City Phase 1 <u>a</u> City Phase 1 <u>a</u> Copus 231 01 Copus 231 17 Copus 231 18 Copus 231 18 Copus 251 09

			for the Atkinson Lane Specific Plan and Planned Unit Development	for the Atkinson Lane Specific Plan and Planned Unit Development	red Unit Development
Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
019-226-42 019-226-43 019-226-44 019-236-01		 on legal holidays. Equipment maintenance and servicing shall be confined to the same restrictions; Construction noise reduction methods such as shutting off idling equipment, installing temporary accoustic barriers around stationary construction noise sources, maximizing the distance between construction equipment staging areas and occupied residential areas, and use of electric air compressors and similar power tools, rather than diesel equipment, shall be used where feasible; During construction, stationary construction equipment shall be placed such that emitted noise is directed away from sensitive noise receptors; Operate earthmoving equipment on the construction site, as far away as practical from noise sensitive receptors; Operate carthmoving equipment on the construction site, as far away from vibration sensitive sites as possible; and Post construction hours, allowable workdays, and the phone number of the job superintendent at all construction site, as entrances to allow for surrounding owners and residents to contact the job superintendent shall investigate, take appropriate corrective actions, and report the action taken to the reporting party. 			
3.11 Popula	3.11 Population and Housing				
All Phases	No significant impacts.	No mitigation measures required.	Not applicable	Not applicable	Not applicable
3.12 Public	3.12 Public Services, Utilities, and Recreation				
Att-Phases Ia and b/Remainder b/Remainder b/R 231-01 b/R 231-17 b/R 231-17 b/R 231-09 b/R 251-09 b/R 251-09 b/R 251-09	Impact 3.12-1: The proposed project would is <u>estimated to</u> generate approximately 4,679829 people, which would subsequently increase the demand for fire protection services within the planning area. Future development within the planning area would be required to pay applicable fire impact fees at the time of issuance of the building permits. Future development will also be subject to a requirement to incorporate fire sprinklers into structures. If City and County impact fees <u>revenues</u> do not adequately fund fire protection	MRM 3.12-1: To fund a potential gap in funding for municipal services, if deemed necessary the City of Watsonville and the County of Santa Cruz shall work cooperatively to define and implement the appropriate funding mechanism(s) (e.g. a municipal services mitigation payment in lieu of taxes [P1LOT] agreement, establishment of a community facilities district [CFD], a Mello Roos, etc.) to ensure that the proposed modified project pays its fair share to support municipal services.	City of Watsonville and County of Santa Cruz	City of Watsonville and County of Santa Cruz	Prior to issuance of Building Permit 1080

7			Jor the Atkinson Lane Specific Plan and Planned Unit Development	pecific Plan and Plan	sed Unit Development
Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
019-226-42 019-226-43 019-226-44 019-236-01	facilities and services to the planning area this would be considered a potentially significant impact.			•	
All Phases <u>1a</u> and <u>1b/Remainder</u> 048-231-17 048-231-17 048-231-17 048-231-125 048-2311-25 048-2311-25 048-2311-25 049-226-42 019-226-43 019-226-43 019-236-01	Impact 3.12-2: The proposed project would generate approximately 1.679829 people, which would increase demand for law enforcement services. Future development within the planning area would be required to pay applicable police impact fees at the time of issuance of the building permits. If City and County impact fees do not adequately fund law enforcement <u>facilities and</u> service to the planning area, this would be considered a potentially significant impact.	Implementation of mitigation measure MRM 3.12-1 would ensure that funding of additional law enforcement services would be handled through a funding mechanism between the City and the County to ensure that the proposed modified project pays its "fair share" of funding in order to provide three additional sworn officers and one eivilian staff member at the City of Watsonville Police Department in order to serve the planning area under project buildout.	City of Watsonville and County of Santa Cruz	City of Watsonville and County of Santa Cruz	Prior to Issuance of a Building Permit
All-Phases <u>1a</u> and <u>1b/Remainder</u> 048-231-17 048-231-17 048-231-17 048-231-10	Impact 3.12-4: The proposed project would increase a demand for parks in the area that is currently considered underserved. However, the proposed project would provide an additional 3.5 acre park adjacent to Crestview Park, and payment of applicable fees for parks and recreational uses. If City and County impact fees do not adequately <u>fund</u> park and recreation <u>facilities and</u> services <u>capability</u> , this would be considered a potentially significant	Implementation of mitigation measure MKM 3.12-1 would be handled through a funding mechanism between the City and the County to ensure that the proposed <u>modified</u> project pays its "fair share" of funding in order to meet acceptable thresholds, including the projects "fair share" of funding parks and recreation facilities with buildout of the proposed_project.	City of Watsonville and County of Santa Cruz	City of Watsonville and County of Santa Cruz	Prior to Issuance of a Building Permit

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B048-221-09 **B**048-221-09 **B**048-211-25 **B**048-211-25 **B**048-211-25 **B**049-226-42 **B**049-226-44 **B**049-226-44 **B**049-226-44 B

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Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying	Timing of Compliance
All-Phases <u>1a</u> and		Implementation of mitigation measure <u>MRM</u> 3.12-1 would be handled through a funding mechanism between the City and the	City of Watsonville and County of Santa	Compliance City of Watsonville and County of Santa	Prior to Issuance of a Building Permit
10///semainder 048-231-01 048-231-17 048-231-18 048-221-09	would increase demand for fibrary services. The proposed project would result in an increase in expenditures as a result of increased service level demands. If City impact fees do not adequately fund library <u>facilities and</u> service <u>capability</u> , this would be considered a potentially significant impact.	County to ensure that the proposed modified project pays its "fair share" of funding for library facilities with buildout of the proposed project.	Cruz	Cruz	
048-251-09 048-211-25					
019-226-42 019-226-43					
019-226-44 019-236-01					
00 All-Phases <u>1a</u> and 1b/Remainder 048 <u>231 01</u> 048 <u>231 17</u> 048 <u>231 17</u>	Impact 3.12-8: Implementation of the proposed project would result in construction of on-site water infrastructure in order to serve the proposed project. If City and County impact fies do not adequately fund water infrastructure improvements, this is considered a potentially significant impact.	Future development within the planning area would be required to pay applicable development impact fees at the time of issuance of the building permits. The County and the City will enter into an agreement to fund infrastructure costs for the proposed <u>modified</u> project not covered by City or County impact fees and taxes. Funding of additional services would be handled through levies on future development in order to meet acceptable thresholds as required by mitigation measure MRM	City of Watsonville and County of Santa Cruz	City of Watsonville and County of Santa Cruz	Prior to Issuance of a Building Permit
048-221-09 04 <u>8-251-09</u> 048-211-25		3.12-1.			
019-226-43 019-226-43 0019-226-44 0019-236-01					0803
A H-Phases <u>1a</u> and D D/Remainder	Impact 3.12-9: The proposed project would require expansion of stormwater facilities on- site, the construction of which could cause significant environmental effects. Future development within the planning area would be	Implementation of mitigation measure MRM 3.12-1 would ensure that funding of additional services would be handled through levies paid by future development in order to meet acceptable thresholds, including the projects "fair share" of funding for stormwater infrastructure with buildout of the	City of Watsonville and County of Santa Cruz	City of Watsonville and County of Santa Cruz	Prior to Issuance of a Building Permit

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
048 231 01 048 231 17 048 231 18 048 251 -09 048 251 -09 048 211 -25 019 226 43 019 226 43 019 226 44	required to pay applicable impact fees at the time of issuance of the building permits. If City and County impact fees do not adequately fund stormwater infrastructure, this would be considered a potentially significant impact.	proposed project.			
3.13 Transp	3.13 Transportation and Circulation				
County Phases-1 & Phases-1 & Phase-2 & P	Impact 3.13-5: The proposed project would result in an increase in traffic at the East Lake Avenue (Highway 152)/Holohan Road intersection that would increase the volume to capacity ratio by more than one percent at an intersection that is currently operating at an unacceptable level of service (LOS E or F). In accordance with the County of Santa Cruz significance criteria, this is considered a potentially significant impact.	MM 3.13-5: Prior to occupancy of the proposed project, project applicants within the <u>County Entitlements Arca</u> phanning area shall pay their proportional fair share towards improving the eastbound approach on Holohan Road at the East Lake Avenue (Highway 152)/Holohan Road intersection to include a dedicated eastbound left-turn/through lane and a dedicated right-turn lane. The estimated cost of this improvement is \$1,225,100,4.5 million dollars. Phase Ia (MidPen Housing project) of the modified project would pay a fair share contribution of 0.40-percent of the estimated improvement to \$1,225,100,4.5 million dollars. Phase Ia (MidPen Housing project) of the modified project would pay a fair share contribution of 0.40-percent of the estimated improvement to \$1,325,100,4.5 million dollars. Phase Ia (MidPen Housing project) of the cstimated improvement to stimated improvement, project applicants within the remainder of the County Entitlements Area would pay an estimated 1.75 percent \$21,439) of the estimated improvement cost as its percent fair share contribution (see Table 3, 13-3). To fund this improvement, project applicants shall pay the Pajaro Valley Planning Area traffic impact fee to the County of Santa Cruz towards construction of this planned improvement in the County's Capital Improvement Program (CIP). Payment of impact fees to the County will cover the above fair share contribution levels as well as meet other impact fees purposes.	Project Applicant	County of Santa Cruz.	Prior to Occupancy of Project.
Att-Phases 1a and http://kemainder	Impact 3.13-6: The proposed project would result in an increase in traffic at the Highway 1 NB Ramps/Harkins Slough Road intersection that would increase the volume to capacity ratio by more than one percent at an intersection that	MM 3.13-6: Prior to occupancy of the proposed project, project applicants within the <u>County Entitlements Arca</u> planning area shall pay their proportional fair share towards installation of a traffic signal at the Highway 1 NB Ramps/Harkin Slough Road	Project Applicant	City of Watsonville and County of Santa Cruz	Prior to Issuance of Building Permits

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Timing of Compliance		Prior to Issuance of Building Permits 9080
Party Responsible for Verifying Compliance		City of Watsonville and County of Santa Cruz
Party Responsible for Implementing		Project Applicant
Mitigation Measures	intersections. This signal shall be coordinated/interconnected with the intersection of Harkins Slough Road/Green Valley Road due to the close spacing of these intersections and the potential overflow of queues and the new signal at the southbound ramp terminal. The estimated cost of this improvement is approximately \$424,700,520,000 dollars. <u>Phase</u> Ja (MidPen Housing project) of the modified The proposed project would shalt pay a fair share contribution of <u>0182-366</u> prevelopments within the remainder of the County Entitlements <u>Area would pay an estimated of the County Entitlements</u> <u>Area would pay an estimated 0.66 percent (\$2,803) of the estimated improvement cost as its percent fair share contribution</u> which is \$12,272 (see Table 3.13-3). The fair share contribution is calculated as the project portion of all future traffic that would be added to the intersection for both peak hours. To fund this improvement, project applicants shall pay applicable traffic impact fees to the City of Watsonville is updating their fee program and fee ordinance fees to the City and County will cover these fair share contribution levels as well as meet other impact fee purposes. The City of Watsonville is updating their fee program mad fee ordinance and will adopt the program prior to implementation of the first phase of the program prior to improvements to this intersection.	MM 3.13-7: Prior to occupancy of the proposed project, project applicants within the planning area shall pay their proportional fair share towards installation of a second through and right-turn lane on the Airport Boulevard approach from Highway 1 and a second left-turn lane on Freedom Boulevard at the Airport Boulevard/Freedom Boulevard intersection. The receiving leg on Airport Boulevard shall be widened in order to accommodate the additional through-lanes. The estimated cost of these improvements is approximately \$855,100,4,047,000 dollars. Phase 1 a of the modified project would pay a fair share contribution of 0.987-57 percent (\$8.380) of the estimated improvement cost, which is \$79,257 while developments within the remainder of the County Entitlements Area Phase - th-would pay an estimated 3.50 percent (\$29,929) of the estimated improvement cost at the- fair share contribution is calculated as the project portion of all future
Environmental Impacts	is currently operating at an unaccoptable level of service (LOS E or F). In accordance with the County of Santa Cruz significance criteria, this is considered a potentially significant impact.	Impact 3.13-7: The proposed project would increase the volume/capacity ratio by more than one percent during both the AM and PM peak hours at the Airport Boulevard/Freedom Boulevard intersection, which is currently operating at unacceptable levels of service (LOS E of F). In accordance with the County of Santa Cruz significance criteria, this would be considered a potentially significant impact.
Phase/APN ¹	048 231 01 048 231 17 048 231 18 048 231 18 048 251 09 048 251 09 019 226 43 019 226 43 019 226 43 019 226 43 019 226 43 019 226 43	All-Phases <u>1a</u> and <u>1b/Remainder</u> 048 <u>231 01</u> 048 <u>231 17</u> 048 <u>231 18</u> 048 231 18 048 231 18 048 251 09 019 226 43 019 226 43

MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development 35 of 39

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MITIGATION MONITORING AND REPORTING PROGRAM	for

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Phase/APN ¹ 019-236-01	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying Compliance	Timing of Compliance
5		tratric that would be added to the intersection for both peak hours. The City of Watsonville is updating their fee program and fee ordinance and will adopt the propertun prior to implementation of the first phase of the proposed project. To fund this improvement, project applicants shall pay applicable traffic impact fees to the City of Watsonville towards construction of this improvement prior to tesuance of building permits. Payment of traffic impact fees to the City (20 units) and to the County (26 units) will cover these fair share contribution levels as well as meet other impact fee purposes.	-		
All-Phases <u>1a</u> and 1b/Remainder 048-231-01 048-231-01 048-231-17 048-231-09 048-231-18 019-226-42 019-226-43 019-226-43 019-226-43	Impact 3.13-8: The proposed project would result in an increase in traffic at the Highway 1 NB Ramps/Larkin Valley Road intersection that would increase the volume to capacity ratio by more than one percent, which is currently operating at an unacceptable level of service. In accordance with the County of Santa Cruz significance criteria, this is considered a potentially significant impact.		Project Applicant	City of Watsonville and County of Santa Cruz	Prior to Occupancy of Project
		County. The City of Watsonville is updating their fee program and will adopt the program prior to implementation of the first phase of the proposed project. The City of Watsonville shall coordinate with Caltrans and prepare a Project Study Report for improvements to this intersection.		м — — — — — <u>— — — — — — — — — — — — — —</u>	0806

ND REPORTING PROGRAM	for the Atkinson Lane Specific Plan and Planned Unit Development
MITIGATION MONITORING AND REPORTING PROGRAM	for the Atkinson Lane Spec

for the Atkinson Lane Specific Plan and Planned Unit Development	ible Timing of g Compliance e	lie Prior to Occupancy inta of Project	lle Prior to Occupancy mta of Project	He Prior to Occupancy inta of Project 2080
Specific Plan and	Party Responsible for Verifying Compliance	City of Watsonville and County of Santa Cruz	City of Watsonvills and County of Santa C ruz	City of Watsonville and County of Santa Gruz.
for the Atkinson Lane	Party Responsible for Implementing	Project Applicant	Project Applicant	Project Applicant
	Mitigation Measures	MM 3.13-11a: The first project applicant on APNs <u>019-236-01</u> and 048-221-09 (Lamb propertics), 048-251-09, 048-231-17-or 048-231-18, shall design, fund and implement the southbound left-turn pocket from Freedom Boulevard to Crestview Drive <u>10</u> lengthen the pocket by at least <u>2550-fect</u> . The existing storage length is 150 feet and the SimTraffic analysis indicated a <u>95%</u> queue <u>of 175 feet</u> . The estimated cost of this improvement is <u>\$16,300</u> 20,000 and shall be funded by the first applicant for development on APN 048-221-09 (Lamb) within the planning area. This improvement shall be <u>either</u> installed <u>by the first</u> applicant prior to occupancy of any portion of these parcels <u>or</u> satisfied through a payment of that amount directly to the <u>City</u> of Watsonville. A cost share agreement will be developed by both the <u>City</u> and the <u>County</u> to ensure that these improvements are fully implemented.	MM 3.13 11bt All project applicants shall contribute their-fair share toward the installation of traffic improvements in MM3.13-11a through the collection of T1A fees and/or any other fees through the cost sharing agreement.	MM 3.13 12ar Prior to occupancy of any project on APNs 048- 211-25, 019-226 42, 019-226 44, or 019-236 01, or 048-231 01, project applicants shall develop and implement a traffic calming plan on: -1) Atkinson Lane, east of Freedom Boulevard, and 2) Gardner Avenue, east of Freedom Boulevard, along the streets that are affected by the proposed project. The estimated cost of this improvement is \$200,000. A cost share agreement will be developed by both the City and the County to ensure that these improvements are fully implemented.
	Environmental Impacts	Impact 3.13-11: The left-turn pocket from Freedom Boulevard onto Crestview Avenue would increase substantially with implementation of the proposed project and create an operational deficiency. Therefore, this is considered potentially significant impact.	Impact 3.13 11: The left turn pocket from Freedom Boulevard onto Crestview Avenue would increase substantially with implementation of the proposed project and create an operational deficiency. Therefore, this is considered potentially significant impact.	Impact 3.13-12: The proposed project would result in an increase in traffic that would be experienced by the neighbors on Brewington Avenue, north of Crestview Drive; Gardener Avenue, east of Freedom Boulevard; and Atkinson Lane, east of Freedom Boulevard. The addition of the project traffic could result in increased hazards on these neighborhood streets, which is considered a potentially
	Phase/APN ¹	All-Phases <u>1a</u> and 1b/Remainder 048-231-17 048-231-09 048-251-09 048-251-09 019-236-01	All Phases 048-231-01 048-231-17 048-231-17 048-231-18 048-231-09 048-231-09 048-231-09 048-231-09 048-231-09 019-226-43 019-226-44	Contraction 226 43

Phase/APN ¹	Environmental Impacts	Mitigation Measures	Party Responsible for Implementing	Party Responsible for Verifying	Timing of Compliance
019-236-01	significant impact.			Compliance	
All-Phases <u>1a</u> <u>and</u> <u>1b/Remainder</u> 048-251-09 048-231-17 048-231-17 048-231-18	Impact 3.13-12: The proposed project would result in an increase in traffic that would be experienced by the neighbors on Brewington Avenue north of Crestview Drive ; Gardener Avenue <u>, east of Freedom Bouleward</u> . Atkinson Lane, east of Freedom Bouleward. The addition of the project traffic could result in increased hazards on these neighborhood streets, which is considered a potentially significant impact.	MM 3.13-12b: Prior to occupancy of any preject <u>development</u> on APNs 048-221-09 <u>and 019-236-01 (Lamb)</u> , 048-251-09, 048- 231-17, or 048-231-18, project applicants shall develop and implement a traffic calming plan on Brewington Avenue north of Crestview Drive; along the streets that are affected by the proposed project. The estimated cost of this improvement is \$130,700 460,000. A cost share agreement will be developed by both the City and the County to ensure that these improvements are fully implemented. This improvement shall be installed by the first applicant prior to final occupancy of any portion of these parcels. or satisfied through payment of that amount directly to the City of Watsonville under an approach that may involve a reimbursement agreement, as other future development on the Lamb property may be required to pay their fair shares and reimburse the first applicant.	Project Applicant	City of Watsonvillc and County of Santa Cruz	Prior to Occupancy of Project
4 Green	3.14 Greenhouse Gas Emissions				
<u>Phase 1a and</u> <u>1b/Remainder</u>	No significant impacts.	No mitigation measures required.	Not applicable	Not applicable	Not applicable
4.0 CEQA	Considerations				
Phase 1b/ Remainder Gity-Phase 2 048-231-17 048-231-17 048-231-18 048-231-19 048-231-09 048-251-09	Impact 4-1: Under cumulative conditions, the volume to capacity ratio at the East Lake Avenue/Wagner Avenue intersection would increase by more than one percent; and therefore, the proposed project would result in a cumulative impact to this intersection, which is considered a potentially significant cumulative impact.	MM 4-1: Project applicants within the <u>County Entitlements</u> Area planning area shall pay their proportionate fair share of \$81,250 towards installation of a traffic signal at the East Lake Avenue/Wagner Avenue intersection prior to occupancy of <u>any</u> development within the proposed modified project <u>area</u> . This obligation will be met through payment of impact fees to the City of Watsonville by the units located on City parcels (i.e., 20 units in Phase 1a), and a portion of the County's impact fees received by the County (\$664 per unit) shall be paid to the City by the County for a total of \$132,700 towards the installation of the signal. The estimated cost of this improvement is \$265,400 325,000. The City of Watsonville is updating their fee program and fee ordinance and will adopt the program prior to issuance of a building permit. The City of Watsonville plans to install a signal at the intersection of East Lake Avenue and Wagner Avenue. The City of Watsonville shall coordinate with Caltrans to approve design and installation of the signal.	Project Applicant	City of Watsonville	Prior to Occupancy of Project 8080

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G PROGRAM	Timing of Compliance	Prior to Occupaney of Project	Prior to Occupancy of Project
MITIGATION MONITORING AND REPORTING PROGRAM for the Atkinson Lane Specific Plan and Planned Unit Development	Party Responsible for Verifying Compliance	e th	City of Watsonville P and County of Santa o Cruz
ON MONITORING for the Atkinson Lane S	Party Responsible for Implementing	Project Applicant	Project Applicant
MITIGATIC	Mitigation Measures	MM 4.21. Project applicants within the planning area shall pay their proportionate fair share contribution towards a traffic calming plan on Brewington Avenue south of Crestview Drive, which is updating its impact fee program. The estimated cost of this improvement is \$500,000. A cost share program will be developed by both the City and the County to ensure these improvements are fully implemented.	MM 4-3: The City's groundwater impact fee program <u>Shall</u> <u>apply to all future development within the County Entitlements</u> <u>Area. In addition, future development shall be required to for</u> the project area shall be modified to ensure that project water demand is fully offset (at a ratio of 1.2:1) either by comparing pre-development water demand to post development water demand or by participating in a water offset program with fixture and landscaping replacements in the City's water service area or, a combination of both. The project applicants shall be responsible for working with the City, or their designee, in developing an offset program that achieves the water saving objectives and shall bear the costs associated with the offset program including any additional replacement of plumbing fixtures and landscaping retrofits identified in the City water service area to meet the stated goals. Pre-development water demand shall be accounted for on a per parcel basis.
	Environmental Impacts	Impact 4-2: The proposed project would contribute to a significant cumulative impact to hazardous conditions on Brewington Avenue south of Crestview Drive as a result of increased traffic from the proposed project.	Impact 4-3: The proposed project in combination with reasonably foreseeable future growth would result in an incremental increase of water use that would continue to contribute to depletion of water supply within the Pajaro Valley Groundwater Basin, which is currently in overdraft condition.
	Phase/APN ¹	All Phases 048 231 01 048 231 17 048 231 18 048 221 09 048 211 25 019 226 43 019 226 44 019 226 44	All Phases <u>1b/</u> 048_231_01 048_231_17 048_231_17 048_231_18 048_231_19 048_251_09 048_251_09 048_211-25 019_226_43 019_226_43 019_226_43

- The specified Assessor Parcel Numbers are responsible for either triggering the specified Mitigation Measure and/or contributing their fair share contribution of impact fees. 19-236-01 3 0809

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5A: ATTACHMENT 6

Local Agency Formation Commission of Santa Cruz County Governmental Center 701 Ocean St. #318 D Santa Cruz CA 95060



TITLE: Extraterritorial Services Application for Pippin Phase II (APN 048-221-09)

INDEMNIFICATION AND DEFENSE

The undersigned applicant for the above-referenced application ("Applicant"), as a condition of submission of this application, approval of the application and any subsequent amendment of the approval which is requested by the Applicant, hereby agrees to defend, using counsel reasonably acceptable to the LOCAL AGENCY FORMATION COMMISSION, indemnify, and hold harmless the LOCAL AGENCY FORMATION COMMISSION, its officers, employees, and agents, from and against any claim, demand, damages, costs or liability of any kind (including attorneys' fees) against the LOCAL AGENCY FORMATION COMMISSION arising from or relating to this application or any approval or subsequent amendment to the approval thereof, subject to the conditions set forth below.

A) Notification and Cooperation

- 1) The LOCAL AGENCY FORMATION COMMISSION shall notify the Applicant of any claim, action, or proceeding against which the LOCAL AGENCY FORMATION COMMISSION seeks to be defended, indemnified, or held harmless.
- 2) The LOCAL AGENCY FORMATION COMMISSION shall reasonably cooperate in such defense.

B) Fees and Costs:

Nothing contained herein shall prohibit the LOCAL AGENCY FORMATION COMMISSION from participating in the defense of any claim, action, or proceeding if either of the following occur:

1) The LOCAL AGENCY FORMATION COMMISSION bears its own attorneys' fees and costs;

OR

- 2) The LOCAL AGENCY FORMATION COMMISSION and the Applicant agree in writing to the Applicant paying part or all of the Commission's attorneys' fees and costs.
- C) <u>Settlement:</u>
 - 1) When representing the LOCAL AGENCY FORMATION COMMISSION, the Applicant shall not enter into any stipulation or settlement modifying or affecting the interpretation or validity of any of the terms or conditions of the approval without the prior written consent of the LOCAL AGENCY FORMATION COMMISSION.
- D) Successors Bound:

The obligations of the Applicant under this Indemnity and Defense agreement are specifically associated with and shall run with the land that is the subject of the application and/or approval and shall be binding upon the applicant and the successor(s) in interest, transferec(s), and assign(s) of the applicant in the land.

E) <u>Recordation:</u>

At any time after submission of the application, the LOCAL AGENCY FORMATION COMMISSION may, at its sole option, record in the office of the Santa Cruz County Recorder a memorandum of agreement which incorporates the provisions of this condition, or this approval shall become null and void.

(Signature of LAFCO Executive Officer)

Joe A. Serrano (Printed Name)

(Date)

(Signature of Applicant)

Luis Preciado (Printed Name)

02/02/2021 (Date)

Revised 2-7-20

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LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY RESOLUTION NO. 2021-05

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION APPROVING THE ATKINSON LANE / BREWINGTON AVENUE EXTRATERRITORIAL SERVICE AGREEMENT WITH THE CITY OF WATSONVILLE (LAFCO PROJECT NO. ESA 21-04)

WHEREAS, an application for an extraterritorial service agreement involving a single parcel (APN 048-221-09) (the "proposal") was submitted and accepted for filing by the Executive Officer of this Local Agency Formation Commission ("LAFCO" or "Commission"); and

WHEREAS, the proposal area is outside the City of Watsonville's ("City") jurisdictional boundary, within the City's sphere of influence, and located north of Paloma Way, east of Freedom Boulevard, south of Atkinson Lane, and west of Holohan Road and Highway 152, as shown in Exhibit A; and

WHEREAS, in accordance with Government Code Section 56133(b), the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization; and

WHEREAS, the City determined that it has adequate supply and capacity to provide water and sewer services to the single parcel for the proposed development of an 80-unit affordable housing project; and

WHEREAS, the Executive Officer determined there are no alternate service providers of water and sewer service near the subject territory; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56133(b) and the Commission's Extraterritorial Services Policy, determined that the proposal met the statutory requirements and set March 3, 2021, as the hearing date on this proposal and provided public notice as required by law; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, this Commission, on March 3, 2021, heard from interested parties and considered the proposal and the report of the Executive Officer, and considered the factors determined by the Commission to be relevant to this proposal.

NOW, THEREFORE, the Local Agency Formation Commission of Santa Cruz County does HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

<u>Section 1</u>. The foregoing recitals are true and correct.

<u>Section 2.</u> Compliance with the California Environmental Quality Act (CEQA) has been met by a final environmental impact report ("EIR") pursuant to State CEQA Guidelines Section 21002.1. The proposed affording housing development was subject to the Final EIR for Atkinson Lane Specific Plan and P.U.D certified by the County Board of Supervisors in June 2009 and later amended in April 2014. The Board of Supervisors certified the EIR Addendum in May 2014. These environmental documents included reference to LAFCO's required approval process. The Commission, as a responsible agency, will refer to the environmental findings found in the Final EIR.

<u>Section 3.</u> The Commission considered the requirements set forth for extraterritorial services in the Cortese-Knox-Hertzberg Act, Government Code Section 56133, and found the proposal to be consistent with those requirements as outlined below:

a) <u>Services by Contract Outside City Boundaries</u>: Government Code Section 56133(b) allows the Commission to authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization. An application for an extraterritorial service agreement was submitted to LAFCO on February 3, 2021 with the anticipation of an annexation application being submitted within one (1) year of final occupancy of the entire development located in the subject area.

<u>Section 4.</u> The Commission determined that the proposal is consistent with the Policies and Procedures Relating to Extraterritorial Services as outlined below:

- a) <u>Agency Endorsement</u>: The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The City of Watsonville submitted a Will-Serve Letter expressing support on February 3, 2021, as shown in Exhibit B.
- b) <u>Fee Deposit:</u> The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The landowner, as the applicant, submitted a fee deposit of \$950 as part of the application packet.
- c) <u>Commission Hearing</u>: The Commission shall consider the request after it has been placed on an agenda of a Commission meeting. After deeming the proposal complete, the Executive Officer advertised the proposal in the Santa Cruz Sentinel newspaper on February 9, 2021, and scheduled the proposal for Commission consideration on March 3, 2021.

<u>Section 5.</u> The Commission determined that the proposal is outside the City's jurisdictional boundary but within the City's sphere of influence. In accordance to Government Code Section 56133(b), the Commission will authorize the City of Watsonville to provide water and sewer service to the subject area with the condition that an application to annex the subject area into the City of Watsonville will be required within one (1) year of final occupancy of the entire development.

<u>Section 6.</u> The applicant shall agree, as a condition of the approval of the application for an extraterritorial service agreement, to be bound by the LAFCO Indemnification and Defense Form signed on February 2, 2021.

<u>Section 7.</u> The Certificate of Completion for the extraterritorial service agreement shall not be issued until all terms and conditions are met.

<u>Section 8.</u> The proposed extraterritorial service agreement shall be effective as of the date of recordation of the Certificate of Completion.

<u>Section 9.</u> The Commission shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration. If the Commission denies a request, a similar application cannot be refiled for one year unless the Commission grants an exception to this rule.

<u>Section 10.</u> The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Government Code Section 56882.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 3rd day of March 2021.

AYES:

NOES:

ABSENT:

JUSTIN CUMMINGS, CHAIRPERSON

Attest:

Joe A. Serrano Executive Officer

Approved as to form:

Daniel H. Zazueta LAFCO Counsel

EXHIBIT A

VICINITY MAP

EXHIBIT B

CITY OF WATSONVILLE'S WRITTEN CORRESPONDENCE REGARDING THE ABILITY TO PROVIDE WATER AND SEWER SERVICES



Santa Cruz Local Agency Formation Commission

Date:	March 3, 2021
To:	LAFCO Commissioners
From:	Joe Serrano, Executive Officer
Subject:	Service and Sphere Review for the City of Scotts Valley

SUMMARY OF RECOMMENDATION

LAFCO periodically performs municipal service reviews and sphere of influence updates for each agency subject to LAFCO's boundary regulations. As part of the Commission's Multi-Year Work Program, LAFCO staff has drafted a service and sphere review for the City of Scotts Valley ("City") and scheduled a public hearing.

It is recommended that the Commission take the following actions:

- Find, pursuant to Section 15061(b)(3) of the State CEQA Guidelines, that LAFCO determined that the sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;
- 2. Determine, pursuant to Government Code Section 56425, that LAFCO is required to develop and determine a sphere of influence for the City of Scotts Valley, and review and update, as necessary;
- 3. Determine, pursuant to Government Code Section 56430, that LAFCO is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
- 4. Adopt LAFCO Resolution (No. 2021-05) approving the 2021 Service and Sphere of Influence Review for the City of Scotts Valley with the following conditions:
 - a. Reaffirm the City's current sphere of influence;
 - b. Coordinate with the City, Scotts Valley Water District, and San Lorenzo Valley Water District to determine whether there is a more efficient way to provide water service to the Scotts Valley community beyond the status quo;
 - c. Coordinate with the City and the County to determine whether unincorporated communities adjacent to Scotts Valley should be located in only one Supervisorial district; and
 - d. Direct the Executive Officer to distribute a copy of this adopted service and sphere review to the City of Scotts Valley, Scotts Valley Water District, San Lorenzo Valley Water District, the Board of Supervisors and any other interested or affected parties identified in the service review.

EXECUTIVE OFFICER'S REPORT:

State law requires LAFCO to periodically review and update the services and spheres of all cities and special districts. In accordance with the Commission's adopted Multi-Year Work Program, LAFCO staff has prepared a service and sphere review for the City of Scotts Valley (refer to **Attachment 1**). Key findings and recommendations are presented in the Executive Summary. The report also includes an analysis of the City's ongoing operations, current financial performance, existing governance structure, ability to provide services, and its importance within its jurisdictional area. The service review concludes with determinations required by State law. This staff report summarizes the service review's findings, as shown below.

Purpose & Key Findings

The goal of this analysis is to accomplish the Commission's direction to complete a service review for the City under the Multi-Year Work Program and fulfill the service and sphere determinations under the Cortese-Knox-Hertzberg Act. The following are the main conclusions of the report:

1. The City provides multiple services to an estimated 12,000 constituents.

Scotts Valley provides various types of municipal services, which can be categorized in two activities (Government and Business). Government activities include animal control, public safety, and public works. Business activities include recreation and wastewater services. In 2020, the City's population was estimated to be 12,145. LAFCO staff projects that the City's population will reach 12,418 by 2040.

2. The City is facing some financial constraints.

Scott Valley's financial performance has experienced a deficit in five of the last six years. The City is funded by business and government activities. Business activities are derived from wastewater and recreational services. Based on LAFCO staff's analysis, revenues from these business activities do not cover the annual costs. As a result, audited financial statements from 2014 to 2019 indicate that the City's net balance has been on a steady decline from \$39 million to \$26 million. As of June 30, 2020, the City was operating with a net position of approximately \$25 million.

3. The City has implemented a new rate structure for wastewater services.

Scotts Valley conducted a cost analysis in 2017 to determine the best method for addressing the financial gap between revenues and costs associated with its wastewater provisions. On average, total revenue has been around \$167,000 over the last five years; however, the average total expenditure is over \$408,000 during the same timeframe. Service rates have since been increased to ensure that total revenue cover annual costs. As a result, the City ended FY 2018-19 with a positive balance for the first time in four years.

4. The City is currently receiving water services from two special districts.

The Scotts Valley community currently receives water service from either the Scotts Valley Water District (SVWD) or the San Lorenzo Valley Water District (SLVWD). The majority of Scotts Valley residents receive water from SVWD. By having two water providers, the residents of Scotts Valley are subject to two different boards, policies, and water rates. It may be beneficial if the City, the two water districts, and LAFCO collaborate to determine the most efficient method of providing water service to the entire Scotts Valley community.

5. The City is currently within two supervisorial districts.

The Santa Cruz County Board of Supervisors consists of five Supervisors who are elected from one of five districts. Federal and State law requires the Board of Supervisors to adjust the boundaries of the five supervisorial districts every ten years to ensure that representation is equal among the districts. The last redistricting occurred in September 2011. At present, Supervisorial Districts No. 1 and No. 5 split the City of Scotts Valley. It may be beneficial for the City to coordinate with the County to see whether there are any benefits in redistricting the current boundaries to encompass the entire City in either District No. 1 or No. 5.

6. The City's sphere of influence is larger than its jurisdictional boundary.

Scotts Valley's original sphere boundary was established on October 16, 1985. At present, the current sphere goes beyond City limits and includes 11 unincorporated areas totaling 547 acres. The last sphere update occurred in November 2016. LAFCO staff is not recommending any changes to its existing sphere.

Environmental Review

LAFCO staff has conducted an environmental review for the draft service and sphere review in accordance with the California Environmental Quality Act (CEQA). Staff has determined that the service and sphere review is exempt because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, and the activity is not subject to CEQA (Section 15061[b][3]). A Notice of Exemption, as shown in **Attachment 2**, was recorded on February 9.

Agency Coordination and Public Notice

A hearing notice for this draft service review was published in the February 9th issue of the Santa Cruz Sentinel (Attachment 3). A draft copy of the report was shared with City representatives as an opportunity to review LAFCO staff's findings and provide feedback. In conclusion, staff is recommending that the Commission adopt the attached resolution (refer to Attachment 4) approving the service and sphere review.

Respectfully Submitted,

Joe A. Serrano

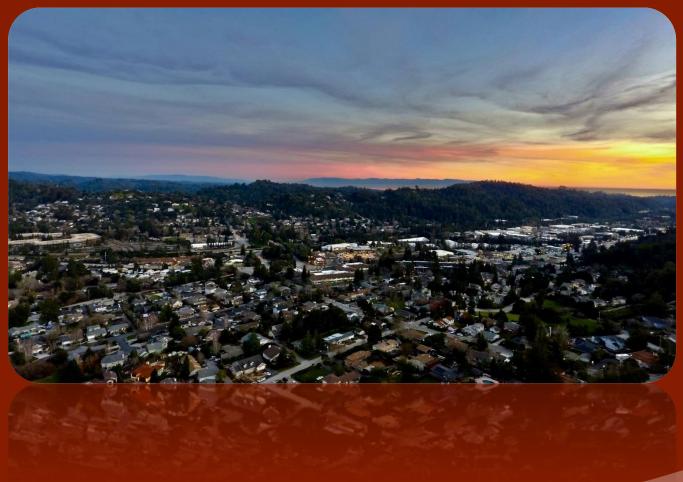
Executive Officer

Attachments:

- 1. Service and Sphere Review Administrative Draft
- 2. Environmental Determination Categorical Exemption
- 3. Public Hearing Notice
- 4. Draft Resolution No. 2021-06
- cc: Tina Friend, Scotts Valley City Manager Taylor Bateman, Scotts Valley Community Development Director Rick Rogers, San Lorenzo Valley Water District General Manager Piret Harmon, Scotts Valley Water District General Manager Supervisor Manu Koenig, Supervisorial District 1 Supervisor Bruce McPherson, Supervisorial District 5

City of Scotts Valley

Service and Sphere of Influence Review



Administrative Draft (March 3, 2021)

Local Agency Formation Commission of Santa Cruz County

701 Ocean Street, Room 318-D Santa Cruz, CA 95060 Website: www.santacruzlafco.org Phone: (831) 454-2055



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"City Drone Sunset" courtesy of Robert Aldana (Cover Page)	

- "Scotts Valley Fog" courtesy of Soaring Eagle Eyes, Paul Regan (Page 26)
- "Scotts Valley Aerial" courtesy of Soaring Eagle Eyes, Paul Regan (Page 28)
- "MacDorsa Park" courtesy of the City of Scotts Valley"

EXECUTIVE SUMMARY

Introduction

This Service and Sphere of Influence Review provides information about the services and boundaries of the City of Scotts Valley ("City"). This report will be used by the Local Agency Formation Commission to conduct a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that the Commission conduct periodic reviews and updates of Spheres of Influence for all cities and special districts in Santa Cruz County (Government Code section 56425). It also requires LAFCO to conduct a review of municipal services before adopting sphere updates (Government Code Section 56430). The City's last service review was adopted on November 2, 2016.

The municipal service review process does not require LAFCO to initiate changes of organization based on service review conclusions or findings; it only requires that LAFCO make determinations regarding the delivery of public services in accordance with the provisions of Government Code Section 56430. However, LAFCO, local agencies, and the public may subsequently use these determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence.

Service and sphere reviews are informational documents and are generally exempt from environmental review. LAFCO staff has conducted an environmental review of the City's existing sphere of influence pursuant to the California Environmental Quality Act (CEQA) and determined that this report is exempt from CEQA. Such exemption is due to the fact that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (Section 15061[b][3]).

City Overview

The City of Scotts Valley was incorporated in 1966 and operates as a general law city pursuant to the laws of the State of California. Scotts Valley's city limits encompasses approximately five square miles and has a population estimated at 12,000. An overview map, depicting the current jurisdictional and sphere boundaries, is shown as **Figure 1** on page 5. The City provides an array of services, including but not limited to, law enforcement, animal control, wastewater treatment, and stormwater management. A full review of all services are covered within this report.

Sphere of Influence

Santa Cruz LAFCO adopted the City's first sphere of influence on October 16, 1985. The current sphere includes areas outside the City's jurisdictional boundary. The last sphere update occurred in November 2016. LAFCO staff is recommending that the sphere boundary be reaffirmed, as shown in **Figure 11** on page 31.

Key Findings

The following are key findings of the 2021 Service and Sphere of Influence Review for the City of Scotts Valley:

1. The City provides multiple services to an estimated 12,000 constituents.

Scotts Valley provides various types of municipal services, which can be categorized in two activities (Government and Business). Government activities include animal control, public safety, and public works. Business activities include recreation and wastewater services. In 2020, the City's population was estimated to be 12,145. LAFCO staff projects that the City's population will reach 12,418 by 2040.

2. The City is facing some financial constraints.

Scott Valley's financial performance has experienced a deficit in five of the last six years. The City is funded by business and government activities. Business activities are derived from wastewater and recreational services. Based on LAFCO staff's analysis, revenues from these business activities do not cover the annual costs. As a result, audited financial statements from 2014 to 2019 indicate that the City's net balance has been on a steady decline from \$39 million to \$26 million. As of June 30, 2020, the City was operating with a net position of approximately \$25 million.

3. The City has implemented a new rate structure for wastewater services.

Scotts Valley conducted a cost analysis in 2017 to determine the best method for addressing the financial gap between revenues and costs associated with its wastewater provisions. On average, total revenue has been around \$167,000 over the last five years; however, the average total expenditure is over \$408,000 during the same timeframe. Service rates have since been increased to ensure that total revenue cover annual costs. As a result, the City ended FY 2018-19 with a positive balance for the first time in four years.

4. The City is currently receiving water services from two special districts.

The Scotts Valley community currently receives water service from either the Scotts Valley Water District (SVWD) or the San Lorenzo Valley Water District (SLVWD). The majority of Scotts Valley residents receive water from SVWD. By having two water providers, the residents of Scotts Valley are subject to two different boards, policies, and water rates. It may be beneficial if the City, the two water districts, and LAFCO collaborate to determine the most efficient method of providing water service to the entire Scotts Valley community.

5. The City is currently within two supervisorial districts.

The Santa Cruz County Board of Supervisors consists of five Supervisors who are elected from one of five districts. Federal and State law requires the Board of Supervisors to adjust the boundaries of the five supervisorial districts every ten years to ensure that representation is equal among the districts. The last redistricting occurred in September 2011. At present, Supervisorial Districts No. 1 and No. 5 split the City of Scotts Valley. It may be beneficial for the City to coordinate with the County to see whether there are any benefits in redistricting the current boundaries to encompass the entire City in either District No. 1 or No. 5.

6. The City's sphere of influence is larger than its jurisdictional boundary.

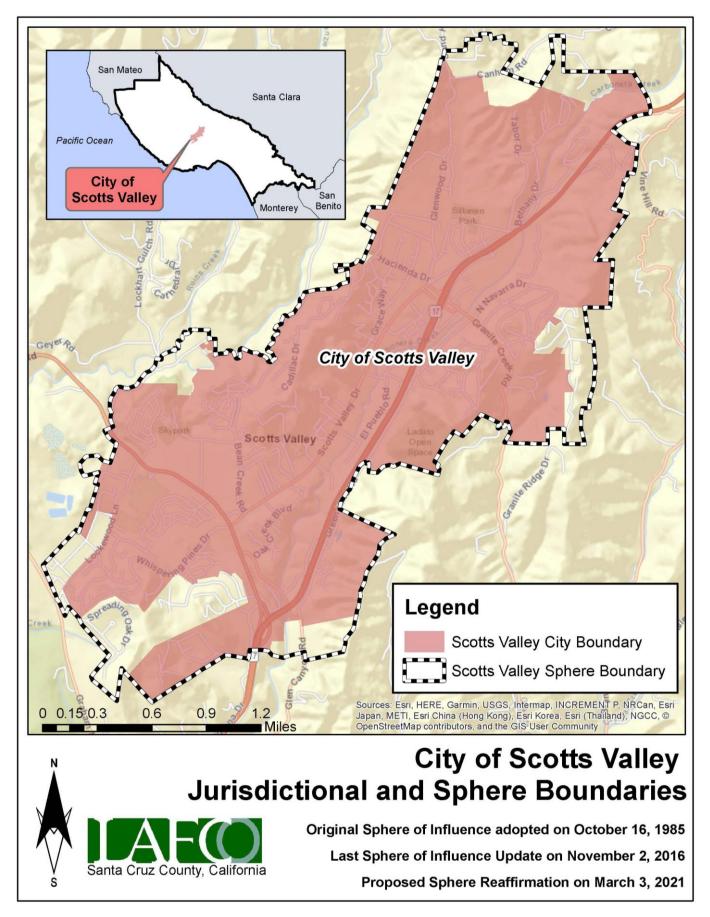
Scotts Valley's original sphere boundary was established on October 16, 1985. At present, the current sphere goes beyond City limits and includes 11 unincorporated areas totaling 547 acres. The last sphere update occurred in November 2016. LAFCO staff is not recommending any changes to its existing sphere.

Recommended Actions

Based on the analysis and findings in the 2021 Service and Sphere of Influence Review for the City of Scotts Valley, the Executive Officer recommends that the Commission:

- Find, pursuant to Section 15061(b)(3) of the State CEQA Guidelines, that LAFCO determined that the sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;
- 2. Determine, pursuant to Government Code Section 56425, that LAFCO is required to develop and determine a sphere of influence for the City of Scotts Valley, and review and update, as necessary;
- 3. Determine, pursuant to Government Code Section 56430, that LAFCO is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
- 4. Adopt LAFCO Resolution (No. 2021-06) approving the 2021 Service and Sphere of Influence Review for the City of Scotts Valley with the following conditions:
 - a. Reaffirm the City's current sphere of influence;
 - b. Coordinate with the City, Scotts Valley Water District, and San Lorenzo Valley Water District to determine whether there is a more efficient way to provide water service to the Scotts Valley community beyond the status quo;
 - c. Coordinate with the City and the County to determine whether unincorporated communities adjacent to Scotts Valley should be located in only one Supervisorial district; and
 - d. Direct the Executive Officer to distribute a copy of this adopted service and sphere review to the City of Scotts Valley, Scotts Valley Water District, San Lorenzo Valley Water District, the Board of Supervisors and any other interested or affected parties identified in the service review.

Figure 1: Vicinity Map



CITY OVERVIEW

History

Scotts Valley was incorporated as a city on August 2, 1966 and is currently a small community that encompasses an area of approximately five (5) square miles with a population of approximately 12,000. **Appendix A** provides a timeline of all the boundary changes approved by LAFCO since its inception. Scotts Valley is located in the center of Santa Cruz County and is six miles north of the City of Santa Cruz, as shown on page 5. The City operates under a council-manager form of municipal government and provides an array of municipal services.

Services & Operations

The City of Scotts Valley provides various types of municipal services which can be categorized in two activities (Government and Business). Government activities include animal control through a joint powers authority, public safety, planning and building, and public works. Business activities include recreation and wastewater services. At present, the City does not offer fire protection or water services. These two municipal services are provided by the Scotts Valley Fire Protection District and Scotts Valley Water District or San Lorenzo Valley Water District, respectively. The following provides a summary of Scotts Valley's government and business operations. The *Governance Chapter* of this report provides a breakdown of the number of full-time employees within each service and operation.

Animal Control

The City is a member of the Santa Cruz County Animal Shelter, a Joint Powers Authority (JPA) formed in June 2002 that includes the County and all four cities (Capitola, Santa Cruz, Scotts Valley, and Watsonville). The JPA provides a full range of services to the community and operates two shelters: one located on 7th Avenue in Santa Cruz County and one located on Airport Boulevard in Watsonville. The JPA is responsible for enforcing laws and codes involving animals within incorporated and unincorporated areas.

Public Safety (Police Protection)

The Police Department provides public safety for Scotts Valley through community partnerships, proactive law enforcement and professionalism. Under the Office of the Police Chief, the department is organized into two divisions: Operations and Services. Operations encompass uniformed patrol services, whereas the Services division is comprised of the Investigation Unit and Communications/Records. The department employs crime prevention strategies that include community awareness and education, proactive targeted enforcement of problem areas, and community oriented policing. Although services were scaled back during the COVID-19 pandemic, the department typically facilitates community outreach through daily interactions, a School Resource Officer assignment and teaching DARE in schools, police department tours, neighborhood watch programs, foot patrols, social media, and many other community outreach programs. The Police Department's workload remains consistent from year to year. These typical recurring activities are assumed in the baseline activities of the department. Forces that may impact the department's workplan include changes in laws and policies, new technology, work force levels, and personnel development. Table 1 on page 7 shows several goals outlined in the Police Department's workplan for FY 2020/21.

Table 1: Police Department Workplan (FY 2020-21)						
Goal/Project	Description					
1. Communications	The department maintains an independent PSAP (Public Safety Answering Point), or dispatch center. Often the first point of contact for individuals in crisis, our dispatchers triage priority and non-priority calls and dispatch officers accordingly.					
2. Community Outreach Programs	The department will continue its outreach into the community by partnering with other Scotts Valley organizations, offering crime prevention education, and through social media. The department will continue to use social media, such as Facebook, Nixle and NextDoor to keep our community informed. The department's Facebook page is the most followed governmental site in Scotts Valley. The department's personnel also organize and work annual charity events: Holiday Toy Drive and DARE Golf Tournament.					
3. Emergency Operations Planning	The department will update the Emergency Operations Plan addressing any changes to personnel and contact information. The department will conduct a city-wide Emergency Operations Center training and exercise to better prepare for potential major disasters, such as earthquakes.					
4. Patrol Operations	This is the department's largest commitment of resources and personnel. Through uniformed patrols, officers respond to calls for service and conduct self-initiated activities to bring safety and a high quality of life to citizens of Scotts Valley, including Scotts Valley schools. For FY 2020/21, the department will be creating a bicycle patrol team for enhanced patrols of open space, trail systems, and commercial districts.					
5. Personnel Development	The department will develop existing personnel for more responsibilities and advancement. The department will focus on outside training opportunities for existing personnel so they can develop their skills and prepare to take on more responsibilities. Additionally, the department will update its in -service training program and technology.					
6. Policy	The department will update its department policy manual reflecting current case law and best practices.					
7. Recruitment	The department will continue to seek out and hire highly qualified officers and dispatchers. The department will continue its aggressive recruitment program to attract and hire the best possible employees for this department.					

Table 1: Police Department Workplan (FY 2020-21)

*Footnote: Workplan was adopted prior to COVID-19

Planning & Building

The Planning Department is responsible for current and long-term planning as it relates to the growth and development of the City. Staff reviews development proposals and processes residential and commercial applications. The Planning Department periodically updates an active project list which identifies key development projects that are under construction, approved, or under review, as shown in **Appendix B**. This is not an all-inclusive list, but reflects highly visible projects in the community. As of January 2021, there have been 7 projects under construction, 3 approved projects, and 7 projects under review.

Public Works

The Public Works Department provides the City of Scotts Valley with a variety of services, including but not limited to engineering design, stormwater management, and street maintenance. The following provides an overview of such services.

Engineering

The Engineering Division includes three primary categories: design and construction, traffic engineering, and land development. The design and construction category includes design and implementation of capital improvement projects. Traffic engineering consists of the review of traffic impact studies, traffic movement counts, capacity analyses, and management of traffic signals throughout the City. Land development includes reviewing projects proposed by perspective land developers and coordinating the review process with other departments such as Planning, Police, and other agencies.

Stormwater Management

The City storm drain system collects storm water runoff from City streets along gutters and through underground pipes to discharge into waterways. The system is designed for the control of flooding and does not provide any treatment to storm water runoff. In June 2009, the City adopted a Storm Water Management Plan. Urban runoff and other "nonpoint source" discharges are regulated by the 1972 Federal Clean Water Act (CWA) through the National Pollutant Discharge Elimination System (NPDES) permit program. The City's plan is a comprehensive program designed to reduce the discharge of pollutants to the maximum extent practicable (MEP) and encompasses best practices. Scotts Valley continues to condition projects in order to detain a 10-year storm event for pre-development rates and include percolation considerations to the maximum extent feasible including percolation pits and roof leaders directed into landscaped areas.

Street Maintenance

The condition of road and street infrastructure is primarily a factor of available funding and acceptable levels of service. Two management tools that are used by cities in California are a Pavement Management Program and a Pavement Condition Index (PCI). A Pavement Management Program serves as a master plan and identifies maintenance needs, pavement condition, and projected costs. It generally includes an implementation plan as well as funding priorities. A PCI is generated by an inventory of street and road segments and an evaluation of their present condition. PCI data provides existing conditions information for the Pavement Management Program. PCI ratings are based on a scale of 0 to 100. A rating of 25 or below indicates significant deterioration, while 75 and above indicates that the segment is acceptable and generally meets standards. An agency's average PCI can easily fluctuate over a given time period due to funding availability, weather, and the amount of deferred maintenance.

The Road Repair and Accountability Act of 2017 (SB1) will provide nearly \$200,000 in revenues to the City to fund road maintenance and rehabilitation. In FY 2017-18 a pavement management study (PMS) was completed to inform the prioritization and funding of streets throughout the City. Based on the study, there is a need for nearly \$900,000 in funding required to maintain the City's roadways at a PCI level of 58. Additional resources will be required to maintain PCI levels desired by the City. Transportation-related projects currently expect to be funded based upon additional revenue sources provided by Santa Cruz County Measure D, gas tax revenues, and SB-1 funding. SB-1 funds have helped the City increase its annual street maintenance/resurfacing program from \$75,000 to \$295,000.

Parks & Recreation

The Parks & Recreation Department provides a variety of public parks, recreation facilities and recreation programming for the community. These facilities include approximately 50 acres of open space with hiking trails, BBQ areas and athletic fields, a community center, a dog park, large parks with playgrounds, a senior center, skate parks, smaller neighborhood parks, and tennis courts. Although services were reduced due to the limitations of the COVID-19 pandemic, the City typically provides high quality recreation programming that includes children and adult activities ranging from sports and crafts to music and aquatics. Despite the ongoing pandemic, the City of Scotts Valley has spearheaded efforts to provide its residents resources and activities during a time of social distancing, as shown in **Table 2**.

Resource	Description
Library	Offering a "Spring Reading Challenge" and virtual parenting workshops.
Social Media	Access to Scotts Valley's two Facebook pages dedicated to recreation activities and updates on city-related news
School Age Recreation	Offering arts and crafts, "Games of the Week", basketball dribbling challenges, and snack recipes.
Senior Center	Access to Scotts Valley's senior center newsletter, which provides community news, highlights local businesses, and other interesting activities and information.
Local Information Activities	Offering information about Scotts Valley Unified School District's lunch program, and the latest news about access to countywide parks and beaches.
TK/Preschool	Offering creative ways to entertain children in an educational manner during these unusual times.

 Table 2: City of Scotts Valley Recreation Online Resource Center

Wastewater

The Scotts Valley Water Reclamation Facility (WRF) is owned and operated by the City to provide residents with efficient, reliable wastewater treatment services and high-quality recycled water for landscape irrigation and other potential beneficial uses. The plant was originally constructed in 1964 as a 30,000 gallon per day package wastewater treatment plant in order to provide secondary level wastewater treatment. In 1972, an activated sludge treatment system was added and plant capacity was expanded to 120,000 gallons/day. Over the years plant capacity has been expanded several times to serve growth in the community and it now has the capacity to treat 1.5 million gallons each day, enough to see the City through planned build-out. The City produces annual reports evaluating the status of the wastewater system and its infrastructure. Each report since 2008 is available on the City's website. **Appendix C** provides a copy of the 2019 report.

Reclamation Facility Upgrades

Recent plant upgrades include a Tertiary Treatment Facility that treats up to 1 million gallons per day (MGD) of recycled water. In 2001, the City received a permit from the Regional Water Quality Control Board to produce recycled water for unrestricted irrigation use. The recycled water is used mainly for irrigation at businesses, landscape medians, local parks, residences, and schools. State-of-the-art ultraviolet disinfection kills any pathogens (disease causing bacteria) without the use of chemicals such as chlorine. Following disinfection, the tertiary treated water meets State Title 22 standards for water reuse in California and is safe for all permitted uses.

Lift Stations

Scotts Valley owns and operates seven lift stations at various locations throughout the City. All stations are inspected three times each week. During these routine inspections, hourly readings are taken to verify normal running times and flow throughout. Stations equipped with permanent emergency generators are tested on emergency power on a weekly basis to ensure proper operation. Five of the seven stations are equipped with permanent emergency standby power. All of the City's seven stations have backup pumps, redundant controls, and alarm SCADA systems that automatically call 24-hour emergency personnel in case of a power outage or high-level conditions.

Service Rates

The City bills for their commercial wastewater service every two months and residential customers pay on their annual property tax bill. In March 2017, the City contracted with Bartle Wells Associates (BWA) to prepare a wastewater rate model for FY 2017/18. The last comprehensive wastewater study was completed in 1992. The most recent wastewater rate adjustment (5%) went into effect on July 1, 2015. The Five-Year Financial Plan was included in the adopted FY 2017/18 Annual Budget and it indicated that without any revenue adjustments, there would be an ongoing annual structural deficit in Wastewater Enterprise Funds of over \$1 million by FY 2020/21, depleting all reserves by FY 2021/22. In June 2017, the City reviewed a draft wastewater rate model prepared by BWA. Upon review of the draft rate model, the Council directed staff to issue a public hearing rate notice for a three-year rate model that includes a 15% increase in each of the three years. In August 2017, the Council approved rate increases for FY 2017-18 to FY 2019-20. **Table 3** on the following page shows wastewater rates from 2016 to 2020. **Appendix D** also provides a complete copy of the wastewater rate study.

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Rates	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Residential				
Single-Family				
Flat Monthly Fee	\$30.57	\$35.16	\$40.43	\$46.49
Low-Income Homes	\$26.90	\$30.94	\$35.58	\$40.91
<u>Multi-Family</u>				
Flat Monthly Fee	\$21.41	\$24.62	\$28.31	\$32.56
Low-Income Homes	\$18.84	\$21.67	\$24.92	\$28.65
Mobile Home				
Flat Monthly Fee	\$20.40	\$23.46	\$26.98	\$31.30
Low-Income Homes	\$17.95	\$20.64	\$23.74	\$27.30
Commercial & Industrial				
Commercial and Industrial				
Monthly Minimum Fee	\$30.57	\$35.16	\$40.43	\$46.49
Charge per 100gal				
Uniform Rate	\$0.79	-	-	-
Charge per 100gal (w/ strength factor)				
Low Strength	-	\$0.63	\$0.73	\$0.84
Medium Strength	-	\$0.84	\$0.84 \$.097	
High Strength	-	\$1.08	\$1.24	\$1.43

Table 3: Wastewater Service Rates

2021 Wastewater Study

It is LAFCO's understanding that a new wastewater study is currently underway and expected to be presented to the City Council in April 2021. This additional study highlights the City's ongoing efforts to accurately reflect the funding needed to continue providing wastewater services to their residents at an efficient and effectively level.

Population and Growth

The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. Based on staff's analysis, the population for the City of Scotts Valley in 2020 was estimated to be around 12,000. **Table 4** shows the City's anticipated population over the next twenty years. The average rate of change is 0.56%. Under this rate, projections indicate that the entire population of Scotts Valley will be approximately 12,400 by 2040.

	2020	020 2025 2030 2035		2025 2030 2035 2040				Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.96%		
City of Scotts Valley	12,145	12,214	12,282	12,348	12,418	0.56%		

Table 4: P	Projected Po	pulation
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Source: AMBAG 2018 Regional Growth Forecast

Disadvantaged Unincorporated Communities

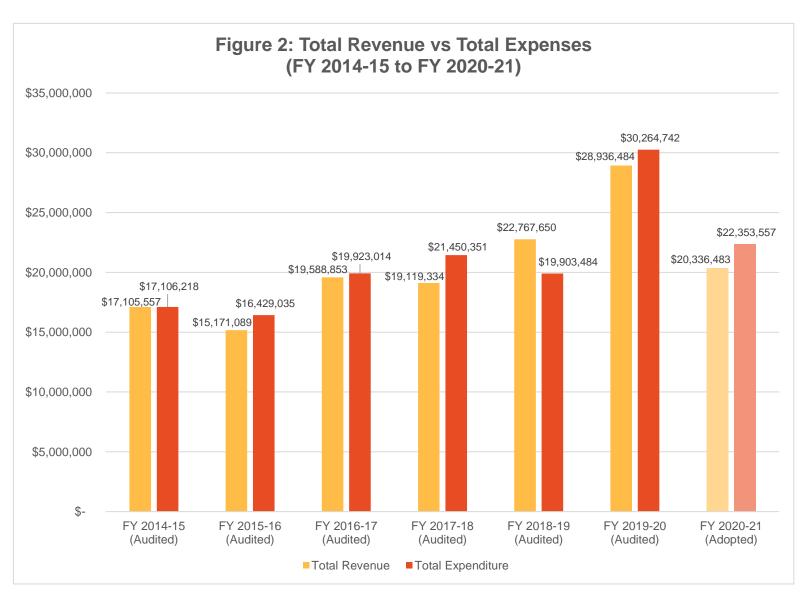
State law requires LAFCO to identify and describe all "disadvantaged unincorporated communities" (DUCs) located within or contiguous to existing spheres of influence for cities and special districts that provide fire protection, sewer, and/or water services. DUCs are defined as inhabited unincorporated areas within an annual median household income that is 80% or less than the statewide annual median household income.

In 2017, the California statewide median household income was \$67,169, and 80% of that was \$53,735. LAFCO staff utilized the ArcGIS mapping program to locate any potential DUCs in the County. Based on the criteria set forth by SB 244, staff's analysis indicates that there are no disadvantaged unincorporated communities within or surrounding the City of Scotts Valley.

FINANCES

This section will highlight the City's financial performance during the most recent fiscal years. Fiscal Year 2019-20 is the latest audited financial statement available. LAFCO evaluated the City's financial health from 2014 to 2020, including the recently adopted budget for FY 2020-21. A comprehensive analysis of the City's financial performance during the past six years is shown in **Tables 8 and 9** on pages 19 and 20. The sources used by LAFCO are available in **Appendix E**.

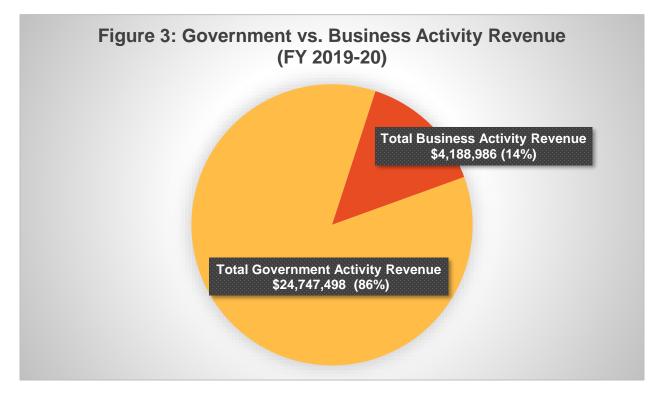
At the end of Fiscal Year 2019-20, total revenue collected was approximately \$28.9 million, representing a 27% increase from the previous year (\$22.7 million in FY 18-19). Total expenses for FY 2019-20 were approximately \$30.2 million, which increased from the previous year by 52% (\$19.9 million in FY 18-19). Excluding FY 2018-19, the City has ended each fiscal year with a deficit since 2014, as shown in **Figure 2**. LAFCO staff believes that this negative trend may continue based on the six-year performance and the fact that the City anticipates another possible deficit at the end of the next budget cycle due to the economic downturn from the ongoing pandemic.



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Revenues

The City provides various municipal services to the Scotts Valley community. For financial purposes, the City categorizes its operations under two divisions: Government and Business-type activities. The primary source of revenue comes from government activities (86%), as shown in **Figure 3**. The following section summarizes the revenue stream from both categories.



Business Activity Revenue

The City provides wastewater services and recreational programs, both of which are funded through user fees. In FY 2019-20, revenues from this category increased by \$120,000 or 3% from the previous year. This is made up of an increase in charges for services of \$23,724 offset by a decrease in capital grants and contributions of (\$194,420). Charges for services increased in Wastewater by \$406,011, or 15%, due primarily to planned fee increases of 15% to wastewater rate payers. Charges for services in recreation programs, however, decreased by (\$382,287), or (35%), due primarily to the impacts of the stay-at-home orders issued by the County Health Department and the Governor's Office in March 2020 related to the COVID-19 pandemic. All recreation programs were effectively shut down from March 16, 2020 through the end of the fiscal year and, thus, revenues were not collected during that time. The decrease in capital grants and contributions was due to the completion of certain wastewater system improvements in FY 2019 that were partially funded through state grant programs.

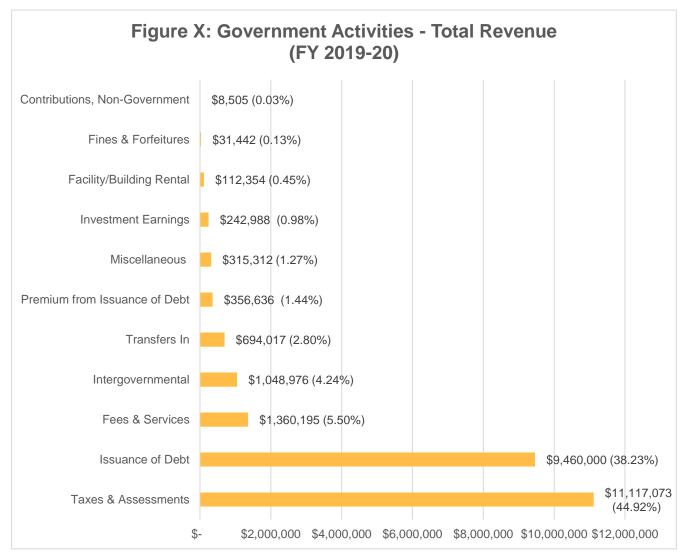
Based on LAFCO staff's analysis, total revenue from business activities continues to be lower than total expenditures, resulting in the ongoing deficit. **Table 5** on page 15 shows the City's business activity revenue trend from 2014 to 2020. Under this time frame, the City has an average total revenue of approximately \$167,000. However, the average total expenditure is approximately \$409,000, as shown on **Table 6** on page 16.

				,			
	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Average
Total Revenue	\$3,353,634	\$3,083,251	\$3,401,538	\$4,001,412	\$4,068,805	\$4,188,986	
Difference (\$)		\$(270,383)	\$318,287	\$599,874	\$67,393	\$120,181	\$167,070
Difference (%)		-8%	10%	18%	2%	3%	5%

Table 5: Business Activity – Total Revenue

Government Activity Revenue

All other services are provided by the City through government activities. In FY 2019-20, revenues from governmental activities increased from the previous year by approximately \$6 million or 32%. However, the City experienced a decrease in charges for services revenues as a result of decreased development activity in FY 2020 as well as the impacts from the COVID-19 pandemic recession. Based on LAFCO staff's analysis, the City's primary source of government activity revenue is from property taxes (45%), as shown in the figure below.



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Expenditures

Business Activity Expenses

The City's business expenses represented approximately 15% of total expenditure during FY 2019-20, as shown in **Figure 5**. As previously mentioned, the average total revenue from business activities from FY 2014-15 to FY 2019-20 was \$167,000. However, based on LAFCO staff's analysis, total expenses from business activities during the same time period has been increasing at a higher rate. **Table 6** shows the trending in total expenses for business activities.

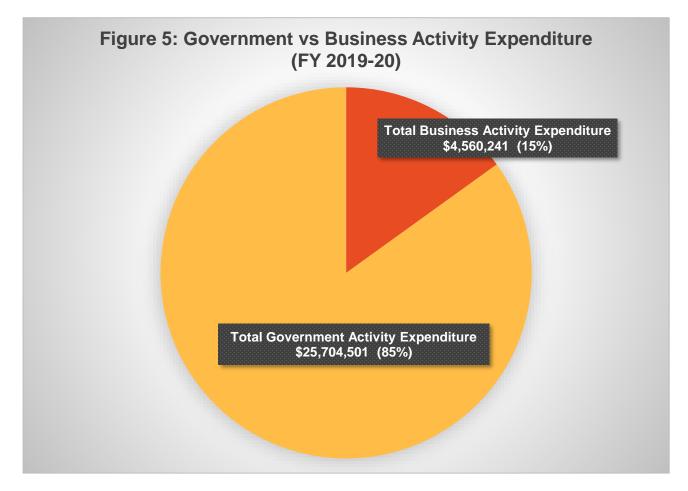
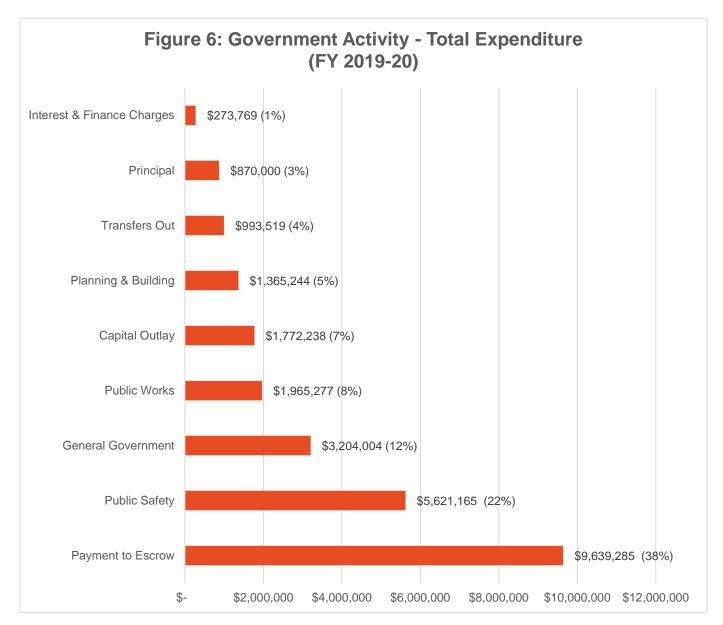


Table 6: Business Activity – Total Expenses

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Average
Total Expenses	\$4,151,437	\$4,409,872	\$5,762,590	\$6,607,369	\$4,819,518	\$4,560,241	
Difference (\$)		\$258,435	\$1,352,718	\$844,779	\$(1,787,851)	\$(259,277)	\$408,804
Difference (%)		6%	31%	15%	-27%	-5%	4%

Government Activity Expenses

In FY 2019-20, government activity expenses increased by approximately \$11 million from the previous year. These increases were due primarily to pension and Other Post-Employment Benefits (OPEB) costs associated GASB 68 and GASB 75 pension expenses, respectively, as well as staff salary and benefits adjustments. Based on LAFCO staff's analysis, the City's primary government activity expenses are derived from public safety (22%) and escrow payments (38%). **Figure 6** provides a breakdown of all expenses associated with the City's government activity expenses.



*Footnote: During FY 2020, the City issued lease revenue financing bonds to refinance debt obligations related to outstanding certificates of participation. The City issued \$9.46 million in new lease revenue financing bonds and liquidated the prior debt through payments totaling \$9.63 million, characterized as payments to escrow in the City's FY 2020 CAFR. These are one-time transactions that allowed the City to capitalize on the low-interest environment and, thus, save the City's General Fund in future interest costs associated with these debt obligations.

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Fund Balance / Net Position

As of June 30, 2020, the total net position balance ended with approximately \$25 million. The following table highlights the net position balance from 2014 to 2020. As shown in **Table 7** and **Figure 7**, the City's fund balance experienced a decrease each year except for FY 2018-19. Based on this historical trend, LAFCO staff believes this decline may continue due to the economic downturn resulting from the ongoing pandemic. This healthy balance of \$25 million in the City's Fund Balance will be critical in the event that Scotts Valley faces further unintended expenses, major capital improvement projects, or emergency repairs.

Table 7: Net Position (2014 to 2021)									
			FY 16-17 (Audited)	FY 17-18 (Audited)	FY 18-19 (Audited)	FY 19-20 (Audited)			
Beginning Balance	\$ 38,175,933	\$ 38,965,565	\$ 36,966,282	\$ 33,210,883	\$ 23,116,856	\$26,698,000			
Ending Balance	<u>\$ 38,965,565</u>	<u>\$ 36,966,282</u>	<u>\$ 33,210,883</u>	<u>\$ 23,141,455</u>	<u>\$ 26,205,353</u>	<u>\$24,581,945</u>			
Difference (\$)		\$ (1,999,283)	\$ (3,755,399)	\$(10,069,428)	\$ 3,063,898	\$(1,623,408)			
Difference (%)		-5%	-10%	-30%	13%	-6%			

Figure 7: Net Position from 2014 to 2020 (Ending Balance) \$45,000,000 \$38,965,565 \$40,000,000 \$36.966.282 \$35.000.000 \$33,210,883 \$30.000.000 \$26,205,353 \$24,581,945 \$25,000,000 \$23,141,455 \$20,000,000 \$15,000,000 \$10,000,000 \$5,000,000 \$-FY 2014-15 FY 2015-16 FY 2016-17 FY 2017-18 FY 2018-19 FY 2019-20 (Audited) (Audited) (Audited) (Audited) (Audited) (Audited)

Table 7: Net Position (2014 to 2021)

Table 8: Total Revenue & Expenditure	(Business & Government Activities)
--------------------------------------	------------------------------------

	F	- FY 2014-15		FY 2015-16		FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20	
		(Audited)	(Audited)		(Audited)		(Audited)		(Audited)		(Audited)		
BUSINESS ACTIVITY (RECREATION & WASTEWATER)												-	
REVENUE													
Fees & Services	\$	2,831,207	\$	3,037,054	\$	2,998,479	\$	3,443,087	\$	3,709,621	\$	3,733,345	
Capital Contributions	\$	-	\$	-	\$	58,280	\$	318,981	\$	225,624	\$	31,204	
Transfers In	\$	438,214	\$	8,604	\$	331,634	\$	221,227	\$	97,084	\$	380,535	
Connection Fees	\$	78,371	\$	28,989	\$	-	\$	-	\$	-	\$	-	
Interest Income	\$	5,842	\$	8,604	\$	13,145	\$	18,117	\$	36,476	\$	43,902	
Total Revenue	\$	3,353,634	\$	3,083,251	\$	3,401,538	\$	4,001,412	\$	4,068,805	\$	4,188,986	
EXPENDITURE									_				
Salaries	\$	1,017,465	\$	1,125,503	\$	1,165,982	\$	1,111,908	\$	1,212,772	\$	1,031,992	
Taxes & Benefits	\$	502,362	\$	756,914	\$	1,978,311	\$	2,857,405	\$	959,372	\$	789,170	
Maintenance & Operations	\$	770,240	\$	813,452	\$	883,338	\$	752,588	\$	827,977	\$	1,059,296	
Advertising	\$	8,731	\$	7,778	\$	8,838	\$	8,459	\$	7,642	\$	494	
Professional & Contractual Services	\$	221,436	\$	216,984	\$	256,746	\$	208,878	\$	213,530	\$	237,602	
Utilities & Communications	\$	375,972	\$	347,716	\$	390,761	\$	420,045	\$	446,410	\$	436,004	
Insurance & Bonds	\$	64,467	\$	66,686	\$	62,108	\$	157,181	\$	205,967	\$	146,822	
Depreciation	\$	763,486	\$	777,802	\$	784,270	\$	788,390	\$	795,353	\$	777,828	
Transfers Out	Ś	427,278	Ś	297,037	\$	232,236	\$	302,515	\$	150,495	\$	81,033	
Total Expenditure	Ś	4,151,437	Ś	4,409,872	Ś	5,762,590	Ś	6,607,369	-	4,819,518	Ś	4,560,241	
Surplus/(Deficit)	<u> </u>		-	(1,326,621)	-	(2,361,052)	-	(2,605,957)	\$	(750,713)	\$	(371,255)	
GOVERNMENT ACTIVITY	Ŷ	(757,803)	Ş	(1,520,021)	Ŷ	(2,301,032)	Ŷ	(2,003,937)	Ŷ	(750,715)	Ŷ	(371,233)	
REVENUE													
	ć	9,444,126	ć	9,362,093	ć	0 675 957	ć	10,314,528	ć	12,167,669	. خ	11 117 072	
Taxes & Assessments					\$		Ľ.	, ,	· ·		-	11,117,073	
Intergovernmental		1,062,025	\$ \$	152,753	\$	288,725	\$	803,971	· ·	1,744,402		1,048,976	
Fees & Services	\$	1,285,952 70,470	ې \$	1,192,986 35,411	\$ \$	2,344,647 37,680	\$ \$	1,578,574 35,013	\$ \$	2,658,009	\$ \$	1,360,195	
Fines & Forfeitures	\$ \$		ې \$		ې \$		· ·		·	44,265	· ·	31,442	
Contributions, Non-Government Facility/Building Rental	\$	19,911 22,500	ې \$	2,306 44,910	ې \$	2,865 32,760	\$ \$	167,840 32,760	\$ \$	18,468 288,912	\$ \$	8,505 112,354	
Investment Earnings	\$	92,967	\$	54,860	ې \$	63,020	ې \$	93,966	ې \$	169,847	ې \$	242,988	
Miscellaneous	\$	525,360	\$	517,064	\$	-	\$	649,132	\$	336,900	ې \$	315,312	
Transfers In	\$	1,228,612	\$	725,455	\$	1,616,826	\$	1,442,138	\$	1,270,373	\$	694,017	
Issuance of Debt	\$	-	\$	-	\$	-	\$	-	\$	-	\$	9,460,000	
Premium from Issuance of Debt	\$	_	\$	_	\$	_	\$	-	\$	_	\$	356,636	
Sale of Real Property	\$	-	\$	-	\$	746,924	\$	-	\$	-	\$	-	
Total Revenue	Ś	13,751,923	Ś	12,087,838	Ś	16,187,315	Ś	15,117,922	Ś	18,698,845	\$2	4,747,498	
EXPENDITURE	<u> </u>		-		Ŧ		<u>+</u>		<u> </u>		<u>7</u>	.,	
Current Liability			1										
General Government	Ś	1,814,779	Ś	1 942 389	Ś	2,216,039	Ś	2 134 089	Ś	2,434,443	Ś	3 204 004	
Public Safety	\$	4,511,889	Ś	4,927,713	\$		\$	5,217,774	\$	5,238,107	\$	5,621,165	
Planning & Building	\$	929,264	\$	1,182,716	\$		\$	1,089,776	\$	1,277,550	\$	1,365,244	
Public Works	·	1,753,952	<u> </u>	1,979,404	-	1,925,211	\$	2,307,435	<u> </u>	2,026,962	\$	1,965,277	
Capital Outlay		1,902,961	Ś	446,373		1,193,706	\$	1,757,388	\$	1,901,832	\$	1,772,238	
Debt Service		_,= = _,= = _	Ŧ		Ŧ		Ŧ	_): =:)===	Ŧ	_,	Ŧ	_,,	
Principal	\$	445,000	\$	465,000	\$	470,000	\$	600,000	\$	630,000	\$	870,000	
Interest & Finance Charges	\$	357,388	\$	350,058	\$	342,178	\$	375,670	\$	358,110	\$	273,769	
Payment to Escrow	\$	-	\$	-	\$	-	\$	-	\$	-	\$	9,639,285	
Transfers Out	\$	1,239,548	\$	725,510	\$	1,716,224	\$	1,360,850	\$	1,216,962	\$	993,519	
Total Expenditure		12,954,781	Ś	12,019,163		14,160,424	Ś	14,842,982	-	15,083,966	<u> </u>	5,704,501	
Surplus/(Deficit)	\$		\$	68,675	-	2,026,891	<u> </u>	274,940	-	3,614,879	_	(957,003)	
	د	, ,, 142	Ŷ	30,073	ڊ ا	2,020,031	,	2/7,340	,	3,017,073	•	(557,003)	
CITY OF SCOTTS VALLEY - TOTAL REVENUE	\$	17,105,557	\$	15,171,089	\$	19,588,853	\$	19,119,334	\$	22,767,650	\$ 2	28,936,484	
CITY OF SCOTTS VALLEY - TOTAL EXPENDITURE		17,106,218	-	16,429,035		19,923,014		21,450,351		19,903,484		30,264,742	
CITY OF SCOTTS VALLEY - SURPLUS/(DEFICIT)	\$	(661)		(1,257,946)	\$			(2,331,017)		2,864,166		1,328,258)	
NET POSITION													
		Y 2014-15		Y 2015-16		Y 2016-17		Y 2017-18		Y 2018-19		⁄ 2019-20	
		(Audited)		(Audited)		(Audited)		(Audited)	((Audited)	(Audited)	
Beginning of Year (as restated)	\$	38,175,933	\$	38,965,565	\$	36,966,282	\$	33,210,883	\$	23,116,856	\$2	26,698,000	
End of Year	\$	38,965,565	\$3	36,966,282	\$	33,210,883	\$	23,141,455	\$3	26,205,353	\$2	4,581,945	
					-		-	_	-		-		

Table 9: Total Assets & Liabilities

	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 9,386,812	\$ 9,315,977	\$ 10,649,653	\$ 11,626,777	\$ 15,541,820	\$ 14,453,832
Receivables	\$ 2,571,376	\$ 1,861,165	\$ 1,651,568	\$ 1,967,127	\$ 1,660,244	\$ 2,636,091
Total Current Assets	\$11,958,188	\$11,177,142	\$12,301,221	\$13,593,904	\$17,202,064	\$17,089,923
Non-current Assets:						
Inventory	\$ 2,688	\$ -	\$-	\$-	\$ -	\$-
Prepaid Expenses	\$ 2,813	\$ -	\$ -	\$-	\$ -	\$ -
Advances to Redevelopment Successor Agency	\$ 6,697,376	\$ 6,686,056	\$ 6,603,131	\$ 6,641,886	\$ 6,641,886	\$ 6,641,886
Loans Receivable	\$ 2,371,816	\$ 2,921,816	\$ 3,571,816	\$ 3,374,636	\$ 3,294,636	\$ 3,376,109
Restricted Cash with Fiscal Agent	\$ 98,920	\$ 99,003	\$ 99,356	\$ 100,487	\$ 101,461	\$ 3,397
Capital Assets:						
Nondepreciable	\$ 7,448,784	\$ 7,507,213	\$ 7,962,399	\$ 8,068,949	\$ 8,137,171	\$ 9,338,297
Depreciable, Net	\$ 37,839,351	\$ 36,056,956	\$ 34,616,531	\$ 34,528,828	\$ 34,358,227	\$ 32,912,876
Net Capital Assets	\$ 45,288,135	\$ 43,564,169	\$ 42,578,930	\$ 42,597,777	\$ 42,495,398	\$ 42,251,173
Total Noncurrent Assets	\$54,461,748	\$53,271,044	\$52,853,233	\$52,714,786	\$52,533,381	\$52,272,565
	<i>2 3 1 1 1 1 1 1 1 1 1 1</i>	÷ 33,27 1,044	<i>~~~</i>	<i>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</i>	<i>,,,,,,,,,</i> ,,,,,,,,,,,,,,,,,,,,,,,,,,,	<i>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</i>
Total Assets	\$66,419,936	\$64,448,186	\$65,154,454	\$66,308,690	\$69,735,445	<u>\$69,362,488</u>
DEFERRED OUTFLOWS OF RESOURCES	ć	¢ 1 C10 821	¢ 2,000,002	¢ 4772546	¢ 4,022,621	¢ 2,002,749
Deferred Outflows from Pension	\$ - \$ -	\$ 1,619,831	\$ 3,690,903	\$ 4,773,546	\$ 4,033,631	\$ 3,993,748
Deferred Outflows from OPEB		\$ - \$ -	\$ - \$ -	\$ 426,690	\$ 480,332	\$ 1,192,078
Deferred Loss on Refunding	<u>\$</u> -	-	<u> </u>	<u>\$ -</u>	<u>\$</u> -	\$ 794,889
Total Deferred Outflows of Resources	\$-	\$ 1,619,831	\$ 3,690,903	\$ 5,200,236	\$ 4,513,963	\$ 5,980,715
	1	[Γ			
Current Liabilities:	¢ 101.001	¢ 262.000	<u> </u>	¢ 704.044	<i>.</i>	<u> </u>
Accounts Payable	\$ 401,804 \$ 159,792	\$ 362,999	\$ 457,031	\$ 734,314	\$ 458,929	\$ 896,903
Accrued Liabilities	\$	\$ 209,274 \$ -	\$ 249,424 \$ -	\$ 249,435	\$ 258,766	\$ 305,336
Deposits Payable				\$ 725,745	\$ 724,674	\$ 716,785
Unearned Revenue				\$ 176,566	\$ 141,736	\$ 37,768
Long-term Debt (Current Portion)	<u>\$ 911,428</u>	<u>\$ 925,980</u>	\$ 959,225	\$ 1,247,290	\$ 1,140,681	<u>\$ 1,363,992</u>
Total Current Liabilities	\$ 1,769,698	\$ 1,671,790	\$ 1,797,342	\$ 3,133,350	\$ 2,724,786	\$ 3,320,784
Non-current Liabilities:	¢ 2,000,050	<i>.</i>	¢ 2444.620	¢ 2.277.204	¢ 2,422,420	<u> </u>
Accrued Interest	\$ 2,800,950			\$ 3,277,394		
Long-term Debt (Non-current Portion)	\$ 9,337,561	\$ 23,239,459	\$ 28,845,734	\$ 39,562,189	\$ 7,927,505	\$ 10,735,733
Net Pension Liability	\$ 9,088,772	\$ -	\$ -	\$ -	\$ 17,021,799	\$ 18,424,996
Net OPEB Liability	<u>\$ 2,559,438</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 14,102,811	\$ 15,524,839
Total Non-current Liabilities	\$23,786,721	\$ 26,195,753	\$31,957,372	\$42,839,583	\$42,475,535	\$44,804,162
Total Liabilities	\$25,556,419	\$27,867,543	\$33,754,714	\$45,972,933	\$45,200,321	\$48,124,946
DEFERRED INFLOWS OF RESOURCES	A 2010	A 004 105	A 070	A 105 55	A 100 17	A 945 15
Deferred Inflows from Pension	\$ 2,919,953	\$ 1,234,192	\$ 1,879,760	\$ 1,195,604	\$ 1,169,454	\$ 1,313,124
Deferred Inflows from OPEB	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,198,936</u>	\$ 1,674,280	\$ 1,323,188
Total Deferred Inflows of Resources	\$ 2,919,953	\$ 1,234,192	\$ 1,879,760	\$ 2,394,540	\$ 2,843,734	\$ 2,636,312
NET POSITION						
Net Investment in Capital Assets	\$ 39,313,692	\$ 43,564,169	\$ 42,578,930	\$ 36,312,189	\$ 34,476,629	\$ 35,261,698
Restricted	\$ 6,862,674	\$ 7,774,737	\$ 8,576,975	\$ 8,758,440	\$ 8,775,618	\$ 9,056,603
Unrestricted	<u>\$ (7,210,801</u>)	<u>\$(14,372,624</u>)	<u>\$(17,945,022</u>)	<u>\$(21,929,174)</u>	<u>\$(17,046,894</u>)	<u>\$(19,736,356</u>)
Total Net Position	\$38,965,565	\$ 36,966,282	\$33,210,883	\$23,141,455	\$26,205,353	\$24,581,945

GOVERNANCE

Legal Authority

The City of Scotts Valley operates under Title 4: Government of Cities (Section 34000 et seq. of the California Government Code) for the purpose of establishing and enforcing local ordinances in the Scotts Valley community. The California Constitution gives cities the power to become charter cities. The distinction between general law and charter cities is that charter cities have superseding authority over certain "municipal affairs." Examples of municipal affairs include election matters, land use designations, and budgetary practices. Cities that have not adopted a charter are general law cities, such as Scotts Valley. General law cities are bound by the State's general law, even with respect to municipal affairs. Based on LAFCO staff's analysis, there are 482 cities in California – 361 or 75% are general law cities and 121 or 25% are charter cities.

Local Accountability & Structure

The City of Scotts Valley is governed by an elected five-member City Council. The Council is responsible for the establishment of policy relative to Scotts Valley's mission, goals, and operations. The Council has the authority to establish all laws and regulations with respect to municipal affairs, subject to limitations of the City Municipal Code and State legislation. The City Council's current composition is as follows:

Board Member	Term of Office
Derek Timm, Mayor	First Elected: 2018 Current Term Ends: 2022
Jim Reed, Vice Mayor	First Elected: 2007 Current Term Ends: 2022
Jack Dilles, Council Member	First Elected: 2016 Current Term Ends: 2024
Randy Johnson, Council Member	First Elected: 1996 Current Term Ends: 2024
Donna Lind, Council Member	First Elected: 2008 Current Term Ends: 2024

Table 10: S	Scotts Valley	V City Council
-------------	---------------	----------------

The City Council appoints a City Manager to serve as the City's chief administrative officer. The City Manager administers the day-to-day operations of the City in accordance with policies and procedures established by the City Council. Scotts Valley currently employs a full-time staff of approximately 56 employees, as shown in **Table 11** on page 22. The City Council meets regularly, meetings are publicly noticed, and citizens are encouraged to attend. Council meetings are typically held on the first and third Wednesday of each month at 6:00 p.m. The City's administrative offices and chambers are located at 1 Civic Center Drive in Scotts Valley. Despite the ongoing pandemic, the City has held virtual public meetings to continue operations and receive Council direction.

Table 11: Full-Time Employees (FY 2014-15 to FY 2018-19)					
Department	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19
General Govern	ment				
Administrative	1.50	1.50	1.50	1.50	1.50
Legislative	.50	.50	.50	.50	.50
Finance	<u>2.85</u>	<u>2.85</u>	<u>2.85</u>	<u>2.85</u>	<u>2.85</u>
Sub-total	4.85	4.85	4.85	4.85	4.85
Police					
Officers	19.00	19.00	19.00	19.00	19.00
Dispatch & Support	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>
Sub-total	27.00	27.00	27.00	27.00	27.00
Building & Plan	ning				
Building	1.00	-	-	-	-
Planning	<u>3.50</u>	<u>3.00</u>	<u>3.00</u>	2.00	2.00
Sub-total	4.50	3.00	3.00	2.00	2.00
Public Works					
Engineering	3.30	3.10	4.00	4.00	4.00
Street Maintenance	2.30	2.30	2.30	2.30	2.30
Vehicle Maintenance	1.10	1.10	1.10	1.10	1.10
Park Maintenance	2.30	1.30	1.30	1.30	1.30
Building Maintenance	<u>1.30</u>	<u>1.30</u>	<u>1.30</u>	<u>1.30</u>	<u>1.30</u>
Sub-total	10.30	9.10	10.00	10.00	10.00
Park & Recreation					
Sub-total	5.00	5.00	5.70	5.70	5.70
Wastewater					
Sub-total	7.05	7.05	6.15	6.15	6.15
Total	58.70	56.00	56.70	55.70	55.70

Table 11: Full-Time Employees (FY 2014-15 to FY 2018-19)

Capital Improvement Plan

The City prepares a five-year capital improvement project (CIP) and capital outlay plan as part of its annual budget. The development of the CIP program is more complex than planning to purchase a piece of equipment that would be the subject of a capital outlay expenditure. This document provides background information on the process to develop a budget within the CIP portion of the five-year plan.

Funding Source

Once costs have been identified and projected, a financial analysis is prepared to determine whether the projects can be funded. Consideration is given to a variety of sources of funds, including grant funds, revenues dedicated for such purposes (ex. gas tax or Measure D funds), development impact fees, wastewater revenue rate projections, interest earnings, and existing undesignated funds. Funding sources are then compared to project cost estimates to develop the Five-Year CIP Plan. The timing of these projects is taken into consideration given the status of existing infrastructure, risk management considerations, Council Policy initiatives, bidding environment, and available funding. The funding analysis will identify projects based on its priority level and it will determine the extent to which funding is available.

Priority Level

Throughout the fiscal year, City staff members continually monitor the functional status and performance of the City's physical plant. Maintenance activities supporting City infrastructure are documented and analyzed to determine if rehabilitation or replacement is necessary. In addition, throughout the year, policy direction from the City Council may be received to construct, enhance or rehabilitate City facilities. Staff makes note of these projects and begins to define the scope, nature and extent of these projects as required. Each project is assigned a priority category based on staff's professional judgment using the factors and priority levels identified below:

- Priority A project is essential/critical to health and safety or legal/regulatory requirements;
- Priority B project is important to maintaining health and safety or maintaining quality of life, but not critical; and
- Priority C project is deferrable and would only be implemented to the extent that higher priority projects are first funded.

Current Status

The Five-Year CIP Plan consists of projects that maintain and enhance the City's infrastructure such as its roads, parks, facilities and wastewater treatment plant for the benefit of the community. It also includes the capital outlay associated with equipment, vehicles and information technology both hardware and software that support the City's operations. At present, the City has 7 ongoing projects, as shown in the table on page 24.

Table 12: CIP Projects (By Priority)

Project	Estimated Cost	Description
Priority A		
1) Public Works Department Facility	Not Available	Potentially expand the existing wastewater operations building and reconfigure the vehicle maintenance facilities
Priority B	-	
2) Sidewalk Master Plan Projects	Appx. \$2.5 Million	13 sidewalk projects ranging in value
3) Storm Drain Master Plan Projects	Appx. \$184,000	Update original master plan and complete 9 remaining projects
 Play Structure Equipment at Skypark 	Appx. \$980,000	Play structure at Skypark needs to be replaced within 5 years.
Priority C		
5) Stormwater LID	Appx. \$230,000	Replace 2,000 square feet of existing impervious area of sidewalk and roadway in order to construct new bioretention facilities
6) Bicycle Transportation Plan Projects	Appx. \$2.9 Million	6 remaining projects which encourage bicycle usage as alternatives to vehicles and reduction in traffic
7) Al Shugart Park Phase 3 & 4 Construction	Appx. \$2.5 Million	These two phases include the construction of a dog park, restrooms, parking lots, a bridge, turf, and picnic areas

Opportunities and Challenges

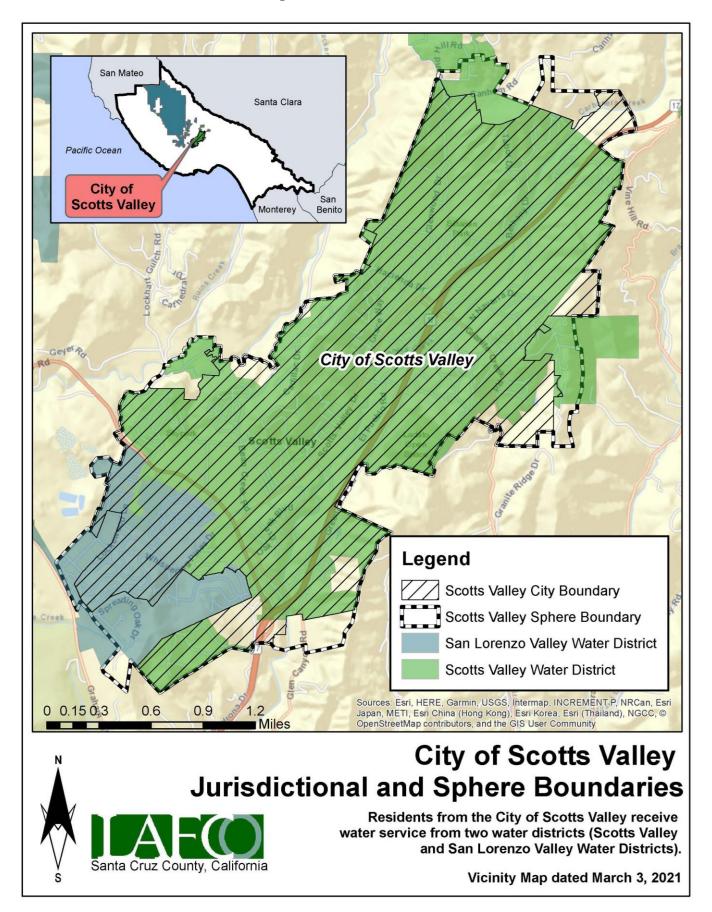
Scotts Valley has been a City for 55 years and it has endured significant events such as economic recessions and natural disasters. The City is still experiencing another round of economic downturn and natural disasters in the form of a COVID pandemic and the CZU Lightning Complex Wildfire which occurred in August 2020. Such unanticipated events place a pressure test on local agencies, including cities. While cities struggle to maintain the same level of service to its residents, there are also opportunities during these challenging times. The following sections explore opportunities that Scotts Valley can collaborate with neighboring municipalities to maximize resources, increase strategic partnerships, and identify possible cost-savings for the City's residents.

Water Service Providers

The Scotts Valley community currently receives water service from either the Scotts Valley Water District (SVWD) or the San Lorenzo Valley Water District (SLVWD). **Figure 8** on page 26 shows that the majority of Scotts Valley residents receives water from SVWD. Only a portion of the City gets water from SLVWD. By having two water providers, the residents of Scotts Valley are subject to two different board members, policies, and water rates. It may be beneficial if the City, the two water districts, and LAFCO collaborate to determine the most efficient method to provide water service to the entire Scotts Valley community. This joint effort may lead to potential boundary changes, an improvement in water distribution, or a consistent water rate for constituents within the entire city.

LAFCO Staff Recommendation: Coordination between the City of Scotts Valley, San Lorenzo Valley Water District, Scotts Valley Water District and LAFCO to determine whether there is a more efficient way to provide water service to the Scotts Valley community beyond the status quo.





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County Supervisorial Boundaries

There are fundamental distinctions between a county and a city and certain situations where counties and cities provide similar municipal services. There are several benefits from residing in a city, including but not limited to the ability to run for or vote for a 5-member council, receive municipal services from one entity, and have adequate streetlighting and sidewalks, existing local ordinances, and city staff dedicated to the community for planning, building, and other public relations. On the other hand, individuals who live outside a city and live in unincorporated county land are represented by a single board of supervisors rather than a 5-member council and are subject to multiple providers of municipal services such as planning, road maintenance, and wastewater.

Supervisorial Districts

The Santa Cruz County Board of Supervisors consists of five Supervisors who are elected for one of the five districts in Santa Cruz County. Federal and State law requires the Board of Supervisors to adjust the boundaries of the five supervisorial districts every ten years to ensure that representation is equal among the districts. The last redistricting occurred in September 2011. At present, Supervisorial Districts No. 1 and No. 5 encompass the City of Scotts Valley. Current supervisorial district boundaries run along Highway 17 but the City has been split as a result. It may be beneficial for the City to coordinate with the County to see whether there are any benefits in redistricting the current boundaries to encompass the entire City in either District No. 1 or No. 5.

LAFCO Staff Recommendation: To coordinate between the City of Scotts Valley, the County, and LAFCO to determine whether unincorporated Scotts Valley communities should be located in only one supervisorial district instead of two.



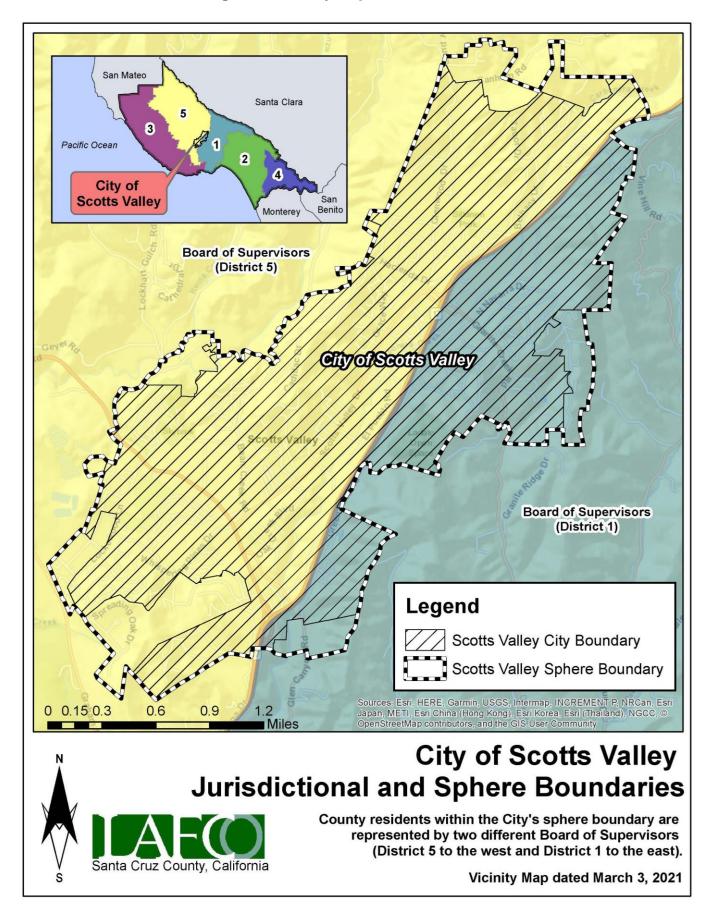


Figure 9: County Supervisorial Districts

SPHERE OF INFLUENCE

Cortese-Knox-Hertzberg Act

City and special district spheres of influence define the probable physical boundaries and service area of a local agency, as determined by the Commission (Government Code Section 56076). The law requires that spheres be updated at least once every five years either concurrently or subsequent to the preparation of Municipal Service Reviews. Spheres are determined and amended solely at the discretion of the Commission. In determining the sphere of influence for each local agency, the Commission is required by Government Code Section 56425(e) to consider certain factors, including:

- > The present and planned uses in the area, including agricultural and open-space lands;
- > The present and probable need for public facilities and services in the area;
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency; and
- For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

Current & Proposed Sphere Boundary

Santa Cruz LAFCO adopted the City's first sphere of influence on October 16, 1985. The current sphere excludes areas outside the City's jurisdictional boundary. The last sphere update occurred in November 2016 as part of a previous service and sphere review cycle. **Figure 10** on page 30 shows the 11 areas (totaling 547 acres) within the City's sphere. **Table 12** identifies the land use designations for these areas based on the County's General Plan. The City should consider zoning these areas. In the interim, LAFCO staff is recommending that the sphere boundary be reaffirmed, as shown in **Figure 11**.

Areas	Acres	Land Use Designation
A	1	Mountain Residential (R-M)
В	3	Mountain Residential (R-M)
С	67	Mountain Residential (R-M)
D	41	Mountain Residential (R-M)
Е	78	Mountain Residential (R-M), Rural Residential (R-R), and Urban Very
E	70	Low Residential (R-UVL)
F	3	Mountain Residential (R-M)
G	47	Mountain Residential (R-M), and Rural Residential (R-R)
н	209	Existing Parks & Rec (O-R), Rural Residential (R-R), Urban Very Low
	209	Residential (R-UVL), and Urban Open Space
	45	Urban Low Residential (R-UL), and Urban Very Low Residential (R-UVL)
J	7	No Designation
K	46	Mountain Residential (R-M), and Rural Residential (R-R)

Table 12: County Land Use Designations

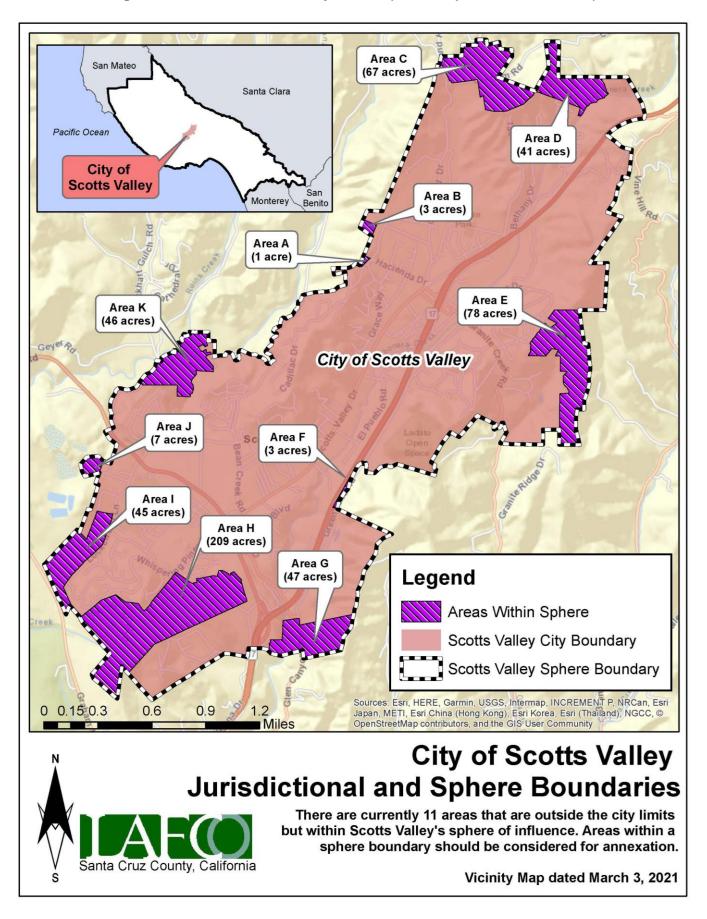


Figure 10: Areas Outside City Limits (within Sphere of Influence)

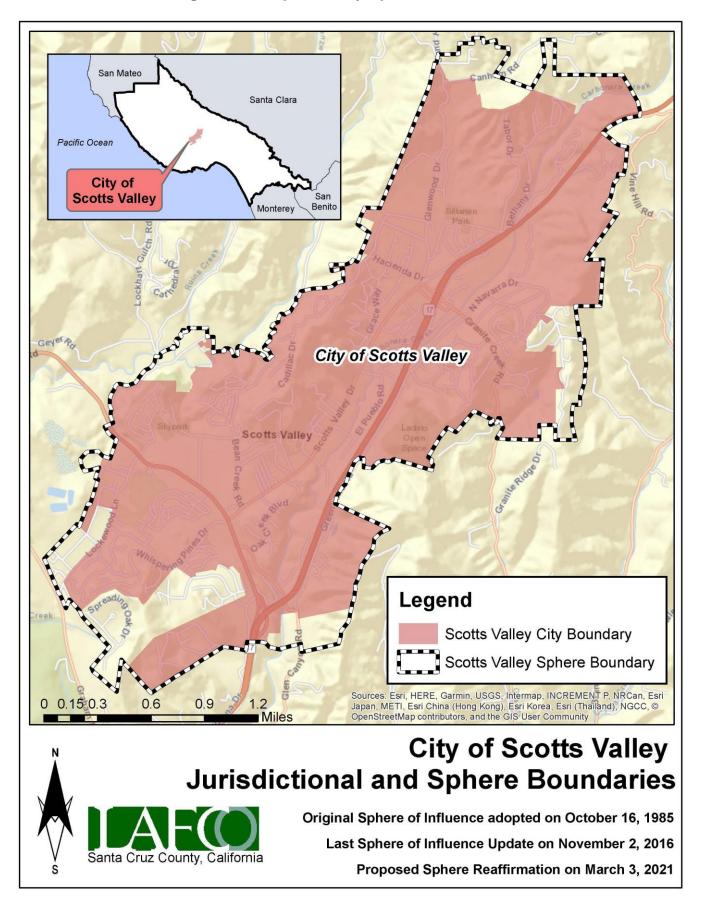


Figure 11: Proposed City Sphere Reaffirmation

CITY SUMMARY

City of Scotts Valley		
Formation	California Government Code, section 34000 et seq.	
Board of Directors	Five members, elected at-large to four-year terms	
Contact Person	Tina Friend, City Manager	
Employees	Approximately 56 Full-Time Employees	
City Area	5 square miles	
Sphere of Influence	Larger than the City (i.e., sphere boundary goes beyond existing City limits)	
	Total Revenue = \$19,657,738	
FY 2020-21 Budget	Total Expenditure = \$22,353,557	
	Projected Net Position (Beginning Balance) = \$26,205,353	
	Mailing Address: 1 Civic Center Drive, Scotts Valley, CA 95066	
	Phone Number: (831) 440-5600	
Contact Information	Email Address: <u>tfriend@scottsvalley.org</u>	
	Website: <u>https://www.scottsvalley.org/</u>	
Public Meetings	Meetings are typically held on the first and third Wednesday of each month at 6:00 p.m.	
City Overview	As Scotts Valley is a General Law City, its Council must act within the framework of limitations and procedures established by State Law. Local laws are established by ordinance and are compiled in a book called the Municipal Code. These laws are enforceable by the City, and violations thereof constitute an infraction. Other directives and policies of the City Council are recorded in Council resolutions and Council minutes.	

SERVICE AND SPHERE REVIEW DETERMINATIONS

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

The City currently provides various municipal services to a population of 12,145. A slow growth is projected to occur for the next twenty years. LAFCO staff estimates that the entire population of Scotts Valley will reach 12,418 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence. LAFCO did not identify any DUCs within or contiguous to the City's sphere boundary. That said, Scotts Valley has adopted strategic plans and capital improvement plans

That said, Scotts Valley has adopted strategic plans and capital improvement plans to ensure the adequate delivery of municipal services to its constituents.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The City General Plan within its jurisdictional limits designates areas for residential, commercial, and other city-related zoning. The County General Plan designates the unincorporated Scotts Valley community principally for mountain residential, rural residential, and parks and recreational uses.

4. Financial ability of agencies to provide services.

Scotts Valley has experienced some financial hardship. Audited financial statements from Fiscal Years 2014 to 2019 indicate that the balance has declined from \$39 million to \$26 million. As of June 30, 2020, the City is operating with a net position of approximately \$25 million.

5. Status of, and opportunities for, shared facilities.

Scotts Valley continues to explore for collaborative efforts to improve efficiencies. The City is currently a member in various joint powers agreements with local agencies and the County for services such as animal control, library, and criminal justice.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

Scotts Valley is currently within two supervisorial districts (BOS District No. 1 and 5) and two water districts (Scotts Valley and San Lorenzo Valley Water Districts). It may be beneficial to analyze whether these boundaries should be reorganized.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and openspace lands.

The present and planned land uses are based on general plans from the City and the County which range from urban to rural uses. General plans anticipate growth centered on existing urban areas and the maintenance of agricultural production, rural residential uses, and environmental protection in rural areas. Planned land uses within the five applicable general plans are a mix of urban, rural and mountain residential, agricultural, timber, public recreation, and open-space lands.

- 2. The present and probable need for public facilities and services in the area. Scotts Valley has identified and prioritized its infrastructure needs in the Five-Year CIP Plan. The CIP is evaluated each year as part of their annual budget's adoption. The principal needs are categorized by priority.
- 3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

Scotts Valley provides various types of municipal services, which can be categorized in two activities (Government and Business). Government activities include animal control, public safety, and public works. Business activities include recreation and wastewater services. In 2020, the City's population was estimated to be 12,145. LAFCO staff projects that the City's population will reach 12,418 by 2040.

- 4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency. Scotts Valley is currently within two supervisorial districts (BOS District No. 1 and 5) and two water districts (Scotts Valley and San Lorenzo Valley Water Districts). It may be beneficial to analyze whether these boundaries should be reorganized.
- 5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within the City's sphere boundary. That said, Scotts Valley has adopted strategic plans and capital improvement plans to ensure the adequate delivery of water service to its constituents.

APPENDICES

Appendix A: Past Boundary Changes (1966 to 2007)

Appendix B: Status of Projects (as of January 22, 2021)

Appendix C: Wastewater Annual Report (2019)

Appendix D: Wastewater Rate Study (2017 to 2020)

Appendix E: Financial Source (CAFR - 2015 to 2020)



APPENDIX A:

City of Scotts Valley Past Boundary Changes (1996 to 2007)

City's Past Boundary Changes

Project Number	Proposal Title	Action Date
N/A	City Incorporation	8/2/1966
98	RC Johnson / Glenwood Dr. Annexation	12/19/1966
105	Bustichi / Bean Creek Rd. Annexation	4/19/1967
118	Seapy / El Rancho Annexation	11/15/1967
121	Hick / Bean Creek Rd. Annexation	1/17/1968
127	Cadillac Dr. Annexation	4/17/1968
135	Miller / Glen Canyon Annexation	10/16/1968
161	Santa's Village Annexation	4/16/1969
162	College of Personology / Highway 17 Billboard Annexation	5/21/1969
171	Bean Creek Annexation	6/18/1969
172	Santos / Glenwood Dr. Annexation	6/18/1969
183	Casa Way / Hacienda Dr. Annexation	10/15/1969
186	Granite Creek Annexation	11/19/1969
204	Hacienda Annexation	3/18/1970
206	Lockewood Lane Annexation	5/20/1970
211	Manzanita Knolls Annexation	10/21/1970
322	Hanser / Rother Annexation	5/17/1972
318	Wallace Annexation	5/17/1972
371	Kaiser Annexation	1/9/1974

Project Number	Proposal Title	Action Date
410	Park Land Annexation	3/5/1975
461	Doughty Annexation	6/2/1976
462	Twin Pines Annexation	12/1/1976
573	Crescent Court (B) Reorganization	7/2/1980
599	Sequoia / Green Hills Rd. Reorganization	4/1/1981
664	Scotts Valley Annexation to CSA # 9 & Zone C	11/2/1983
652	Hacienda Dr. / Mills No. 652 Reorganization	12/19/1983
647-C	City of Scotts Valley's Original Sphere Designation	10/16/1985
718	Lockwood / Boyd Reorganization	4/2/1986
706	Crescent Court Reorganization	12/2/1987
737	Southwood / Niland Reorganization	12/7/1988
744	Casa Way Reorganization	4/5/1989
791	Skypark Reorganization	3/10/1994
829	Kaiser Reorganization (Detachment)	8/7/1996
831	Latos / La Cuesta Reorganization	12/4/1996
831-A	Latos / La Cuesta Amendment to SVWD SOI	12/4/1996
897	Cities Annexation to CSA # 53 Mosquito Abatement	5/4/2005
902	La Cuesta Extraterritorial Sewer Agreement	8/3/2005
916	3128 Glen Canyon Road Extraterritorial Sewer Agreement	3/7/2007
920	Old Coach Road Extraterritorial Sewer Agreement	5/2/2007

APPENDIX B:

City of Scotts Valley Status of Projects (as of January 22, 2021)

CITY OF SCOTTS VALLEY

Status of Projects - January 22, 2021

NAME/ADDRESS	NAME/ADDRESS DESCRIPTION		
° Projects Under Construc	tion		
Scotts Valley Drive	19-Townhomes / The Terrace	Under Construction	
Dunslee Way	25-Townhomes / 5000 SF Commerical (The Cove)	Under Construction	
400 Polo Ranch Road	40-Homes / Polo Ranch	Under Construction	
4303 Scotts Valley Drive	6-Condominums (Polo Ranch Affordables)	Under Construction	
Nashua Drive	3-Lots / Bergman	Under Construction	
12 Blake Lane	3-Townhomes	Under Construction	
260 Mount Hermon Road	15,000 Commercial / The Hangar	Under Construction	

•	Projects Approved		
	4803 Scotts Valley Drive	6-Apartments & 4500 SF Commercial / Bay Mountain	Approved
	200 Polo Ranch Road	120 Rooms / Marriott Residences Inn	Approved
	Town Center (EIR Only)	250 Units / 300,000 SF Commercial	Approved (EIR Only)

° Projects Under Review		
Kings Village Rd - Aviza	16-Condominiums / Apple Homes	Under Review
Scotts Valley Drive	19-Apartments / Bay Photo	Under Review
Mt. Hermon - Valley Gardens	190 Units & 5000 SF Commercial	Under Review
La Madrona - Gateway South	180 Room Hotel, 3,500 SF Commercial & 182 Units	Under Review
3640 Glen Canyon	52 Apts & 25,000 SF Commercial / Oak Creek Park	Under Review
Erba Lane	13-Units SFD/Duets	Under Review
125 Bethany Drive	67,450 SF Storage Building w/offices	Under Review

APPENDIX C:

City of Scotts Valley Wastewater Annual Report (2019)

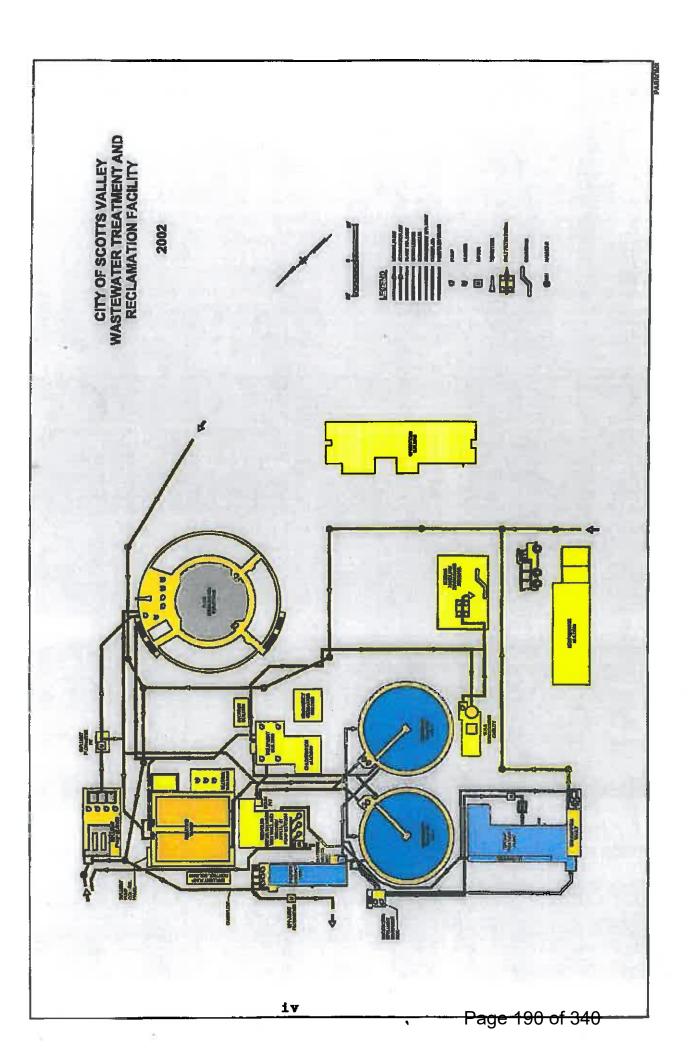


City of Scotts Valley



Wastewater Reclamation Facility Annual Report 2019

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CITY OF SCOTTS VALLEY WASTEWATER DIVISION STAFF – 2018

Scott Hamby Acting Wastewater Division Mgr. Grade IV # 6692

Art Soto Senior Wastewater Plant Operator Grade II # 10607

Wastewater Operator OIT-I

fatt flory

Dustin Birt Wastewater Operator

Grade II # 44502

Justin Granados Wastewater Operator OIT-I

SG

the

Kathleen(Kati) King Chemist

Kevin Avalos

Grade IV # 1305214090 Wastewater Operator OIT-I

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CITY OF SCOTTS VALLEY WASTEWATER TREATMENT FACILITY ANNUAL REPORT 2019

Plant Summary and Compliance

The plant had no violations in 2019.

A total 64.0 million gallons of recycled water was used in 2019.

Secondary Effluent suspended solids averaged 14.0 mg/L (a 95.3% removal rate), effluent cBOD's averaged 9 mg/L (a 97% removal rate), and effluent BOD's averaged 7 mg/L (a 96.7% removal rate). With new discharges coming in from new business's and manufacturing companies it take a seasoned staff and attentive analyst to maintain the high quality discharge that the plant is known for.

Laboratory

The City of Scotts Valley Wastewater Reclamation Facility is classified as a discharger into the Monterey Bay, thus NPDES permit is very stringent compared to Facilities that do not discharge into the Bay. The lab is kept very busy to satisfy required analyses to satisfy NPDES permit. Every effort to try and cut costs without sacrificing quality are constantly being assessed along with increasing production and time saving techniques are always on the forefront in the lab. The lab maintains it Accredited Fields of Testing as a California State Certified Lab. New changes with the adoption of TNI standards are taking place within the lab to comply with future TNI laboratory standards.

Laboratories used during 2019 were:	Bioassay Testing:
Inorganic Chemistry and Microbiology:	Aquatic Bioassay & Consulting Labs
City of Scotts Valley WWTP	29 N. Olive Street
700 Lundy Lane	Ventura, CA 93001
Scotts Valley, CA 95066	ELAP Certificate No. 1907
ELAP Certificate No. CA 1062	

HVWS, TCDD/Furans : Chemistry	Metals/Inorganic and Organic				
Frontier Analytical Laboratory Analytical Lab	BC Laboratories, Inc. Mon	terey Bay			
5172 Hillsdale Circle Ste. D	4100 Atlas Court	4 Justin Ct.			
El Dorado Hills, CA 95762 CA 93940	Bakersfield, CA 93308	Monterey,			
ELAP Certificate No. CA 02113 No.2385	ELAP Cert. No. 1186	ELAP Cert.			
California Department of Fish and Game	Oil and Grease				
2005 Nimbus Road	City of Santa Cruz Wa	stewater Lab			
Rancho Cordova, CA 95670	110 California St.				
ELAP Certification No. CA 1622	Santa Cruz, CA 95060				
Monterey Bay Analytical Lab	ELAP Certification N	o. 1176			
4 Justin Crt., Monterey, CA					
ELAD Cart 2285 Organia/Increania					

ELAP Cert. 2385 Organic/Inorganic

Lift Stations

The City of Scotts Valley owns and operates seven lift stations at various locations throughout the City. All stations are inspected three times each week. During these routine inspections, hour readings are taken to verify normal running times and flow throughput. Each pump is individually started and stopped to ensure proper operation, and wet-wells are visually inspected to confirm water levels with digital level reading on automatic pump controllers. Once each week, stations equipped with permanent emergency generators are tested on emergency power to ensure proper operation. Five stations are equipped with permanent emergency stand-by power. At this time, no other stations require permanent on-site emergency power, as limited flows allow ample

time for City staff to respond to alarm conditions and provide portable generator power prior to overflows occurring.

All of the City's seven stations have back-up pumps, redundant controls, and alarm SCADA systems that automatically call 24-hour emergency personnel in case of a power outage or high-level conditions. It also provides a baseline for history of pump operations, level and event history.

Collection System

Following is a summary of the three collection system overflows reported by the City in 2019:

- January 7 501 Sims Rd. 2000 gallons treated secondary effluent overflowed from Pasatiempo Golf Course Tertiary wet well onto the grass. SSO Event ID 855126
- September 10 405 Lockewood Lane. <5 gallons of wastewater overflowed into storm drain from Fats Oil and Grease build up. SSO Event ID 3SS010331
- December 1 700 Lundy Ln. 2200 gallons of secondary treated wastewater spilled from effluent chlorine contact tank into storm drain. Uninterrupted Power Supply (UPS) failed during heavy rain event causing loss of power to plant effluent pumps causing chlorine contact tank to overflow. SSO Event 863236
- December 23- 385 Bethany Dr. 50 gallons of wastewater overflowed from manhole onto ground. Caused by Grease and rag build up. SSO Event 863731

The City's sanitary sewer collection system is made up of approximately 40 miles of pipeline. City crews spend as much time as is available each week performing preventative maintenance using a combination vacuum/hydro-jet truck to clean the lines.

Annual Report 2019

Source Control Program

Industrial and Municipal

The industrial permit for Steel Bonnet Brewery was reissued in 2019. While the discharges from the brewery do not qualify for regulation under any Federal categorical pretreatment standard, the brewery is permitted as a non-categorical significant industrial user, because the high-biological oxygen demand (BOD) discharge pollutant loadings are potentially great enough to pose a risk of adversely impacting the sewage collection system. The 2019 permit stipulates that high-BOD wastewater must be hauled off-site rather than discharged to the sanitary sewer. The latest version of the permit also requires that a composite sampling port be installed and annual monitoring for BOD, TSS, and pH be performed.

A permit was reissued to the San Lorenzo Valley Water District in June 2017 outlining discharge requirements for backwash water from the Mañana Woods groundwater well. The backwash water must be treated, as necessary, to remove pollutants to concentrations below the City of Scotts Valley Sanitary Sewer discharge limits. There was no activity at Mañana Woods in 2019 and there are no plans to use the well in the future.

Backwash from the Scotts Valley Water District wells is sampled annually in December and selfreported. Results for TSS, manganese, and arsenic were ND or well under regulatory limits for samples collected at the El Pueblo and Orchard Run. Well 10 was sampled in November and levels for arsenic, iron and manganese were found to exceed regulatory limits. Backwash from Well 10 sampling is directed to the sanitary sewer so a settling tank is slated for construction in the first half of 2020.

The one remaining, significant industrial user (SIU) in the City of Scotts Valley is ThermoFisher, a categorical metal finishing industry (40 CFR 433.15). ThermoFisher self-reports on a biannual basis in January and June. All analyte levels were below regulatory limits.

Grease Trap Installation and Maintenance

Several years of thorough and consistent annual inspections of local food service facilities have proven to be highly effective, as most facilities are operating in compliance with the local fats, oils, and greases (FOG) program and with local ordinances. The exception at this point is that a few of the coffee shops still do not have grease traps. In the past, it was thought that the amount of fat discharged from a coffee shop was negligible, but that has proven to not be the case. In addition, some of the coffee shops also prepare food. Consequently, the remaining coffee shops without grease traps have been alerted that they will be required to install a grease trap within one year from the date of written notification.

Additionally, we inspected the installation of grease interceptors at two, new developments: Four Points Sheraton Hotel and the Hangar at Sky Park. Both developments were initially resistant to installing a grease interceptor.

Environmental Compliance

During FY 2018-2019, approximately 108 businesses in Scotts Valley were inspected for wastewater and storm water compliance, with few significant issues. Forty percent of the inspected businesses were restaurants, and almost all are now well trained and following best management practices. Other businesses sectors that were inspected include vehicle service, manufacturers, gas stations, machine shops, landscapers, contractors, dentists, and dry cleaners. Coffeeshops in Scotts Valley are now required to have a grease interceptor.

All other business types were in compliance with respect to illicit discharge to the sanitary sewer.

Public Education and Outreach

Snapshot Day Water Quality Monitoring

Snapshot Day is the oldest and largest single-day annual water quality monitoring event in California. On the first Saturday in May each year hundreds of volunteers join the Coastal Watershed Council and Monterey Bay National Marine Sanctuary staff to take a "snapshot" of the health of rivers and streams flowing into the Sanctuary.

£.

This favorite event draws people of all ages from all over California's Central Coast to collect scientifically valid water quality data and to learn more about their local watersheds. Data from field measurements and lab analysis are collected and analyzed to determine the biggest threats to water quality and best management practices to address them. In 2016, the City of Scotts Valley participated in Snapshot Day for the first time and has continued that support each subsequent year by contributing funds to help organizers, providing expertise to help determine which sites within city limits should be sampled and providing staff trained in water quality sampling methods to act as team leader on Snapshot Day. Scotts Valley residents carried out the sampling under the supervision of the team leader. Their efforts and the results may be found in this report:

https://coastal-watershed.org/wp-content/uploads/2019/08/2019-Snapshot-Day-Report-Draft_final.pdf

Scotts Valley High School Students form Green Teams

Three classes of biology students asked for projects that could be carried out by a Green Team. These projects promote practices that schools can adopt to reduce litter and diver solid waste that might find its way into the sewer or natural water bodies.

- Use the Litterati app to produce maps that show litter 'hot spots' and then use that data to make changes like adding more trash and recycling bins to an area, adding anti-litter signage to an area, etc.
- Students could do a waste audit to determine what lunch items are being thrown out and use the data to start a composting program and/or change how items packaged.
- Students could lead something we call the recycling game, where players have to choose into which bin to place an item (trash, recycling, reuse) to educate about proper recycling. Results could be recorded to inform outreach decisions. Little prizes could be offered to entice students to play.

Green Business

Scotts Valley continues to support the Monterey Bay Area Green Business Program. Goals of the Green Business Program include promoting pollution prevention, waste minimization, and implementing best management practices that go above and beyond the regulatory standards. Since its launch in July 2004, the program has developed nineteen different business certification sectors, including: restaurants, plumbers, office/retail facilities, hotels/hospitality services, custodial companies. beauty salons. laundromats. wineries. painters. and landscapers. property management/multi-family dwellings, schools, medical facilities, garment cleaners, vehicle service facilities, auto body shops, printers, contractors/remodelers, and pharmacies. A significant portion of the program for restaurants, hotels, and plumbers is dedicated to minimizing discharges of fats, oils, and greases (FOG) into the sanitary sewer. The program is supported by a database launched in 2010, which allows it to collect metrics on water and energy savings, and pollution and waste reduction, and so assess the program's impacts.

Eleven businesses are presently certified through the Green Business Program in Scotts Valley with six more undergoing the process of certification.

Sharp Solutions for Home Medicines

The City of Scotts Valley staff members, in collaboration with the County of Santa Cruz and other city agencies, were successful in obtaining a grant in 2008 from the California Integrated Waste Management Board (CIWMB) to implement a pharmaceutical and sharps disposal program. Since that time, the Sharp Solutions for Home Medicines Program has provided a convenient and permanent system to dispose of home-generated used sharps and unwanted pharmaceuticals in the County of Santa Cruz. The County established 43 convenient and well-publicized drop-off locations, primarily at pharmacies, throughout the region. Since that program was founded, nearly all the sites have been privatized and are funded and maintained by the pharmacy or healthcare provider hosting the collection bins.



CALIFORNIA STATE ENVIRONMENTAL LABORATORY ACCREDITATION PROGRAM Accredited Fields of Testing



Scotts Valley - City Wastewater Reclamation Facility Lab

700 Lundy Lane Scotts Valley, CA 95066 Phone: 8314380739 Certificate No. 1062 Explration Date 12/31/2021

festing	: 101 - Microbiology of Drinking Wa	ater
001	Total Coliform P/A	SM 9223 B Colilert
002	E. coli P/A	SM 9223 B Colliert
003	Total Coliform (Enumeration)	SM 9223 B Colilert
005	Total Coliform P/A	SM 9223 B Colliert 18
006	E. coli P/A	SM 9223 B Colliert 18
007	Total Coliform (Enumeration)	SM 9223 B Colliert 18
008	E. coli (Enumeration)	SM 9223 B Colliert 18
esting	: 107 - Microbiological Methods for	Non-Potable Water and Sewage Sludge
001	Total Coliform (Enumeration)	SM 9221 B,C-2006
002	Fecal Coliform (Enumeration)	SM 9221 C,E-2006
001	Enterococci	Enterolert
esting	: 108 - Inorganic Constituents in No	on-Potable Water
001	Turbidity	SM 2130 B-2011
001	Residue, Non-filterable TSS	SM 2540 D-2011
001	Residue, Settleable	SM 2540 F-2011
001	Chlorine, Total Residual	SM 4500-CI C-2011
001	Hydrogen Ion (pH)	SM 4500-H+ B-2011
001	Nitrate (as N)	SM 4500-NO3 D-2011
001	Biochemical Oxygen Demand	SM 5210 B-2011
002	Carbonaceous BOD	SM 5210 B-2011
001	Nitrite (as N)	Hach 8507
	001 002 003 005 006 007 008 esting 001 001 001 001 001 001 001 001 001 00	002 E. coli P/A 003 Total Coliform (Enumeration) 005 Total Coliform P/A 006 E. coli P/A 007 Total Coliform (Enumeration) 008 E. coli (Enumeration) 008 E. coli (Enumeration) 008 E. coli (Enumeration) 001 Total Coliform (Enumeration) 001 Total Coliform (Enumeration) 002 Fecal Coliform (Enumeration) 001 Enterococci esting: 108 - Inorganic Constituents in No 001 Turbidity 001 Residue, Non-filterable TSS 001 Residue, Settleable 001 Chlorine, Total Residual 001 Hydrogen Ion (pH) 001 Nitrate (as N) 001 Biochemical Oxygen Demand 002 Carbonaceous BOD





CALIFORNIA STATE

ENVIRONMENTAL LABORATORY ACCREDITATION PROGRAM

CERTIFICATE OF ENVIRONMENTAL ACCREDITATION

Is hereby granted to

Scotts Valley - City Wastewater Reclamation Facility Lab

700 Lundy Lane

Scotts Valley, CA 95066

Scope of the certificate is limited to the "Fields of Testing" which accompany this Certificate.

Continued accredited status depends on successful completion of on-site inspection, proficiency testing studies, and payment of applicable fees.

This Certificate is granted in accordance with provisions of Section 100825, et seq. of the Health and Safety Code.

Certificate No.: 1062

Expiration Date: 12/31/2021

Effective Date: 1/1/2020

In nisting

Christine Sotelo, Chief Environmental Laboratory Accreditation Program

Sacramento, California subject to forfeiture or revocation

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2019 PLANT FLOW AND RAINFALL

	Total Plant Flow Eff.+Rec.MGD Mo. Total	Effluent Daily Flow MGD Mo. Total	Effluent Inst. Max. MGD (peak)	Recycled Total Flow Million Gallons Mo. Total	Rainfall Inches (Total)
January	29.166	28.680	2.87	0.486	17.64
February	30.621	30.240	2.62	0.381	16.96
March	29.356	29.044	2.70	0.312	8.43
April	23.810	18.826	2.77	4.984	0.93
Мау	22.640	17.825	3.28	4.815	3.56
June	20.909	13.787	2.37	7.122	0.07
July	21.704	11.769	2.58	9.935	0.01
August	22.065	11.731	1.68	10.334	0.00
September	20.351	11.788	2.32	8.563	0.00
October	22.162	15.468	3.92	6.694	0.03
November	21.114	17.227	2.20	3.887	7.57
December	36.112	29.618	3.66	6.494	16.62
Total	300.01	236.00		64.01	71.82
Average	25.00	19.67	2.75	5.33	5.99
Maximum	36.11	30.24	3.92	10.33	17.64
Minimum	20.35	11.73	1.68	0.31	0.00

ADDWF, MGD 0.704 Eff + Recycle

2019 Influent & Effluent Suspended Solids

	Influent mg/L	Effluent mg/L	Effluent Ib/day	Percent Removal
January	245	11	80	95.6%
February	242	13	131	94.6%
March	244	11	92	95.3%
April	277	9	51	96.6%
Мау	334	18	94	94.4%
June	289	16	68	94.4%
July	297	7	22	97.6%
August	310	7	19	97.7%
September	371	15	55	96.3%
October	307	17	66	94.6%
November	386	28	114	90.3%
December	286	11	92	95.9%
Average	299	14	74	95.3%
Maximum	386	28	131	97.7%
Minimum	242	7	19	90.3%

2019 Influent & Effluent BOD & cBOD

	Influent BOD	BOD	Effluent BOD	BOD Percent	Influent cBOD	Effluent cBOD	cBOD	cBOD Percent
	mg/L	mg/L	lb/day	Removal	mg/L	mg/L	lb/day	Removal
January	328	8	46	97.6%	209	7	40	96.8%
February	248	7	39	97.0%	188	5	29	97.4%
March	273	9	56	96.5%	231	7	41	97.0%
Apríl	291	6	36	97.9%	272	4	23	98.6%
Мау	349	7	43	97.9%	289	7	41	97.6%
June	330	7	45	97.7%	269	5	31	98.0%
July	316	4	27	98.6%	279	4	22	98.7%
August	324	5	27	98.6%	286	4	26	98.5%
September	<u>36</u> 7	6	37	98.4%	337	5	30	98.6%
October	351	7	44	97.9%	309	6	39	97.9%
November	332	11	67	96.7%	260	7	45	97.1%
December	303	30	179	87.5%	215	26	159	86.3%
Average	318	9	54	96.9%	262	7	44	96.9%
Maximum	367	30	179	98.6%	337	26	159	98.7%
Minimum	248	4	27	87.5%	188	4	22	86.3%

2019 Tertiary Effluent Nitrogen

	Tertiary Ammonia mg/L as N	Tertiary Organic N mg/L as N	Tertiary Nitrate mg/L as N		Fertiary Nitrite mg/L as N	Nitrite Total N mg/L mg/L	
January	0.08	1.1	1.6	<	0.10	6.68	58
February	1.60	0.8	2.4	٨	0.10	13.90	76
March	ND	1.5	1.7	<	0.10	9.54	66
April	1.30	1.2	1.4	<	0.10	11.32	
Мау	0.09	1.4	1.8	<	0.10	12.88	74
June	0.09	2.4	1.4	<	0.10	15.06	74
July	0.10	1.2	1.9	<	0.10	11.68	73
August	0.08	1.4	2.0	<	0.10	10.86	68
September	ND	1.0	2.5	<	0.10	9.09	61
October	0.08	1.7	2.8	<	0.10	13.62	66
November	0.40	1.2	1.5	<	0.10	8.07	66
December	0.07	0.0	1.1	<	0.10	3.73	67
Average	0.39	1.2	1.8	<	0.10	10.5	69
Maximum	1.60	2.4	2.8		0.27	15.1	76
Minimum	0.07	0.0	1.1	<	0.01	3.7	58

2019 Influent & Effluent pH and Effluent Turbidity, Settleable Solids, and Oil & Grease

	Influent pH Std Units	Effluent pH Std Units	Effluent Turbidity NTU		Effluent Settleable Solids ml/L	-	Effluent Oil & Grease mg/L		Effluent Oil & Grease Ib/day
January	8.2	7.3	11.7	<	0.1	<	5	<	30
February	8.1	7.3	6.0	<	0.1	<	5	<	30
March	8.1	7.3	6.1	<	0.1	<	5	<	30
April	8.2	7.3	6.6	<	0.1	<	5	<	30
Мау	8.2	7.3	10.7	<	0.1	<	5	<	30
June	8.1	7.3	6.8	<	0.1	<	5	<	30
July	8.0	7.1	5.4	<	0.1	<	5	<	30
August	8.1	7.2	6.0	<	0.1	<	5	<	30
September	8.2	7.2	5.5	<	0.1	<	5	<	30
October	8.2	7.2	6.0	<	0.1	<	5	<	30
November	8.3	7.2	2.5	<	0.1	<	5	<	30
December	8.1	7.2	8.6	<	0.1	<	5	<	30
Average	8.2	7.2	6.8	<	0.1	<	5.0	<	30
Maximum	8.3	7.3	11.7	<	0.1	<	5.0	<	30
Minimum	8.0	7.1	2.5	<	0.1	<	5.0	<	30

2019 Effluent Chlorine Residual and Bacteriological Quality

	Chlorine		Total		Fecal	
		Residual mg/L	Coliform MPN/100mL		Coliform MPN/100mL	Enterococcus MPN/100mL
January	<	@Santa Cruz 0.01	5630		810	144
February	<	0.01	3620		400	141
March	<	0.01	1990	<	240	87
April		0.04	2400		320	35
May	<	0.04	4560		220	23
June	~	0.02	7410	<	220	86
July	<u> </u>	0.02	4210	/		128
August	<	0.03			340	88
September	<		5750		810	70
October	$\overline{\langle}$	0.04	4290		770	153
	-	0.01	8560		1110	144
November	<	0.01	2760		420	149
December	<	0.01	1650		260	113
Geometric		0.02			- 101	
		0.02	3,924	_	421	89
Maximum		0.05	8,560	_	1,160	153
Minimum		0.01	1,650	<	220	23

2019 Sludge Wasting

	WAS	WAS	Sludge	Hours	Sludge %	
	Flow	Percent	Hauled	Press or	Solids	
	MGD	Solids	Tons/mnth	Aeromod		
			(dry wt)	per/mnth		
January	0.7499	1.01	25.4	162.3	10.9	
February	0.6420	1.11	22.9	132.0	11.5	
March	0.6283	1.08	24.2	145.8	8.9	
April	0.6491	1.03	24.4	144.6	8.8	
Мау	0.6635	1.04	21.2	136.8	8.6	
June	0.6541	1.22	13.8	131.5	13.6	
July	0.8555	1.13	22.5	161.8	14.7	
August	0.8023	1.02	22.1	153.5	14.4	
September	0.6635	1.01	19.8	136.5	11.3	
October	0.7696	1.06	15.9	166.0	13.7	
November	0.7000	1.37	17.2	158.5	14.4	
December	0.5638	0.87	18.7	144.8	9.1	
Total	8.342		248.2	1,774		
Average	0.695	1.08	20.7	148	11.7	
Maximum	0.856	1.37	25.4	166	14.7	
Minimum	0.564	0.87	13.8	132	8.6	

2019 Plant Operating Parameters

	Aerator Ibs	Clarifier Ibs	Total Ibs	RAS mg/L	MLSS mg/L	Clar. SS mg/L	MCRT 7-day	F/M 7-day	SVI Ratio
January	14878	9229	24,107	10169	5915	2181	9.67	0.21	156
February	15235	12777	28,012	11392	6057	3019	10.79	0.21	155
March	15820	11812	27,632	11421	6289	2791	11.17	0.19	148
April	15933	7219	23,153	10358	6335	1706	9.18	0.16	142
Мау	15269	7237	22,506	9522	6070	<u>1</u> 710	9.10	0.16	144
June	16865	6831	23,696	9985	6705	1614	9.04	0.16	132
July	18687	12393	31,080	10931	7429	2929	8.28	0.13	129
August	17634	11113	28,747	10324	7010	2626	8.50	0.14	138
September	14928	8690	23,618	9074	5935	2054	8.61	0.17	161
October	16239	8775	25,014	9529	6456	2074	8.78	0.15	144
November	17044	14038	31,082	10189	6776	3317	13.23	0.17	143
December	16767	16610	33,377	10881	6666	3925	18.93	0.20	148
Average	16,275	10,560	26,835	10,314	6,470	2,496	10.4	0.17	145
Maximum	18,687	16,610	33,377	11,421	7,429	3,925	18.9	0.21	161
Minimum	14,878	6,831	22,506	9,074	5,915	1,614	8.3	0.13	129



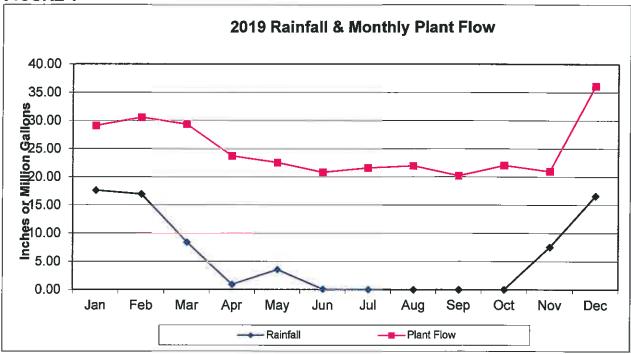
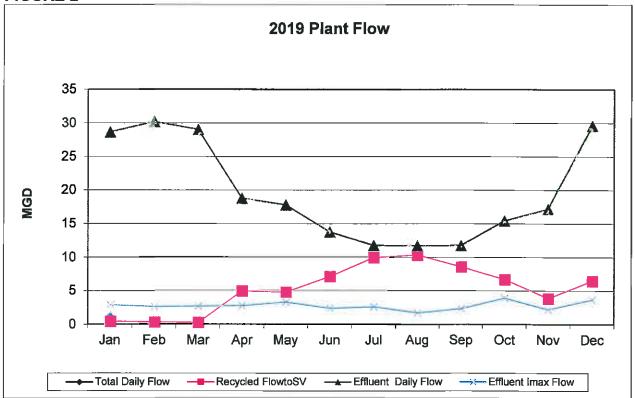
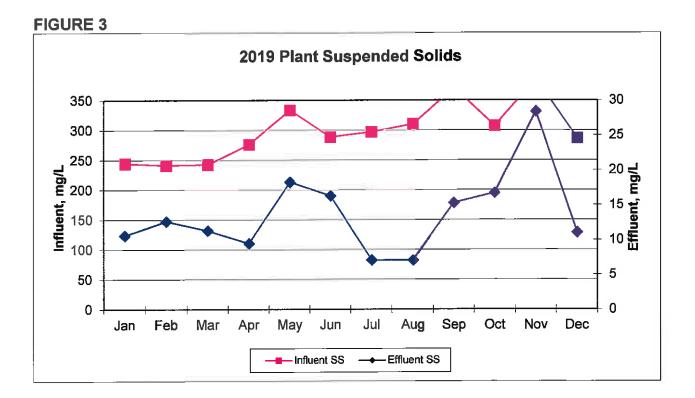
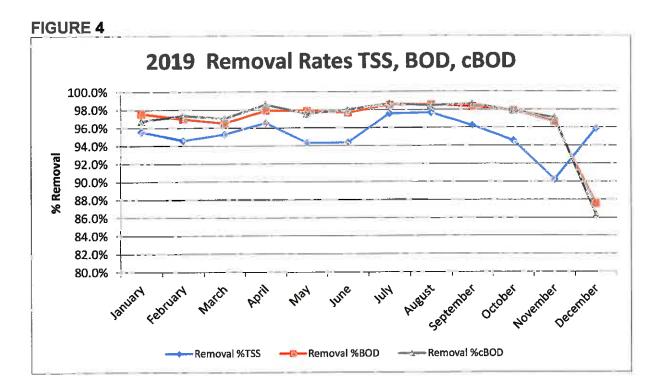


FIGURE 2







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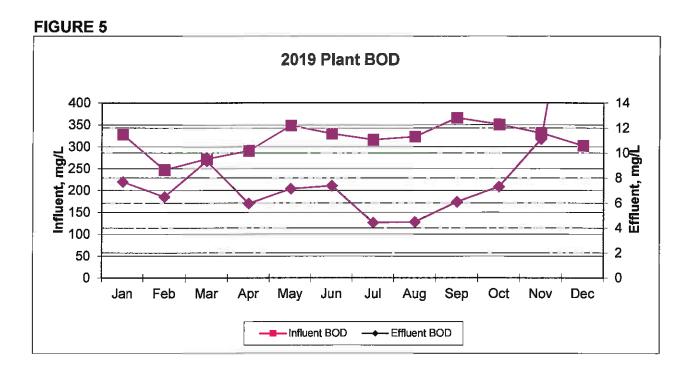
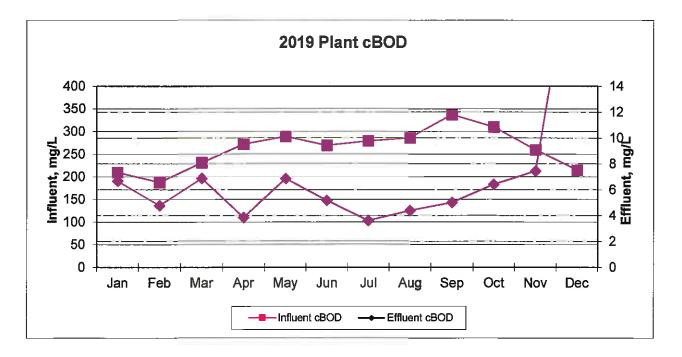
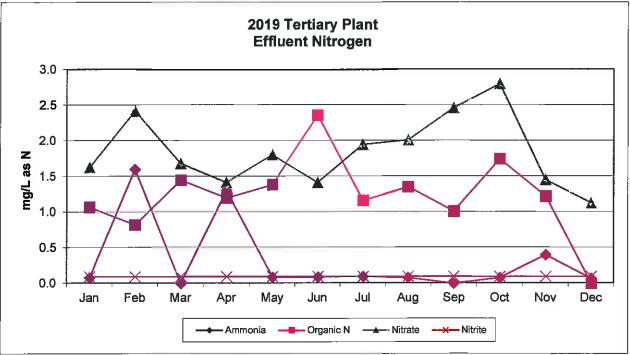


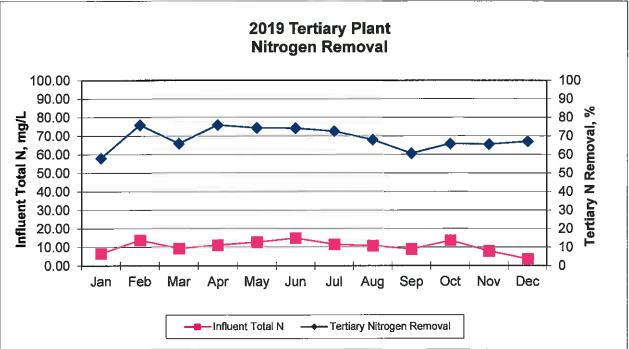
FIGURE 6











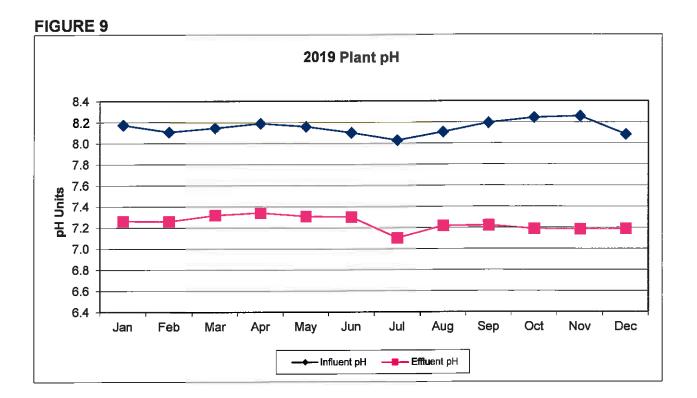
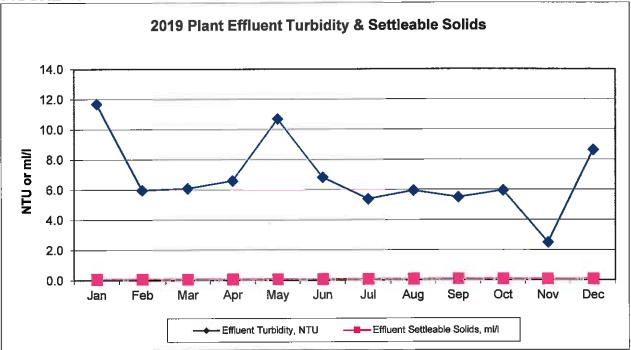


FIGURE 10



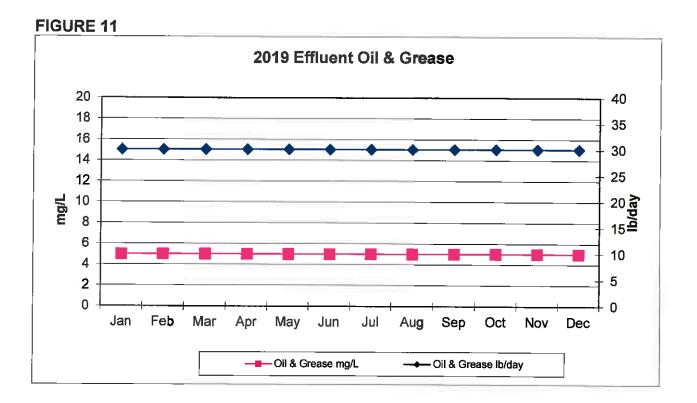
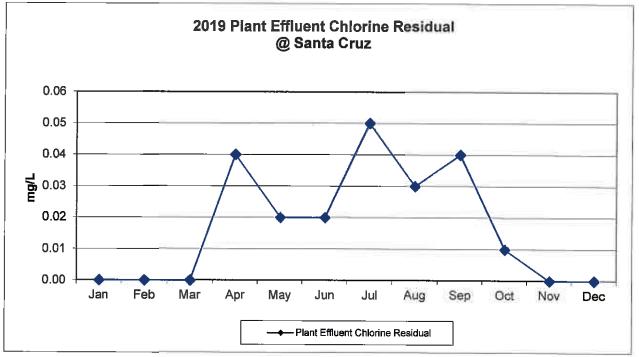
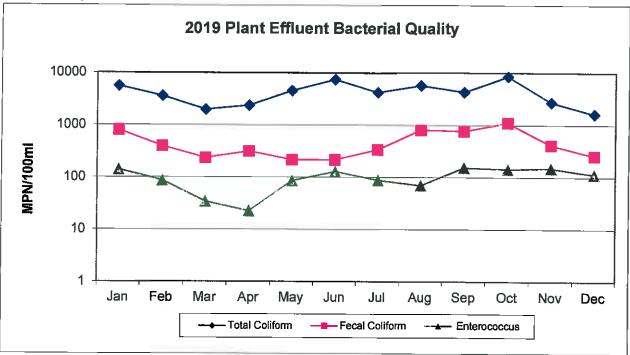


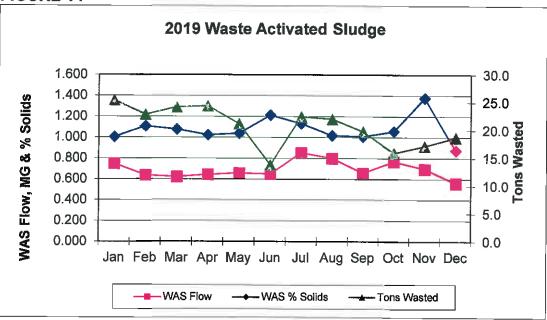
FIGURE 12



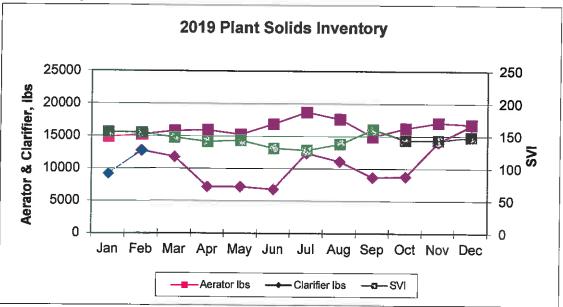




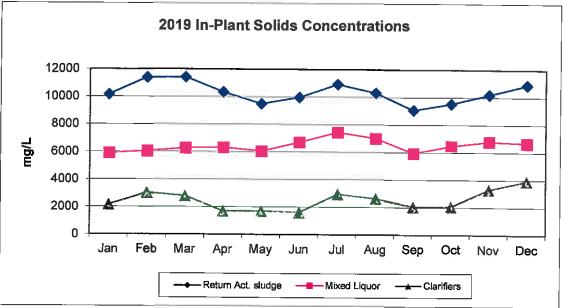


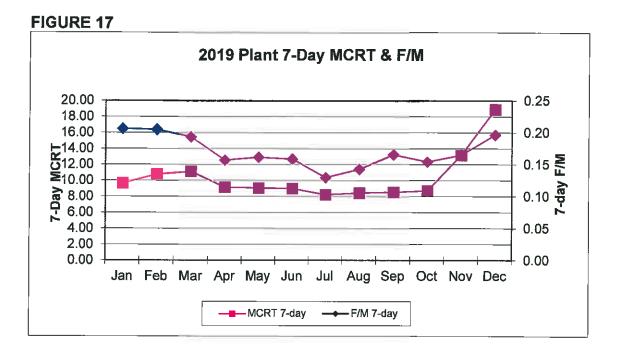




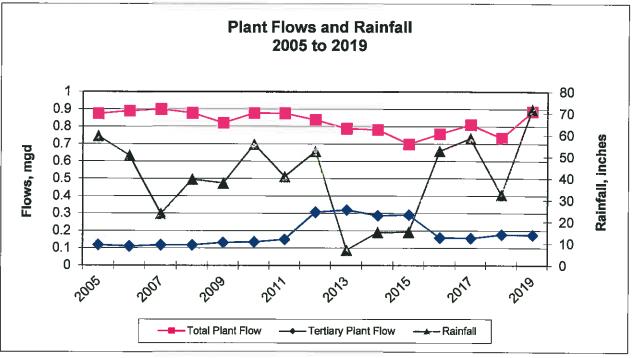






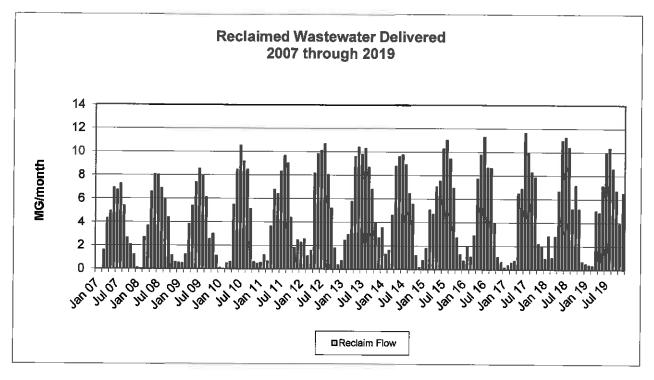








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NPDES PERMIT EFFLUENT VIOLATIONS 2010-2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
January	0	0	0	0	0	0	0	0	0	0
February	0	0	0	0	0	0	0	0	0	0
March	0	0	0	0	0	1	0	0	0	0
April	0	0	0	0	0	0	0	0	0	0
May	0	0	0	_1	0	0	0	0	0	0
June	0	0	0	0	0	0	0	0	0	0
July	0	0	0	0	0	0	0	0	0	0
August	0	0	0	0	0	0	0	0	0	0
September	0	0	0	0	0	0	0	0	0	0
October	0	0	0	0	0	0	0	2	0	0
November	0	0	0	0	0	0	0	0	0	0
December	0	0	4	0	0	0	0	0	0	0
	1	iī								
Total	0	0	4	1	0	1	0	2	0	0
			Eff. Weekly	Cl2		Eff. Weekly	,	Eff. Weekly		
			Avg.BOD			TSS Avg.		& Monthly		
			CBOD, TSS					TSS Avg.		
			sett.solid							

City of Scotts Valley Discharger Self Monitoring Rep

2019 Annual Ocean Plan Table 1 Monitoring 700 Lundy Lane NPDES#: 0048828 FAC ID: 3440103(Scotts Valley, CA 95066

2019 Annual Effluent Remarks:	CONSTITUENT (HV = High Volume water sample)	Detection Limit & Units		Result	Sample Date	30-day Average Limit ug/L		Times Limit Exceeded
	Acrylonitrile	1.2	ug/L	ND	2/26-27/2019	1.E+01	_	0
	Aldrin	0.0013	ug/L	ND	2/26-27/2019	0.E+00		0
	Benzene	0.083	ug/L	ND	2/26-27/2019	8.E+02		0
	Benzidine	7.1	ug/L	ND	2/26-27/2019	1.E-02		0
	Beryllium	0.23	ug/L	ND	2/26-27/2019	5.E+00		0
	Bis(2-Chloroethyl)ether	0.68	_ug/L	ND	2/26-27/2019	6.E+00		0
	Bis(2-ethylhexyl)phthalate		_ug/L	0.55	2/26-27/2019	5.E+02		0
	Carbon tetrachloride	0.18	ug/L	ND	2/26-27/2019	1.E+02		0
	HV Chlordane		ug/L	<0.00034	2/19-3/21/19	0.E+00		0
	Chloroform	0.5	ug/L	39	2/26-27/2019	1.E+03		0
	HVDDT		ug/L	<0.000072	2/19-3/21/19	2.E-02		0
	1,4-Dichlorobenzene	0.06	ug/L	ND	2/26-27/2019	3.E+03		0
	3,3-Dichlorbenzidine	8.2	ug/L	ND	2/26-27/2019	1.E+00		0
	1,2-Dichloroethane	0.17	ug/L	ND	2/26-27/2019	4.E+03		0
	1,1,-Dichloroethylene	0.17	ug/L	ND	2/26-27/2019	1.E+02		0
	Dichlorobromomethane		ug/L	2.1	2/26-27/2019	9.E+02		0
	Methylene chloride	0.48	ug/L	ND	2/26-27/2019	6.E+04		0
	1,3-Dichloropropene	0.21	ug/L	ND	2/26-27/2019	1.E+03		0
	HV Dieldrin		ug/L	<0.000016	2/19-3/21/19	1.E-02		0
	2,4-Dinitrotoluene	0.26	ug/L	ND	2/26-27/2019	4.E+02		0
•	1,2-Diphenylhydrazine	0.34	ug/L	ND	2/26-27/2019	2.E+01		0
	Halomethanes	2	ug/L	2.1	2/26-27/2019	2.E+04		0
	HV Heptachlor		ug/L		2/19-3/21/19	1.E-02		0
	HV Heptachlor Epoxide		ug/L		2/19-3/21/1	0.E+00		0
	HV Hexachlorobenzene		ug/L	<0.00006	2/19-3/21/1	3.E-02		0
	Hexachlorobutadiene	0.24	ug/L	ND	2/26-27/2019	2.E+03		0
$ \longrightarrow $	Hexachloroethane	0.32	ug/L	ND	2/26-27/2019	3.E+02		0
	Isophorone	0.31	ug/L		2/26-27/2019	1.E+05		0
	N-Nitrosodimethylamine	0.61	ug/L		2/26-27/2019	1.E+03		0
	N-Nitrosodi-N-Propylamine	1.3	ug/L		2/26-27/2019	5.E+01		0
	N-Nitrosodiphenylamine	0.44	ug/L		2/26-27/2019	3.E+02		0
			ug/L		2/19-3/21/1	1.E+00		0
	HV PCBs(total)		ug/L		2/19-3/21/1	0.E+00		0
	HV TCDD Equivalents		ug/L		2/19-3/21/1	5.E-07		0
	1,1,2,2,-Tetrachloroethane	0.17	ug/L	ND	2/26-27/2019	3.E+02		0
	Tetrachloroethylene	0.13	ug/L	ND	2/26-27/2019	3.E+02		0
·	Toxaphene	0.42	ug/L	ND	2/26-27/2019	3.E-02		0
· · · ·	Trichloroethylene	0.085	ug/L	ND	2/26-27/2019	4.E+03		0
	1,1,2-Trichloroethane	0.16	ug/L	ND	2/26-27/2019	1.E+03		0
	2,4,6-Trichlorophenol	0.6	ug/L	ND	2/26-27/2019	4.E+01		0
1	/inyl chloride	0.12	ug/L	ND	2/26-27/2019	5,004		0

City of Scotts Valley Discharger Self Monitoring Report

2019 Ocean Plan Table 1 Monitoring NPDES#: 0048828 FAC ID: 3440103(

700 Lundy Lane Scotts Valley, CA 95066

Discharge Limits					JATIC LIFE		Discharg		
2019	CONSTITUENT	Detect	an 1 tualé 9	Result	Sample	6-Month	Discharg	instant.	Times
Annual		1	on Limit & Inits		Date	Median	Max.	Max.	Limit
Effluent	(HV = High Volume	`	mita			ug/L	ug/L	ug/L	Exceede
Remarks:	water sample)					_	_	-	
	Arsenic	2	ug/L	ND	2/26-27/2019	1,112	4,448	11,120	0
	Cadmium	1	ug/L	ND	2/26-27/2019	139	556	1,390	0
	Chromium (hexavalent)	0.2	ug/L	ND	2/26-27/2019	278	1,112	2,780	0
	Copper	2.0	_ug/L	6.60	2/26-27/2019	417	1,668	4,170	0
	Lead	1.0	ug/L	ND	2/26-27/2019	278	1,112	2,780	0
	Mercury	0.20	ug/L	ND	2/26-27/2019	5.56	22	55.6	0
	Nickel	2.0	ug/L	3.6	2/26-27/2019	695	2,780	6,950	0
	Selenium	2.0	ug/L	0.9	2/26-27/2019	2,085	8,340	20,850	0
	Silver	1.0	ug/L	ND	2/26-27/2019	97.30	389.2	973	0
	Zinc	5.0	ug/L	61.0	2/26-27/2019	2,780	11,120	27,800	0
	Cyanide	5.0	ug/L	12.0	2/26-27/2019	139	556	1,390	0
	Phenolic Compounds	1.0	ug/L	ND	2/26-27/2019	4,170	16,680	41,700	0
	(non-chlor	inated)							
	Chlorinated Phenolic	0.4	ug/L	NÐ	2/26-27/2019	139	556	1,390	0
	HV Endosulfans		ug/L	<0.000462	2/19-3/21/1	1.25	2.5	3.8	0
	HV Endrin		ug/L	<0.000016	2/28-4/2/14	0.28	0.56	0.83	0
	Lindane	0.005	ug/L	ND	2/26-27/2019	0.56	1.11	1.67	0
	Radioactivity	Beta	pCi/L	24.0	2/26-27/2019	Section 302	253 CCR		0
		Alpha	pCi/L	0.105	2/26-27/2019				0
	TABLE 1 -	PROTEC1	FION OF HU	MAN HEAL	TH - NONC	ARCINOGE	INS		
						30-day			
	CONSTITUENT			Result	Sample	30-day Average			Times
	CONSTITUENT (HV = High Volume		on Limit &	Result	Sample Date	-			Times
			on Limit & nits	Result		Average			Limit
	(HV = High Volume					Average Limit			Limit
	(HV = High Volume water sample)	U	nits	ND	Date	Average Limit ug/L			Limit Exceeded
	(HV = High Volume water sample) Acrolein	U 7.9	nits _ug/L	ND 0.21	Date 2/26-27/2019	Average Limit ug/L 3.E+04			Limit Exceeded 0
	(HV = High Volume water sample) Acrolein Antimony	7.9 0.1	nits _ug/L _ug/L	ND 0.21 ND	Date 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05			Limit Exceeded 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth	U 7.9 0.1 0.27	nits _ug/L _ug/L _ug/L	ND 0.21 ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02			Limit Exceeded 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroisopropyl) eth	U 7.9 0.1 0.27 0.30	nits ug/L ug/L ug/L ug/L	ND 0.21 ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04			Limit Exceeded 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroisopropy)) eth Chlorobenzene	U 7.9 0.1 0.27 0.30 0.093	nits ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04			Limit Exceeded 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroisopropyi) ett Chlorobenzene Chromium III	U 7.9 0.1 0.27 0.30 0.093 5.00	nits ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07			Limit Exceeded 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroisopropyi) ett Chlorobenzene Chromium III Di-n-butyl phthalate	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05			Limit Exceeded 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chlorosthoxy) meth Bis (2-chlorosthoxy) meth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chlorosthoxy) meth Bis (2-chlorolsopropyl) eth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chlorosthoxy) meth Bis (2-chlorolsopropyl) eth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chlorosthoxy) meth Bis (2-chloroisopropyl) eth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate Dimethyl phthalate 4,6-Dinitro-2-methyl phy 2,4-Dinitrophenol	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34 0.34 0.20	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroisopropyl) eth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate A,6-Dinitro-2-methyl phy	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02 6.E+05			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroethoxy) meth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate Dimethyl phthalate 4,6-Dinitro-2-methyl ph 2,4-Dinitrophenol Ethylbenzene HV Fluoranthene	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34 0.20 0.098	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND ND ND 0.0002	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02 6.E+05 2.E+03			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroethoxy) meth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate Dimethyl phthalate 4,6-Dinitro-2-methyl phr 2,4-Dinitrophenol Ethylbenzene HV Fluoranthene Hexachlorocyclopentadier	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34 0.20 0.098	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND ND ND ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02 6.E+05 2.E+03 8.E+03			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroethoxy) meth Bis (2-chloroisopropyl) ett Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate Dinethyl phthalate A,6-Dinitro-2-methyl ph 2,4-Dinitrophenol Ethylbenzene HV Fluoranthene Hexachlorocyclopentadier Nitrobenzene	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34 0.20 0.098 0.0500 0.26	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND ND ND ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02 6.E+02 6.E+03 2.E+03 8.E+03 7.E+02			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroethoxy) meth Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate Dimethyl phthalate 4,6-Dinitro-2-methyl phy 2,4-Dinitrophenol Ethylbenzene HV Fluoranthene Hexachlorocyclopentadier Nitrobenzene Thallium	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34 0.20 0.098 0.0500 0.26 0.10	nits ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND ND ND ND ND ND ND ND	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02 6.E+05 2.E+03 8.E+03 7.E+02 3.E+02 3.E+02			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	(HV = High Volume water sample) Acrolein Antimony Bis (2-chloroethoxy) meth Bis (2-chloroethoxy) meth Bis (2-chloroisopropyl) ett Chlorobenzene Chromium III Di-n-butyl phthalate Dichlorobenzenes Diethyl phthalate Dinethyl phthalate A,6-Dinitro-2-methyl ph 2,4-Dinitrophenol Ethylbenzene HV Fluoranthene Hexachlorocyclopentadier Nitrobenzene	U 7.9 0.1 0.27 0.30 0.093 5.00 0.39 0.31 0.33 0.39 0.34 0.20 0.098 0.0500 0.26	nits ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L ug/L	ND 0.21 ND ND 1.20 ND ND ND ND ND ND ND 0.0002 ND ND ND ND ND 0.32	Date 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019 2/26-27/2019	Average Limit ug/L 3.E+04 2.E+05 6.E+02 2.E+04 8.E+04 3.E+07 5.E+05 7.E+05 5.E+06 1.E+08 3.E+04 6.E+02 6.E+02 6.E+03 2.E+03 8.E+03 7.E+02			Limit Exceeded 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

City of Scotts Valley Discharger Self Monitoring Report

Annual Blosolids Hazardous Waste Determination

NPDES#: 0048828 FAC ID: 3440103001

Date of Report: SLUDGE CAKE Annual hazardous waste determination Wet weight reporting in mg/kg Detaction Requiator Regulatory 2019 Annual CONSTITUENT Limit (ML) Result Level Level and 1st Qrt. & Units mg/L mg/L Times mg/kg Remarka: Exceede Arsenic/ Arsenic Compounds 1.00 1,30 5.0 ٥ 0.50 14.00 100.0 Barium 0 Benzanø Cadmium 0.00 ND 0.5 a 0.50 0.12 1.0 0 Carbon tetrachioride 0.00 ND 0.8 0 0.03 Chlordane 0.01 ND Û ND 100.0 Chlorobenzene 0.00 0 Chloroform 0.00 ND 6.0 ٥ 5.0 Conclusion: Chromium 0.50 1,30 0 Not o-Cresol 0.09 ND 200.0 n 200.0 Hazardous m-Cresol 0.16 ND 0 Material 0.16 ND 200.0 p-Cresol ō 2,4-D 1,4-Dichlorobenzene 0.01 ND 10 0 0.00 ND 7.5 0 1,2-Dichloroethane 0.00 ND 0.5 0.7 1.1-Dichlorosthylene 0.00 ND ΪŪ, 0.13 2,4-Dinitrotoluena 0.30 ND 0 Endrin Heptachlor(and its epoxide) 0.00 ND 0,02 0 800,0 ND 0 Hexachlorobenzene 0.00 ND 0.13 0 Haxachiorobutadiene 0.00 ND 0.5 a 3.0 5.0 Hexachloroethana 0.32 ND 0 2.50 Lead 0.91 ٥ 0.4 Lindene 0.00 ND 0.16 Mercury 0.14 0.2 0 10.0 Methoxychlor ND ٥ Methyl ethyl ketone 0.02 0.13 200.0 Nitrobenzene 0.10 ND 2.0 D Pentrachiorophenol ND 100.0 0.00 a Pyridine 0.36 ND 5.0 0 1.00 ND i.0 0 Selenium Silver 0.50 1.20 5.0 0 Tetrachloroethylene 0.5 0.00 NÐ a 0.5 Toxaphene 0.03 ND ٥ Trichlorosthylene 0.00 ND 0.5 0 400.0 2,4.5-Trichlorophenol 0.17 ND Q 2,4,6-Trichlorophenol 0,26 ND 2,0 0 1.0 2,4,5-TP (Silvex) Vinyi Chioride 0.00 ND 0

ND

Conclusion: Not Hazardous Material

Data submitted as required by monitoring report program 40 CFR 261 Subpart C 261.24 Hazardous Waste Determination of Sludge

0.00

0:2

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City of Scotts Valley Discharger Self Monitoring Report Annual Blosolids Monitoring NPDES#: 0048828 FAC ID: 3440103001 700 Lundy Lane Scotts Valley, CA 95066 Date of Report: SLUDGE/SLURRY, TABLE 6 -Annual and First Quarter Blosolide Monitoring Sample 1st Guarter CONSTITUENT Date of Annual CONSTITUENT Detection Result 1/#22019 Constitutent 0.05 % 96.6 1/#22019 Constitutent 0.06 mp/kg 0.86 % 1/#22019 Cadanium 0.90 mp/kg 0.80 % 0 1/#22019 Mercury 0.16 mp/kg 0		- <u> </u>				-					
NPDES#: 0048828 FAC ID: 3440103001 Scotts Valley, CA 95066 Date of Report: SLUDGE/SLURRY, TABLE 6 - Annual and First Quarter Biosolide Monitoring 16/2019 Sample 2018 CONSTITUENT Detection Result Teble 3 Timma Date of Report: 16/2019 CONSTITUENT Detection Result Teble 3 Timma 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Cadmium 0.80 mg/kg 0.00 0 1/8/2019 Lead 2.5 mg/kg 0.00 0 1/8/2019 Moreury 0.16 mg/kg 10.0 0 1/8/2019 Moreury 0.16 mg/kg 10.0 0 1/8/2019 Moreury 0.16 mg/kg 10.0 0 1/8/2019 Moreury 0.16 mg/kg 17.0 0		City of S	Scotts Valley Dis	scharger Se	elf Mo	nitor	ing R	eport			
NPDES#: 0048828 FAC ID: 3440103001 Scotts Valley, CA 95066 Date of Report: SLUDGE/SLURRY, TABLE 6 - Annual and First Quarter Biosolide Monitoring 16/2019 Sample 2018 CONSTITUENT Detection Result Teble 3 Timma Date of Report: 16/2019 CONSTITUENT Detection Result Teble 3 Timma 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Cadmium 0.80 mg/kg 0.00 0 1/8/2019 Lead 2.5 mg/kg 0.00 0 1/8/2019 Moreury 0.16 mg/kg 10.0 0 1/8/2019 Moreury 0.16 mg/kg 10.0 0 1/8/2019 Moreury 0.16 mg/kg 10.0 0 1/8/2019 Moreury 0.16 mg/kg 17.0 0		Annual Blos	olids Monitorina			700 1	undy L	ane			
Date of Report: SLUDGE/SLURRY, TABLE 6 - Annual and First Quarter Biosolide Monitoring 1/8/2019 Sample Date end Annual Remarks: CONSTITUENT Detection Limit (ML) & Units Result dry weight dry weight (M) Table 3 Tense Limit Exceeded 1/8/2019 CONSTITUENT Detection & Units Result dry weight dry weight (M) Table 3 Tense Limit (ML) 1/8/2019 Arsanic 1.0 mg/kg 0.20 0 1/8/2019 Catmium 0.50 mg/kg 0.84 0 1/8/2019 Chromium 0.50 mg/kg 0.84 0 1/8/2019 Laad 2.5 mg/kg 0.80 0 1/8/2019 Laad 2.5 mg/kg 1.00 300.0 0 1/8/2019 Mickal 0.60 mg/kg 1.00 300.0 0 1/8/2019 Selenium 1.00 mg/kg 8.00 420.0 9 1/8/2019 Paint Filter Test pass/fail pass 0 1 1/8/2019 Paint Filter Test pass/fail				40400004							
18/2019 18/2019 Sample 2016 CONSTITUENT Detection Result Table 3 Tama 19/2019 Annual Remarks: & Units mg/kg Limit (ML) dry weight Limit Ecceeded 1/8/2019 Arsanic 1.0 mg/kg 9.20 0 0 1/8/2019 Arsanic 1.0 mg/kg 9.20 0 0 1/8/2019 Cadmium 0.50 mg/kg 9.20 0 0 1/8/2019 Cadmium 0.50 mg/kg 9.20 0 0 1/8/2019 Cadmium 0.50 mg/kg 9.20 10 0 1/8/2019 Lead 2.5 mg/kg 1.0 0 0 0 1/8/2019 Molybdenum 2.5 mg/kg 1.00 0 0 1/8/2019 Paint Filter Test pase/11 0 0 0 1/8/2019 Paint Filter Test pas/11 0 0			0040020 FAC ID: 34	40103001		Scon	<u>s valley</u>	, CA 95066			
Sample Date 1st Quarter and Annual CONSTITUENT Detection Limit (ML) Result dry weight Limit Table 3 Tamas Exceeded 1/8/2019 Moleture 0.05 % 86.6		Data of Report:		· · · · · · · · · · · · · · · ·							
Date and Annual Construction Limit (ML) drows J Exceeded 1/8/2016 Molecture 0.05 % 66.6 — — 1/8/2019 Arsenic 1.0 mg/kg 9.20 0 1/8/2019 Cadmium 0.56 mg/kg 0.84 0 1/8/2019 Cadmium 0.50 mg/kg 0.00 0 1/8/2019 Cadmium 0.50 mg/kg 0.00 0 1/8/2019 Copper 1.0 mg/kg 0.00 0 1/8/2019 Leed 2.5 mg/kg 6.30 0 1/8/2019 Morcury 0.16 mg/kg 1.00 30.0.0 0 1/8/2019 Morcury 0.16 mg/kg 1.00 30.0.0 0 1/8/2019 Selenturm 1.00 mg/kg 1.00 30.0.0 0 1/8/2019 Plaint Filter Teat pasu/fall pase 0 0 1/8/2019 Plaint		2018									
Remarks: AUnits If yeegin Linit Construct 1/8/2016 Arsenic 0.05 % 85.6	Sample	1st Quarter	CONSTITUENT	Detection	Result	Table 3	Times				
Historie Molsture 0.05 % 65.6 1/8/2019 Arasnic 1.0 mg/kg 9.20 0 1/8/2019 Cadmium 0.50 mg/kg 0.84 0 1/8/2019 Cadmium 0.50 mg/kg 0.00 38.0 0 1/8/2019 Copper 1.0 mg/kg 2.00 1550.0 0 1/8/2019 Lead 2.5 mg/kg 6.30 0 0 1/8/2019 Morcury 0.16 mg/kg 1.00 300.0 0 1/8/2019 Mickal 0.60 mg/kg 15.00 200.0 0 1/8/2019 Mickal 0.60 mg/kg 15.00 200.0 0 1/8/2019 Salanium 1.00 mg/kg 100 0 0 1/8/2019 Paint Filter Test pass/ail pass 0 0 1/8/2019 pH std. un/ts 6.50 1 1 1/8/2019	Date	and Annual		Limit (ML)	dry weight	Limit	Exceeded	•			
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INECTION Intermitting Date of the second se			Moisture	0.05 %	85.6						
1/B/2019 Chromium 0.00 39.0 0 1/B/2019 Cupper 1.0 mg/kg 0.00 39.0 0 1/B/2019 Lead Cupper 1.0 mg/kg 6.30 0 1/B/2019 Lead 2.5 mg/kg 6.30 0 1/B/2019 Morcury 0.16 mg/kg 6.50 0 1/B/2019 Mickal 0.50 mg/kg 1.00 300.0 0 1/B/2019 Mickal 0.50 mg/kg 15.00 420.0 0 1/B/2019 Salanjum 1.00 mg/kg ND 0 0 1/B/2019 Salanjum 1.00 mg/kg ND 0 0 1/B/2019 Paint Filter Test pess/fail pass 0 0 1/B/2019 PH std. units 6.50 1 0 1/B/2019 PH std. 1 1 1 1/B/2019 PH std.			Arsenic	1.0 mg/kg	9.20		0				
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18/2019 Lead 1.0 mg/kg 6.30 0 18/2019 Morcury 0.16 mg/kg 6.30 0 18/2019 Morcury 0.16 mg/kg 1.00 300.0 0 18/2019 Molybdenum 2.5 mg/kg 6.80 17.0 0 18/2019 Mickal 0.50 mg/kg 180.0 200.0 0 18/2019 Selenium 1.00 mg/kg ND 0 0 18/2019 Paint Filter Test pass/fail pass 0 0 18/2019 PH std. un/ts 6.50 1 0 18/2019 PH std. un/ts 6.50 1 0 18/2019 PH std. un/ts 6.50 1 1 18/2019 PH std. un/ts 6.50 1 1 18/2019 Disposal Location Morterey Peninsula Landfill 2019 1 18/2019 Disposal Location Morine, CA			Chromium	0.50 mg/kg	0.00	39.0	0				
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1/8/2019 Molybdonum 2.5 mg/kg 6.50 17.0 0 1/8/2019 Nickal 0,50 mg/kg 6.50 17.0 0 1/8/2019 Nickal 0,50 mg/kg 15.00 420.0 0 1/8/2019 Selanium 1.00 mg/kg ND 0 0 1/8/2019 Zinc 2.5 mg/kg 450.00 2800.0 0 1/8/2019 Paint Filter Test pass/fail pass 0 0 1/8/2019 PH std. units 6.50 1 0 1/8/2019 Inc Inc Inc 1 1 1/8/2019 Inc Inc Inc 1 1 1/8/2019 Inc Inc Inc 1 <				2.5 mg/kg	6.30		0				
18/2019 Mickal 0.00 mgrag 10.00 0 18/2019 Selenium 1.00 mgrag 15.00 420.0 0 18/2019 Selenium 1.00 mgrag ND 0 0 18/2019 Paint Filter Test pass/fail pass 0 0 18/2019 Paint Filter Test pass/fail pass 0 0 18/2019 PH std. unWs 6.50 1 1 18/2019 PH std. unWs 6.50 1 18/2019 Disposal Location 1 1 1 18/2019 Disposal Location Monterey Peninsula Landfill 2019 18/2019 Disposal Location Monterey Peninsula Landfill 2019 18/2019 Disposal Location Monterey Peninsula Landfill 2019 18/2019 Silurry Hauled and Sold to Santa Cruz Wastewater Facility 14/2019 18/2019 Silurry Hauled and Sold to Santa Cruz Wastewater Facility 110/2019 18/2019 Sante Cruz,			Mercury	0.16 mg/kg	1.00	300.0	0				
1/8/2019 Selanium 1.00 mg/kg ND 0 1/8/2019 Zinc 2.5 mg/kg ND 0 1/8/2019 Paint Filter Test pese/fail pass 0 1/8/2019 PH std. units 6.50 0 1/8/2019 Ph/2019 Ph/2019 0 0 0 1/8/2019 Ph/2019 Nonterey Paninsula Landfill 2019 1/8/2019 Matine, CA 93933-1670 1 1 1/8/2019 Siurry Hauled and Sold to Santa Cruz Wastewater Facility				2,5 mg/kg	5.60	17.0	0				
1/8/2019 Zinc 1/8/2 <		_		0.50 mg/kg	16,00	420.0	0				
1/8/2019 Paint Filter Test pneu/fail pass 0 1/8/2019 pH std. units 6.50 1 1/8/2019 pH std. units 1 1 1/8/2019 pH pH std. units 1 1/8/2019 pH pH pH pH 1/8/2019 pH pH		_		1.00 mg/kg	ND	_	0				
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1/8/2019 Out and Set 1/8/2019				pass/fall	pass		0				
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1/8/2019 Disposal Location Monterey Peninsula Landfill 2019 1/8/2019 Disposal Location Monterey Peninsula Landfill 2019 1/8/2019 1/8/2019 1/8/2019 1/8/2019 1/8/2019 Marine, CA 93833-1670 1/8/2019 1/8/2019 Sturry Hauled and Sold to Santa Cruz Wastawatar Facility 1/8/2019 1/8/2019 110 Catifornia St. Santa Cruz, CA 95080 1/8/2019 1/8/2019 1/8/2019											
1/8/2019 Disposal Location Monterey Paninsula Landfill 2019 1/8/2019 Intervery Paninsula Landfill 2019 1/8/2019 Intervery Paninsula Landfill 2019 1/8/2019 14201 Del Monte Boulovard Marine, CA 93933-1670 1/8/2019 Siurry Hauled and Sold to Santa Cruz Wastewatar Facility 1/8/2019 110 California St. 1/8/2019 Santa Cruz, CA 95080 1/8/2019 Intervery Paning Santa Cruz, CA 95080							_				
1/8/2019 And Recycling Facility 1/8/2019 1/4201 Del Monte Boulevard 1/8/2019 1/4201 Del Monte Boulevard 1/8/2019 Marine, CA 93933-1670 1/8/2018 Slurry Hauled and Sold to Santa Cruz Wastewater Facility 1/8/2019 110 Celifornia St. 1/8/2019 Santa Cruz, CA 95080 1/8/2019 Santa Cruz, CA 95080							- · · _				
INP 2019 Intercepting tracking 1/8/2019 1/8/2019 1/8/2019 Marina, CA 93933-1570 1/8/2019 Marina, CA 93933-1570 1/8/2019 Slurry Hauled and Sold to Santa Cruz Wastewater Facility 1/8/2019 110 California St. 1/8/2019 Santa Cruz, CA 95080 1/8/2019 1/8/2019 1/8/2019 Santa Cruz, CA 95080			Uisposal Location	· ·		2019					
1/8/2019 Marine, CA 9393-1670 1/8/2019 Marine, CA 9393-1670 1/8/2019 Siurry Hauled and Sold to Santa Cruz Wastewatar Facility 1/8/2019 110 California St. 1/8/2019 Santa Cruz, CA 95060 1/8/2019 Santa Cruz, CA 95060											
1/8/2019 Sturry Hauled and Sold to Santa Cruz Wastewater Facility 1/8/2019 110 California St. 1/8/2019 Santa Cruz, CA 95080 1/8/2019 1/8/2019 1/8/2019 1/8/2019		<u> </u>									
1/8/2018 Slurry Hauled and Sold to Santa Cruz Wastewater Facility 1/8/2019 110 California St. 1/8/2019 Santa Cruz, CA 95090 1/8/2019 1/8/2019				Marina, CA 93933-167	0						
1/8/2019 110 Catifornie St. 1/8/2019 Sants Gruz, CA 85080 1/8/2019 1/8/2019				In Panin Case Mart 1	- F 104 -						
1/8/2019 Santa Cruz, CA 95090 1/8/2019 1/8/2019			Sintly Haniso and Sold								
1/8/2019 1/8/2019											
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	1/8/2019										

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annual B	liosolids Monitoring				700 Lundy Lane		
NPDES	#: 0048828 FAC	ID: 344	401030	001	Scotts Valley, CA 9506	6	
							
2019	SLUDGE/SLURRY, TABLE 6 - Sampling Date: 4/8/2		uarter Mete	als Biosolid	s Monitoring		
2019		1		<u> </u>			
and Quarter	CONSTITUENT	Dete	ection	Result	Table 3	Times	
			t (ML)	dry weight	Limit		
Remarks:	1 ,		Julta	mg/kg		Exceeded	1
	Molsture	0.05	%	83.7	mg/kg	<u>+</u>	-1
_	Arsenic	0.40	mg/kg	0.97	41	0	-1
_	Cadmium	0.50	mg/kg	0.20	39	† 	4
	Chromium	0.50	mg/kg	1.9		0	-
	Copper	1.0	mg/kg	39	1500	0	4
	Lead	2.5	mg/kg	1.3	300	<u> ·····</u>	1
]	Mercury	0.16	mg/kg	0.05	17	0.	1
	Molybdenum	2.5	mg/kg	1.10	75	0	1
·	Nickel	0,50	mg/kg	2.80	420	0	1
	Selenium	1.00	mg/kg	1.4	100	0	1
	Zinc		mg/kg	80	2800	0	1
	Paint Filter Test	pas 4	s/fail	разе .		0	1
	<u>pH</u>		std. units	6,45		0	1
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	Disposel Location	Monterey F			2019		
	·	and Recyc]
· · · ·		14201 Del I					E
	<u> </u>	Marina, CA	wawa3-167	U			4
	Ølume Meriled av dØ						
	Sturry Hauled and S		a Cruz Was 110 Califor		cinty		
				nia St. , CA 95080			1

City of Scotts Valley Discharger Self Monitoring Report

Annual Biosolids Monitoring NPDES#: 0048828 FAC ID: 3440103001

700 Lundy Lane Scotts Valley, CA 95066

2019	SLUDGE/SLURY, TABLE 6 Sampling Date: 7/8/		urtur Metais	Blogolids N	onitoring	
2019		<u> </u>				
3rd Quarter	CONSTITUENT	De	ection	Result	Table 3	Times
		Lin	nit (ML)	dry weight	Limit	Exceeded
Remarka;			Unite	mg/kg	mg/kg	CYCREG66
	Moisture	0.05	%	86.5		
	Arsenic	1.0	mg/kg	5.2	41	0
	Cadmium	0.50	mg/kg	D.82	30	0
	Chromium	0.50	ang/kg	12.0		0
[Copper	1.0	mg/kg	280.0	1500	0
	Lead	2.5	mg/kg	8.70	300	0
	Mercury	0.16	mg/kg	0.86	. 17	û
	Molybdenum	2.5	mg/kg	8.40	75	0
·	Nickel	0.50	mg/kg	15.0	420	0
	Selenium	0.98	mg/kg	ND	100	0
	Zinc	2.6	mg/kg	690	2800	0
	Paint Filter Test	pa	sa/faji	pass		0
	PH		std. unite	6.20	· ·	0
	<u> </u>	ļ				
			_		_	
			_			
		·	_			
	Disposal Location				2019	
			cling Facility			
			Monte Boul			
		Marina, C	A 93933-167	0		

auled and Sold to Santa Cruz Wastawater Facility 110 California St. Santa Cruz, CA 95960

City		14 - X C						
City	or S	cotts va	lley I	Discha	arger	Self	Moni	toring Report
Annual	Bioso	lids Monitorh	ng			700 L	undy L	ane
NPDE	S#: 0	048828 F/	AC ID:	344010	3001			y, CA 95066
2019		5/SLURRY, TABLE Sampling Date						
2019 4th Quarter		CONSTITUENT	De	Times]			
Remarks:				Units	dry weight	1	CYCSAGE	2
		Moleture	0.05	%	mg/kg 86.0	mg/kg_	<u> </u>	4
		Arsenic	0.4	mg/kg	2.8	41	0	11
		Cadmium	0.50	mg/kg	ND	39	0	{
- 1		Chromium	0,50	mg/kg	11		0	1
		Copper	1	mg/kg	240	1500	· 0	1
		Lead	2.5	mg/kg	6.90	300	ő	-
		Mercury	0.16	mg/kg	0.49	17	6	1 1
		Molybdenum	2.5	mg/kg	2.80	75		4
		Nickel	0.5	mg/kg	12.0	420	0	
	<u>.</u>	Selenium	1.0	mg/kg	ND	100	0	1
		Zinc	2.6	mg/kg	580	2800	0	
	Press	Paint Filter Test	par	se/fail	P886	_	0	
	-	pH	_	std. units	6.80		0	
	TOTA	ANNUAL DRY TO	DNS HAULE	D FOR 2019	= 248.2 Drv	Tons	<u> </u>	
+			_					
			-					
		Disposal Locatio	and Recyc	ling Facility		Z019		1
				Monte Boule 93933-1670	vard			
		Slurry Hauled and			nia St,	cility		

APPENDIX D:

City of Scotts Valley Wastewater Rate Study (2017 to 2020)



DRAFT Wastewater Service Charge Tables City of Scotts Valley

8/9/2017



Bartle Wells Associates 1889 Alcatraz Avenue Berkeley, CA 94703

Table 1					
City of Scotts Valley - Wastewater Rate Study					
	Current	2017-18	2018-19	2	019-20
Residential Rates					
Single-family Residential					
Flat Monthly Fee	\$ 30.57	35.16	40.43		46.49
(Low- Income)	\$ 26.90	30.94	35.58		40.92
Multi-family Residential					
Flat Monthly Fee	\$ 21.41	24.62	28.31		32.5
(Low-Income)	\$ 18.84	21.67	24.92		28.6
Mobile Home					
Flat Monthly Fee	\$ 20.40	23.46	26.98		31.0
(Low-Income)	\$ 17.95	20.64	23.74		27.3
Commercial & Industrial Rates					
Commercial and Industrial					
Monthly Minimum Fee	\$ 30.57	35.16	40.43		46.4
Charge per 100gal - Uniform Rate	\$ 0.79	55.10	40.45		-0
Charge per 100gal - With Strength Factor					
-Low Strength	\$ 0.55	\$ 0.63	\$ 0.73	\$	0.84
-Medium Strength	\$ 0.73	\$ 0.84	\$ 0.97	\$	1.11
-High Strength	\$ 0.94	\$ 1.08	\$ 1.24	\$	1.43

April readings for Tax-Roll customers and mid December to mid Febuary for Direct Billing customers

Table 2 City of Scotts Valley - Wastewater Rate Study Current Fund Balances

Wastewater Operations	<u>6/30/2016</u> (211,900) (121,100)
Tertiary Operating	(121,100)
Wastewater Capital Reserve	2,066,800
Wastewater Equipment Replacement	734,800
TTP District Reserve	6,100
Beginning Wastewater Reserve Fund 6/30/16*	2,474,700

Assumes all prior projects completed *From Summary of Financial Resources and Requirements

Table 3

City of Scotts Valley - Wastewater Rate Study

Estimated Annual Wastewater Revenues- From Current Service Charges

	Current Accounts	Dwelling Units**	100 Gal units	Revenue Current Rate	Fixed	Volumetric	Low-Income Discount
Single-family Residential:							
Flat Monthly Fee	2,184	2,226		\$30.57	\$816,586		
(Low- Income)	85	85	2,311	\$26.90	\$27,438		\$3,743.40
Multi-family Residential:							
Flat Monthly Fee	620	1269		\$21.41	\$326,031		
(Low-Income)	38	39	1,308	\$18.84	\$8,817		\$1,202.76
Mobile Home:							
Flat Monthly Fee	170	719	768	\$20.40	\$176,011		
(Low-Income)	48	49	708	\$17.95	\$10,555		\$1,440.60
Total Residential	3,145	4,387			\$1,365,438		\$6,386.76
	Current						
Commercial and Industrial:							
Monthly Minimum Fee Users	268			\$30.57	\$98,313		
Charge users*	160		521,312	\$0.79		\$411,836	
Total Commercial	268					\$510,149	
	3,413						
Total Wastewater Charges						\$1,875,588	

Table 4

City of Scotts Valley - Wastewater Rate Study

2016/17 Operating Revenue Fund 10				
	2014/15	2015/2016	2016/17	2016/17
	Actual	Actual	Budget	Estimated*
Revenue				
Sewer Service Fees	\$1,754,458	\$1,852,411	\$1,990,000	\$1,867,133
Penalties for Deliquences	<u>\$5,555</u>	<u>\$5,649</u>	<u>\$7,000</u>	<u>\$6,618</u>
Total	\$1,760,013	\$1,858,060	\$1,997,000	\$1,873,751
Other Revenue	\$514	\$2,660	\$3,600	\$19,495
State Grants	<u>\$12,500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total - Fund 10	\$1,773,028	\$1,860,720	\$2,000,600	\$1,893,246

*As of Feb 2017

Table 5 City of Scotts Valley - Wastewater Rate Study Other Revenues

	2044/45	2015/2016	2046/47	2016/17		2247/42
Total Other Revenues	2014/15	2015/2016	2016/17	2016/17	2016/17	2017/18
	Actual	Actual	Budget	YTD	Proposed	Projected
Fund 12: Capital Reserve						
Investment Earnings	\$3 <i>,</i> 750	5,584	\$4,500	\$3,642	\$5,642	\$5,600
Sewer Service Fee	-	-	120,000	-	-	-
Impact Fee - Recurring		16,715			61,126	50,000
Impact Fee - Significant*	78,371	12,274	50,000	63,346	48,800	412,000
Other Revenue	-	86,720	-	-	-	-
Total	\$82,121	\$121,293	\$174,500	\$66,988	\$115,568	\$467,600
Fund 14: Wastewater Equipment Replacement						
Investment Earnings	2,093	3,017	2,600	2,078	3,700	3,000
Fund 11: Tertiary Treatment Plant						
SV Water Department Reimbursements	95,360	102,084	108,150	93,885	119,266	120,000
Fund 15- TTP -District Reserve Fund						
Investment Earnings	-	2	-	23	43	50
Other Revenue	-	6,096	-	7,137	10,337	11,000
Total		6,098	-	7,161	10,380	11,050
Total Other Revenue	\$179,573	\$232,493	\$285,250	\$170,111	\$248,914	\$601,650

*Assumes Mariott Residence Inn and residential projects (Lundy Lane, 4303-b SVD, 4803 SVD, Terrace and Dunslee). Res projects based on City Ventures project of 50 units permit values

Table 6

City of Scotts Valley - Wastewater Rate Study

2016/17 Operating Expenses Fund 10

		2015/2016	2016/17	2016/17	2016/17	2017/1
		Actual	Budget	Actual YTD	Projected	Budge
Salaries 8	& Benefits		0			U
101	Regular Wages	\$381,207	\$460,977	\$247,635	\$471,105	\$481,11
109	Overtime Wages	31,152	25,000	24,152	\$36,590	25,00
203	FICA	38,447	37,177	23,764	\$38,485	38,03
204	Retirement	179,545	138,181	77,314	\$130,930	147,77
205	Group Insurance	221,369	181,136	137,646	\$182,480	228,92
206	Workers Compensation	40,824	<u>57,979</u>	73,615	<u>\$73,615</u>	54,17
	Total	982,971	900,450	628,446	933,205	975,02
Services	& Supplies					
208	Uniform Expense	6,827	7,000	3,267	5,270	6,80
301	Office Expense	3,668	2,000	1,045	2,000	2,00
302	Special Department Expense	116,222	115,000	107,045	142,800	120,00
303	Small Tools & Supplies	15,162	12,000	11,054	15,000	12,00
306	Communications	6,931	6,000	3,978	8,000	8,00
307	Utilities	474,659	265,000	196,542	262,060	265,00
308	Rents & Leases	-	7,000	-	6,000	6,00
312	Professional/Specialized services	45	-	7,105	7,200	-
313	Other contractual Services	74,674	85,000	77,004	111,780	87,00
314	Insurance Surety Bonds	48,588	59,575	45,028	45,028	42,00
315	Memberships & Dues	2,178	1,600	1,631	7,000	2,00
316	Travel	917	2,000	1,345	2,000	2,00
320	Laboratory	37,493	28,000	25,469	33,960	34,00
322	Training & Education	5,149	3,000	2,260	3,000	3,00
349	Miscellaneous	3,485	6,000	12,278	12,280	-
401	Maint of Buildings	6,341	6,000	9,281	11,000	6,50
402	Maint & Operations of Equipment	130,870	76,000	74,262	110,000	90,00
403	Maint & Operations of Vehicles	<u>30,205</u>	20,000	22,050	27,000	25,00
	Total	963,416	701,175	600,642	811,378	711,30
ixed Ass	sets					
904	Improvements-Other	11,000	20,000	-	20,000	20,00
915	Other Equipment	<u>5,283</u>	<u>22,500</u>	<u>7,854</u>	22,500	<u>7,50</u>
	Total	16,283	42,500	7,854	42,500	27,50
Other						
708	Cost Allocation	\$243,125	\$230,000	\$131,675	\$215,400	\$256,20
Totals		\$2,205,795	\$1,874,125	\$1,368,617	\$2,002,483	\$1,970,02

Prelim Budget 16-17

Per Steve Toler Cost Allocation and Tentative Budget 2017-18

Table 7 City of Scotts Valley - Wastewater Rate Study Other Expenses

Total Other Expenses	2014/15 Actual	2015/2016 Actual	2016/17 Budget	2016/17 YTD	2016/17 Proposed	2017/18
Fund 12: Capital Reserve						
Group Insurance	-	-	-	186	248	-
Office Expense	1,974	2,029	1,100	971	1,500	1,500
Improvement Buildings	47,377	-	207,000	-	207,000	150,000
Machinery and Equipment	205,730	73,196	50,000	38,755	47,500	61,167
Total	\$255,082	\$75,225	\$258,100	\$39,913	\$256,248	\$212,667
Fund 14: Wastewater Equipment Replacement						
Office Expense	1,109	1,115	550	557	1,000	1,000
Improvement Buildings	3,070	17,500	-	38,747	-	-
Machinery and Equipment	25,913	11,234	-	1,694	18,010	-
Office Equipment & Furniture	-	-	-	-	-	6,000
Equipment	-	38,246	-	418	557	100,000
Total	30,092	68,094	550	41,416	19,567	107,000
Fund 11: Tertiary Treatment Plant						
Regular Wages	26,528	25,645	28,000	11,951	19,720	28,000
Temporary Wages	2,041	230	-	-	-	-
Overtime Wages	3,013	1,313	-	407	410	-
FICA	2,326	2,071	2,142	941	1,490	2,142
Retirement	6,322	6,627	8,599	3,351	5,290	8,817
Group Insurance	-	-	11,562	-	-	11,759
Special Department Expense	40,312	33,422	35,000	30,404	35,000	35,000
Small Tools Supplies	5	199	1,000	144	500	750
Utilities	52,435	53,173	50,000	29,563	50,000	50,000
Insurance & Surety Bonds	5,215	5,187	6,847	5,388	-	6,900
Laboratory	10,107	5,648	8,000	3,643	6,500	8,000
Maint & Operations of Equipment	21,633	53,173	30,000	26,365	-	40,000
Machinery & Equipment	-	161	15,000	5,757	7,500	12,000
Total	169,938	186,848	196,150	117,915	126,410	203,368
Fund 15- TTP -District Reserve fund						
Office Expense		1		6	8	12
Grand total of Other Expenses	\$455,111	\$330,169	\$454,800	\$199,251	\$402,233	\$523,047

Revenue projections based on 2017-2018 Steve Toler Financial Summaries Tentative budgets for 10,11,12,14,15 per past and current data

Table 8City of Scotts Valley - Wastewater Rate StudyCapital Improvement Projects

		FY 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
Priority A Projects													
Screenings Washer and Compactor	WWTP		100,000										100,000
PLC Upgrade	WWTP		50,000	51,500	53,000								154,500
Tanker Truck	WWTP			82,400									82,400
Mission Communications for Lift Stations	WWTP			41,300									41,300
Esclated average								500,000	500,000	500,000	500,000	500,000	2,500,000
Priority B Projects													
Clarifier Walkways	WWTP				100,800								100,800
Water Pump System Upgrade	WWTP				31,800								31,800
Electric Security Gate	WWTP				21,300								21,300
Rebuild Aqua Guards	WWTP					545,000							545,000
Stormwater LID	WWTP					225,600	*						225,600
Belt Press Rehabilitation	WWTP					54,500							54,500
Mechanical Seals for Recycled Water Pumps	WWTP					13,100							13,100
Effluent Pump	WWTP						280,000						280,000
Aeration Basin System Upgrade	WWTP						134,400						134,400
Priority C Projects													
Glen Canyon Lift Station Generator	WWTP					87,300							87,300
Clarifier Superstructure	WWTP						196,000						196,000
Heavy Equipment Roof Structure	WWTP						168,000						168,000
Total		-	150,000	175,200	206,900	925,500	778,400	500,000	500,000	500,000	500,000	500,000	4,736,000
Funding Sources		FY 2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Total
Pay go Funded		/	\$150,000		•						•		\$2,116,000
Grant Funding		\$0 \$0	\$130,000 \$0	\$173,200 \$0		\$120,000	\$778,400	\$00,000	\$00,000		\$00,000 \$0	\$00,000	\$120,000
Debt Funded		\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$120,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	-	\$0 \$0	\$0 \$0	\$120,000 \$0
						\$925,500		ĴΟ	ĻΟ	ĻΟ	ĻΟ	ŞΟ	\$2,236,000
		Ĵζ	Ş130,000	JT/J,200	<i>γ</i> 200,300	<i>,,,,,,</i> ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	<i>,,,,</i> ,,,00						<i>72,230,000</i>

Priority descriptions:

• Priority A – project is essential/critical to health and safety or legal/regulatory requirements

• Priority B – project is important to maintaining health and safety or maintaining quality of life, but not critical.

• Priority C – project is deferrable and would only be implemented to the extent that higher priority projects are first funded.

*Grant funded of \$120,000

Table 9

City of Scotts Valley - Wastewater Rate Study Wastewater Cashflow - Projection

	Pro	jected 16/17	2017/18	2018/19	2019/20
Opening Balance	\$	2,651,438	\$2,388,881.56	\$2,382,398.53	\$2,112,478.66
Rate increase			15%	15%	15%
Growth rate			0%	0%	0%
Residential Revenues		1,365,438	1,570,254	1,805,792	2,076,661
Commercial Revenues		98,313	113,060	130,019	149,522
Volumetric Revenues [1]		411,836	473,612	544,653	626,351
Sewer Fees		1,867,133	2,147,203	2,469,283	2,839,676
Deliquences		6,618	7,000	7,100	7,200
Other Revenue		19,495	2,000	2,000	2,000
Grant Funding			(46,678)	-	-
Other Revenues					
Fund 11		119,266	120,000	121,200	122,400
Fund 12		115,568	467,600	51,500	53,045
Fund 14		3,700	3,000	3,000	2,400
Fund 15		10,380	11,000	11,000	11,000
Total Revenues		2,142,160	2,711,125	2,665,083	3,037,721
Bank Loan Proceeds Total Revenues		2,142,160	2,711,125	2,665,083	3,037,721
Total Revenues		2,142,100	2,711,125	2,005,085	5,057,721
Fund 10- Operating Fund		2,002,483	2,044,561	2,224,065	2,309,928
Fund 11- Tertiary Treatment Plant		126,410	203,368	209,469	215,753
Fund 12- Capital Fund		256,248	212,667	219,047	225,618
Fund 14- Wastewater Equipment Fund		19,567	107,000	107,210	107,426
Fund 15-District Reserve Fund		8	12	12	13
Total Expenses		2,404,716	2,567,608	2,759,803	2,858,738
Net Operating Revenues		(262,556)	143,517	(94,720)	178,983
Debt Service					
CIP Pay-go			150,000	175,200	206,900
CIP Debt Finance Total		2,404,716	2,717,608	2,935,003	3,065,638
Net Annual Revenues		(262,556)	(6,483)	(269,920)	(27,917)
		· · · ·			· · ·
Fund 10 & 11 Reserve 6 months O&M		1,064,451	1,123,970	1,216,773	1,262,847
Emergency Reserve Fund			1,000,000	1,000,000	1,000,000
Total Reserve Target			2,123,970	2,216,773	2,262,847
Closing Balance		2,388,882	2,382,399	2,112,479	2,084,562
		2,000,002	2,302,333	2,112,4/9	2,004,002

Table 10

City of Scotts Valley - Wastewater Rate Study

Proposed User Classifications into Low, Medium/Domestic, and High Strength Dischargers

Low Strength	Banks & Financial Institutions
	Barber Shops/Hair Salons (hair cutting only)
	Post Offices/Government
	Retail Stores
	Libraries
	Schools
	Churches, Halls & Lodges
Medium/Commercial/	Residential - All
Domestic Strength	Appliance Repair
-	Beauty Shops (hair cutting w/additional treatments)
	Dry Cleaners
	Nail Salons
	Pet Groomers
	Commercial Laundromats
	Bars & Taverns
	Tasting Rooms
	Breweries (with Pretreatment)
	Hospitals - General, Convalescent & Veterinarian
	Hotels, Motels, B&Bs, and Vacation Rentals
	Offices - Business and Professional
	Offices - Medical/Dental
	Pools with Restrooms (Clubhouse)
	Theaters
	Warehouses
	Car Washes
	High Tech Medical Manufacturing
	Light Manufacturing/Industrial
	Gym or Health Club
	Machine Shops
	Service Stations, Garages, Auto Repair Shops
	Mini Marts - W/O Dish Washer or Garbage Disposal
	Mini Mart with Gas Pumps - W/O Dish Washer or Garbage Disposal
	Spa with Various Beauty Treatments
	Parking Garages
High Strength	Restaurants
ingii strengtii	Coffee Shops
	Ice Cream Parlors
	Catering
	Eatery
	Bakeries
	Butcher Shops
	Fish Market/Shop
	Markets - with Dish Washer or Garbage Disposal
	Markets - with Bakeries or Butcher Shops
	Mini Marts - with Dish Washer or Garbage Disposal
	Breweries (without Pretreatment)
	Wineries
	Market
	Dairies (milk producers, yogurt, ice cream maker)
	Specialty Foods Manufacturing (e.g., cheese or olive oil maker)

Table 11 City of Scotts Valley - Wastewater Rate Study Wastewater Characteristics and Strength Factors

Strength Class	LOW	MEDIUM	HIGH
Examples:	Banks Libraries	Residential Offices	Restaurants Bakeries
Flow (gpd) BOD ¹ (mg/l) TSS ² (mg/l)	150 130 100	150 300 280	150 550 450
Strength Factor	0.76	1.00	1.29
System Cost Allocation			
-Treatment	60%		
-Collection/Disposal	40%		

Strength Factor Formula SF=(Flow(gpd)/150)*(0.5+(0.25*BOD(mg/l)/300)+(0.25*TSS(mg/l)/280))

WW flows and strengths based on State Water Resources Control Board's Revenue Program Guidelines

1 "BOD" stands for Biochemical Oxygen Demand

2 "TSS" stands for Total Suspended Solids

Table 12City of Scotts Valley - Wastewater Rate StudySummary of Sewer Users by Customer Class

Customer Class	EDUs ¹	Annual Measured ADWF ² (gal/day)	ADWF Flow (gal/day)	FY 2016 Estimate EDU x Flow ADWF Flow (gal/day)	BOD ³ (mg/l)	TSS⁴ (mg/l)	FY 2017 Calculated Current Rate
Residential							
Single Family Residential	2,311		150	346,650	300	280	30.57
Multi-Family	1,308		105	137,438	300	280	21.41
Mobile Homes	768		100	76,861	300	280	20.40
				560,950			
Commercial			Flow Factor				
Low Strength	60	37,000	50%	18,500	130	100	0.55
Medium/Domestic Strength	142	200,000	50%	100,000	300	280	0.73
High Strength	47	<u>37,000</u>	50%	18,500	550	450	0.94
		274,000		137,000			
Totals				697,950			
Annual Revenue Requirement				\$1,867,133			

1 "EDU" stands for Equivalent Dwelling Unit

2 "ADWF" stands for Average Dry Weather Flow

3 "BOD" stands for Biochemical Oxygen Demand

4 "TSS" stands for Total Suspended Solids

Table 13 Scotts Valley - Wastewater Rate Study Proposed Wastewater Rates- Pay-As-You-Go

		Current	2	017/18	2018/19	2	2019/20
Increase %				15%	15%		15%
Commercial and Industrial							
Monthly Minimum Fee	\$	30.57		\$35.16	\$40.43		\$46.49
Increase (\$)				\$4.59	\$5.27		\$6.06
<u> Charge per 100gal - Uniform Rate</u>	\$	0.79					
Charge per 100gal - With Strength Facto	<u>r</u>						
Low: Retail/Libraries			\$	0.63	\$ 0.73	\$	0.84
Medium: Offices/Medical Clinics			\$	0.84	\$ 0.97	\$	1.11
High: Restaurant/Bakeries			\$	1.08	\$ 1.24	\$	1.43

Figure 1: Regional Wastewater Rate Study with Breakdown

Scotts Valley - Wastewater Rate Study Residential Wastewater Rate Survey

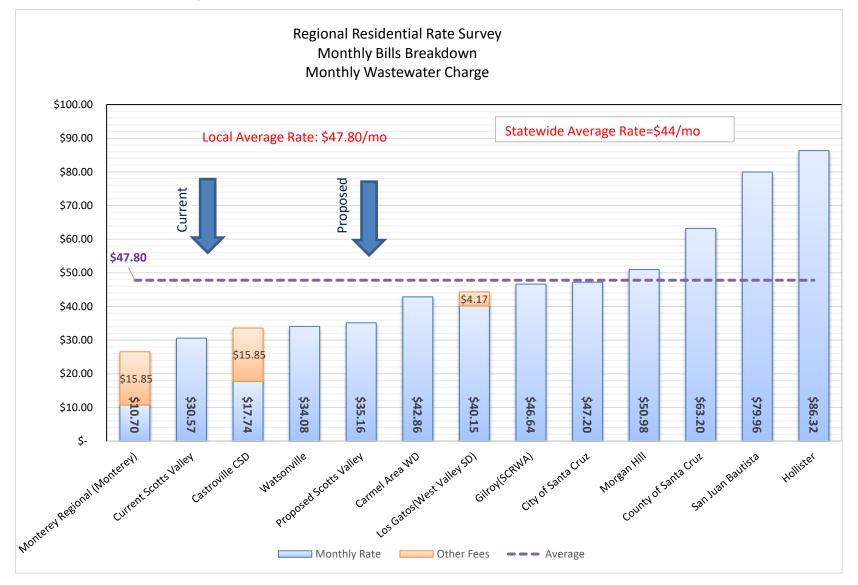
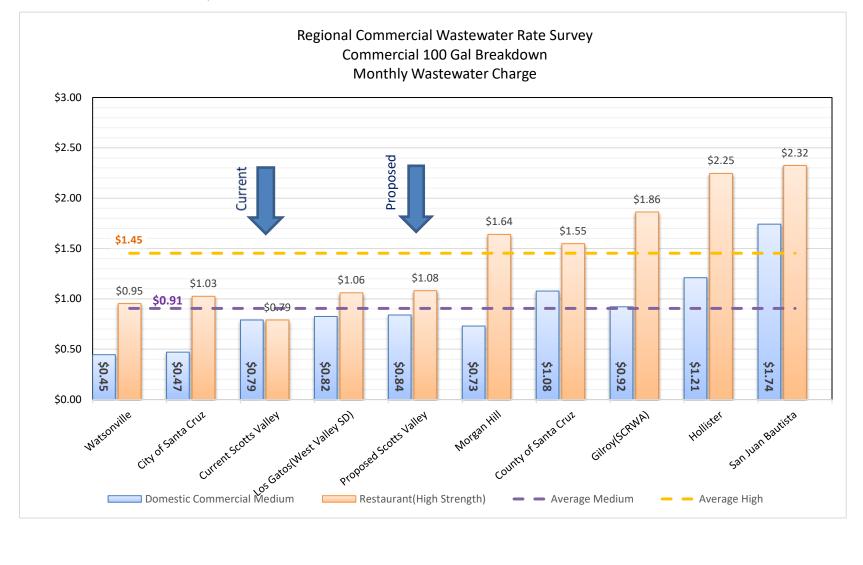


Figure 2: Regional Wastewater Rate Study with Breakdown

Scotts Valley - Wastewater Rate Study Commercial Wastewater Rate Survey



Appendix

Appendix A City of Scotts Valley - Wastewater Rate Study Wastewater Cash Flow Projection- FUND 10

	Est. Act	Budget		Projected	
	2015/16	2016/17	2017/18	2018/19	2019/20
Wastewater Utility Operating (Fund 10)	\$242,413	(102,663)	(211,900)	(347,461)	(643,426
Rate Adjustment	0%	0%	0%	0%	0%
Growth	0%	0%	0%	0%	0%
Operating Revenues (Fund 10)	1 052 444	1 0 57 1 2 2	1 000 000	1 010 000	1 0 2 0 2 0 0
Sewer Service Fees	1,852,411	1,867,133	1,900,000	1,919,000	1,938,200
Wastewater Discharge Permits	-	C C 19	7 000	7 100	7 200
Penalties for Deliquences	5,649	6,618	7,000	7,100	7,200
Other Revenue	2,660	19,495	2,000	2,000	2,000
Investment Earnings					
Transfer					
Subtotal Operating Revenues	1,860,720	1,893,246	1,909,000	1,928,100	1,947,400
Operating Expenses (Fund 10)					
Salaries & Benefits	982,971	933,205	975,022	1,004,273	1,034,401
Pers Discount Rate Impact				34,584	58,729
Electro Pipeline Scan				85,000	85,000
Services & Supplies	963,416	811,378	711,300	732,639	754,618
Fixed Assets	16,283	42,500	27,500	28,325	29,175
Other	243,125	215,400	256,200	263,886	271,803
Directly-assigned assets			19,146	19,721	20,312
Allocation from IT Centralized Assets			8,167	8,412	8,664
OFEB Funding			47,226	47,226	47,226
Subtotal Operating Expenses	2,205,795	2,002,483	2,044,561	2,224,065	2,309,928
Net Balance	(345,076)	(109,237)	(135,561)	(295,965)	(362,528
Closing Fund Balance Fund 10	(102,663)	(211,900)	(347,461)	(643,426)	(1,005,954

Appendix B City of Scotts Valley - Wastewater Rate Study Wastewater Cash Flow Projection-FUND 12

	Est. Act	Budget		Projected	
	2015/16	2016/17	2017/18	2018/19	2019/20
Wastewater Collection Capital (Fund 12)	\$2,161,412	\$2,207,479	2,066,799	2,321,732	2,258,686
Rate Adjustment	0%	0%	0%	0%	0%
Growth	0%	0%	0%	0%	0%
Capital Fund Revenues (Fund 12)					
Investment Earnings	5,584	5,642	5,600	4,500	3,600
Impact Fee - Recurring	16,715	61,126	50,000	51,500	53,045
Impact Fee - Significant	12,274	48,800	412,000	100,000	103,000
Other Revenue	86,720				
Allocated Impact Fees					
Debt/Bond Proceeds					
Subtotal Capital Revenues	121,293	115,568	467,600	156,000	159,645
Capital Fund Expenses (Fund 12)					
Group Insurance	-	248	-	-	-
Office Expence	2,029	1,500	1,500	1,545	1,591
Improvement Buildings	-	207,000	150,000	154,500	159,135
Machinery and Equipment	73,196	47,500	61,167	63,002	64,892
Transfer to Joint Treatment Capital Recovery Fund 63					
Subtotal Capital Expenses	75,225	256,248	212,667	219,047	225,618
Net Balance	46,068	(140,680)	254,933	(63,047)	(65,973)
Closing Fund Balance Fund 12	\$2,207,479	\$2,066,799	2,321,732	2,258,686	\$2,192,713

Appendix C City of Scotts Valley - Wastewater Rate Study Wastewater Cash Flow Projection-Fund 14

	Est. Act	Budget		Projected	
	2015/16	2016/17	2017/18	2018/19	2019/20
Wastewater Equipment Replacement (Fund 14)	815,744	750,667	734,800	630,800	526,590
Rate Adjustment	0%	0%	0%	0%	0%
Growth	0%	0%	0%	0%	0%
Fund Revenues (Fund 14)					
Investment Earnings	3,017	3,700	3,000	3,000	2,400
Subtotal Joint Treatment Capital Recovery Revenues	3,017	3,700	3,000	3,000	2,400
Joint Treatment Capital Recovery Fund Expenses (Fund 14)					
Office Expense	1,115	1,000	1,000	1,030	1,061
mprovement Buildings	17,500	0	0	0	0
Machinery and Equipment	11,234	18,010	0	0	0
OfficeEQMT & Furniture	0	0	6,000	6,180	6,365
Vehicles	38,246	557	100,000	100,000	100,000
Subtotal Joint Treatment Capital Recovery Expenses	68,094	19,567	107,000	107,210	107,426
Net Balance	(65,077)	(15,867)	(104,000)	(104,210)	(105,026)
Closing Fund Balance Fund 14	750,667	734,800	630,800	526,590	421,564

Appendix E City of Scotts Valley - Wastewater Rate Study Wastewater Cash Flow Projection-FUND 11

	Est. Act	Budget		Projected	
	2015/16	2016/17	2017/18	2018/19	2019/20
Tertiary Treatment Plant (Fund 11)	(45,661)	(130,425)	(137,569)	(220,937)	(309,206
Rate Adjustment	0%	0%	0%	0%	0%
Growth	0%	0%	0%	0%	0%
Operating Revenue (Fund 11)					
SV Water Department Reimbursements	102,084	119,266	120,000	121,200	122,400
Subtotal Joint Treatment Capital Recovery Revenues	102,084	119,266	120,000	121,200	122,400
Expenses (Fund 11)					
Regular Wages	25,645	19,720	28,000	28,840	29,705
Temporary Wages	230	0	0	0	0
Overtime Wages	1,313	410	0	0	0
FICA	2,071	1,490	2,142	2,206	2,272
Retirement	6,627	5,290	8,817	9,082	9,354
Group Insurance	0	0	11,759	12,112	12,475
Special Department Expense	33,422	35,000	35,000	36,050	37,132
Small Tools Supplies	199	500	750	773	796
Utilities	53,173	50,000	50,000	51,500	53,045
Insurance & Surety Bonds	5,187	0	6,900	7,107	7,320
Laboratory	5,648	6,500	8,000	8,240	8,487
Maint & Operations of Equipment	53,173	0	40,000	41,200	42,436
Machinery & Equipment	161	7,500	12,000	12,360	12,731
	0	0	0	0	0
Subtotal Joint Treatment Capital Recovery Expenses	186,848	126,410	203,368	209,469	215,753
Net Balance	(84,764)	(7,144)	(83,368)	(88,269)	(93,353)
Closing Fund Balance Fund 11	(130,425)	(137,569)	(220,937)	(309,206)	(402,559)

Appendix E City of Scotts Valley - Wastewater Rate Study Wastewater Cash Flow Projection-FUND 11

	Est. Act	Budget 2016/17			
	2015/16		2017/18	2018/19	2019/20
District Deserve fund (Fund 15)	(10.224)	(4.220)	C 1 1 2	17 101	20.100
District Reserve fund (Fund 15)	(10,324)	(4,229)	6,143	17,181	28,169
Rate Adjustment	0%	0%	0%	0%	0%
Growth	0%	0%	0%	0%	0%
Operating Revenue (Fund 15)					
Investment Earnings	2	43	50	0	0
Other Revenue	6,096	10,337	11,000	11,000	11,000
Subtotal Joint Treatment Capital Recovery Revenues	6,096	10,380	11,050	11,000	11,000
Expenses (Fund 15)					
Office Expense	1	8	12	12	13
	0	0	0	0	0
Subtotal Joint Treatment Capital Recovery Expenses	1	8	12	12	13
Net Balance	6,095	10,372	11,038	10,988	10,987
Closing Fund Balance Fund 15	(4,229)	6,143	17,181	28,169	39,156

APPENDIX E:

City of Scotts Valley Financial Source (CAFR: 2015 to 2020)

CITY OF SCOTTS VALLEY STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES LAST TEN FISCAL YEARS

	Fiscal Year			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Revenues:				
Taxes and Assessments Intergovernmental Revenues Fees and Services Fines and Forfeitures Contributions, Non-Gov't Facility/Building Rental Investment Earnings Miscellaneous Revenues	\$ 11,117,073 1,048,976 1,376,874 31,442 8,505 112,354 226,309 315,312	\$ 12,167,669 1,744,402 2,658,009 44,265 18,468 288,912 169,847 336,900	\$ 10,314,528 803,971 1,578,574 35,013 167,840 32,760 93,966 649,132	\$ 9,675,857 288,725 2,344,647 37,680 2,865 32,760 63,020 1,378,011
Total Revenues	14,236,845	17,428,472	13,675,784	13,823,565
Expenditures: Current: General Government Public Safety Planning and Building Public Works	3,204,004 5,621,165 1,365,244 1,965,277	2,434,443 5,238,107 1,277,550 2,026,962	2,134,089 5,217,774 1,089,776 2,307,435	2,216,039 4,960,402 1,336,664 1,925,211
Capital Outlay Tax Increment Pass-Through Debt Service Principal Interest/Finance Charges Bond Issuance Costs	1,772,238 - 870,000 273,769 -	1,901,832 - 630,000 358,110 -	1,757,388 - 600,000 375,670 -	1,193,706 - 470,000 342,178 -
Total Expenditures	15,071,697	13,867,004	13,482,132	12,444,200
Excess(Deficit) of Revenues over (under) Expenditures	(834,852)	3,561,468	193,652	1,379,365
Other Financing Sources (Uses): Transfers In Transfers Out Proceeds from Debt Premium on Debt Issued Payment to Escrow Sale of Real Property	694,017 (993,519) 9,460,000 356,636 (9,639,285) -	1,270,373 (1,216,962) - - -	1,442,138 (1,360,850) - - - -	1,616,826 (1,716,224) - - - 746,924
Net Other Sources (Uses)	(122,151)	53,411	81,288	647,526
Extraordinary Gain				
Change in Fund Balances	\$ (957,003)	\$ 3,614,879	\$ 274,940	\$ 2,026,891
Debt Services as a Percentage of Noncapital Expenditures	9%	8%	8%	7%

2016	2015	2014	2013	2012	<u>2011</u>
\$ 9,362,093	\$ 9,444,126	\$ 8,052,339	\$ 7,598,884	\$ 7,748,024	\$ 11,447,535
152,753	1,062,025	352,004	110,828	217,028	228,618
1,192,986	1,285,952	1,183,852	1,187,315	1,018,433	621,447
35,411	70,470	41,731	54,438	57,815	51,001
2,306	19,911	2,167	46,003	14,340	18,902
44,910	22,500	30,000	32,400	32,100	30,000
54,860	92,967	24,865	68,205	97,544	71,123
517,064	525,360	473,808	613,979	542,296	3,534,381
11,362,383	12,523,311	10,160,766	9,712,052	9,727,580	16,003,007
1,942,389	1,814,779	1,850,794	1,763,970	5,407,571	1,475,238
4,927,713	4,511,889	4,223,936	4,297,153	4,495,974	4,193,222
1,182,716	929,264	756,737	4,214,913	1,133,940	1,438,042
1,979,404	1,753,952	1,753,449	1,696,000	1,668,457	1,705,250
446,373	1,902,961	764,110	524,019	687,698	6,819,604
-	-	-	-	-	3,036,003
465,000	445,000	4 995 000	200 252	767 871	405 568
350,058	357,388	4,995,000 354,808	290,353 586,970	262,871 745,957	405,568 1,202,960
-	-	304,891		158,332	
11,293,653	11,715,233	15,003,725	13,373,378	14,560,800	20,275,887
68,730	808,078	(4,842,959)	(3,661,326)	(4,833,220)	(4,272,880)
725,455	1,228,612	1,316,588	900,381	4,965,711	3,405,217
(725,510)	(1,239,548)	(1,347,381)	(1,035,310)	(6,077,005)	(3,612,602)
-	-	4,605,000	-	4,460,000	-
-	-	-	-	-	-
-	-	-	-	-	-
(55)	(10,936)	4,574,207	(134,929)	3,348,706	(207,385)
				326,046	
\$ 68,675	\$ 797,142	\$ (268,752)	\$ (3,796,255)	\$ (1,158,468)	\$ (4,480,265)
8%	8%	38%	7%	7%	12%

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CITY OF SCOTTS VALLEY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2015

	Business-Type Activities Enterprise Funds			Governmental Activities -
	Recreation Fund	Wastewater Fund	Total	Internal Fund
Operating Revenues: Fees and Services	\$ 962,819	\$ 1,868,388	\$ 2,831,207	\$ 65,724
Total Operating Revenues	962,819	1,868,388	2,831,207	65,724
Operating Expenses:				
Salaries	541,159	476,306	1,017,465	-
Taxes and Benefits	189,405	312,957	502,362	-
Maintenance and Operations	120,625	649,615	770,240	66
Advertising	8,731		8,731	-
Professional and Contractual Services	119,060	102,376	221,436	-
Utilities and Communications	10,823	365,149	375,972	-
Insurance and Bonds	12,598	51,869	64,467	69,540
Depreciation	500	762,986	763,486	5m
Total Operating Expenses	1,002,901	2,721,258	3,724,159	69,606
Income (Loss) from Operations	(40,082)	(852,870)	(892,952)	(3,882)
Nonoperating Revenues (Expenses):				
Interest Income	-	5,842	5,842	125
Connection Fees	-	78,371	78,371	-
Total Nonoperating Revenues		84,213	84,213	125
Net Income (Loss) before Transfers	(40,082)	(768,657)	(808,739)	(3,757)
· · /				
Transfers In	91,761	346,453	438,214	-
Transfers (Out)	(30,181)	(397,097)	(427,278)	-
Change in Net Position	21,498	(819,301)	(797,803)	(3,757)
Net Position - Beginning	(377,838)	18,533,627	18,155,789	44,332
Prior Period Adjustment (Note 14)	(647,621)	(1,288,364)	(1,935,985)	
Net Position - Beginning, as restated	(1,025,459)	17,245,263	16,219,804	44,332
Net Position - End of Year	\$ (1,003,961)	\$ 16,425,962	\$ 15,422,001	\$ 40,575

The accompanying notes to the financial statements are an integral part of this financial statement.

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CITY OF SCOTTS VALLEY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2016

TEAR ENDED JONE 30, 2010	Bus	Governmental Activities -		
	Recreation	Wastewater		Internal
	Fund	Fund	Total	Fund
Operating Revenues:				
Fees and Services	\$ 981,434	\$ 2,055,620	\$ 3,037,054	\$ 64,280
Total Operating Revenues	981,434	2,055,620	3,037,054	64,280
Operating Expenses:				
Salaries	595,529	529,974	1,125,503	-
Taxes and Benefits	261,204	495,710	756,914	-
Maintenance and Operations	91,387	722,065	813,452	63
Advertising	7,778	-	7,778	-
Professional and Contractual Services	142,355	74,629	216,984	-
Utilities and Communications	12,878	334,838	347,716	- -
Insurance and Bonds	12,910	53,776	66,686	67,154
Depreciation	1,000	776,802	777,802	
Total Operating Expenses	1,125,041	2,987,794	4,112,835	67,217
Income (Loss) from Operations	(143,607)	(932,174)	(1,075,781)	(2,937)
Nonoperating Revenues (Expenses):				
Interest Income	-	8,604	8,604	169
Connection Fees	_	28,989	28,989	-
Total Nonoperating Revenues		37,593	37,593	169
Net Income (Loss) before Transfers	(143,607)	(894,581)	(1,038,188)	(2,768)
Transfers In	93,492	203,600	297,092	-
Transfers (Out)	(30,223)	(266,814)	(297,037)	
Change in Net Position	(80,338)	(957,795)	(1,038,133)	(2,768)
Net Position - Beginning	(1,003,961)	16,425,962	15,422,001	40,575
Net Position - End of Year	\$ (1,084,299)	\$ 15,468,167	\$ 14,383,868	\$ 37,807

CITY OF SCOTTS VALLEY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2017

,,,,,,,,,	Bu	Governmental Activities -		
	Recreation Fund	Wastewater Fund	Total	Internal Fund
Operating Revenues:				
Fees and Services	\$ 1,010,276	\$ 1,988,203	\$ 2,998,479	\$ 63,294
Total Operating Revenues	1,010,276	1,988,203	2,998,479	63,294
Operating Expenses:				
Salaries	618,394	547,588	1,165,982	-
Taxes and Benefits	474,329	1,503,982	1,978,311	-
Maintenance and Operations	85,114	798,224	883,338	51
Advertising	8,838	-	8,838	-
Professional and Contractual Services	108,900	147,846	256,746	-
Utilities and Communications	13,067	377,694	390,761	-
Insurance and Bonds	11,430	50,678	62,108	71,498
Depreciation	1,000	783,270	784,270	-
Total Operating Expenses	1,321,072	4,209,282	5,530,354	71,549
Income (Loss) from Operations	(310,796)	(2,221,079)	(2,531,875)	(8,255)
Nonoperating Revenues (Expenses): Interest Income		10.115		
		13,145	13,145	233
Total Nonoperating Revenues		13,145	13,145	233
Net Income (Loss) before Contributions				
and Transfers	(310,796)	(2,207,934)	(2,518,730)	(8,022)
Capital Contributions	-	58,280	58,280	
Interfund Transfers In	180,367	151,267	331,634	-
Interfund Transfers (Out)	(30,235)	(202,001)	(232,236)	-
Change in Net Position	(160,664)	(2,200,388)	(2,361,052)	(8,022)
Net Position - Beginning	(1,084,299)	15,468,167	14,383,868	37,807
Net Position - End of Year	\$ (1,244,963)	\$ 13,267,779	\$ 12,022,816	\$ 29,785

The accompanying notes to the financial statements are an integral part of this financial statement.

CITY OF SCOTTS VALLEY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2018

TEAR ENDED SOME 50, 2010	Bu	siness-type Activit Enterprise Funds	Governmental Activities -	
	Recreation Fund	Wastewater Fund	Total	Internal Services Fund
OPERATING REVENUES:	<u>- 1000</u>		 Antima Constraint and Constraints (Constraints) Constraints (Constraints) Constraints) Constrain	<u></u>
Fees and services	\$ 1,179,882	\$ 2,263,205	\$ 3,443,087	\$ 64,748
Total operating revenues	1,179,882	2,263,205	3,443,087	64,748
OPERATING EXPENSES:				
Salaries	615,299	496,609	1,111,908	-
Taxes and benefits	805,439	2,051,966	2,857,405	-
Maintenance and operations	98,304	654,284	752,588	61
Advertising	8,459	-	8,459	-
Professional and contractual services	130,771	78,107	208,878	-
Utilities and communications	13,994	406,051	420,045	-
Insurance and bonds	5,619	151,562	157,181	63,112
Depreciation	1,000	787,390	788,390	
Total operating expenses	1,678,885	4,625,969	6,304,854	63,173
OPERATING INCOME (LOSS)	(499,003)	(2,362,764)	(2,861,767)	1,575
NONOPERATING REVENUES (EXPENSES):				
Interest income	129	17,988	18,117	427
Total nonoperating revenues (expenses)	129	17,988	18,117	427
INCOME (LOSS) BEFORE				
CONTRIBUTIONS AND TRANSFERS	(498,874)	(2,344,776)	(2,843,650)	2,002
CONTRIBUTIONS AND TRANSFERS:			and the second se	
Capital contributions	-	318,981	318,981	-
Transfers In	-	221,227	221,227	-
Transfers out	(30,354)	(272,161)	(302,515)	<u> </u>
Total contributions and transfers	(30,354)	268,047	237,693	-
CHANGES IN NET POSITIONS	(529,228)	(2,076,729)	(2,605,957)	2,002
NET POSITION:			in the Constant of Constant of Con-	
Beginning of year	(1,244,963)	13,267,779	12,022,816	29,785
End of year	\$ (1,774,191)	\$ 11,191,050	\$ 9,416,859	\$ 31,787

The accompanying notes to the financial statements are an integral part of this financial statement.

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City of Scotts Valley Statement of Revenues, Expenditures and Changes in Net Position Proprietary Funds For the year ended June 30, 2019

	Enterprise Funds							
	Recreation Fund		Wastewater Fund		Total		Internal Service Fund	
OPERATING REVENUES:								
Fees and services	\$	1,092,527	\$	2,617,094	\$	3,709,621	\$	58,538
Total operating revenues		1,092,527		2,617,094		3,709,621		58,538
OPERATING EXPENSES:								
Salaries Taxes and benefits Maintenance and operations Advertising Professional and contractual services Utilities and communications Insurance and bonds Depreciation		744,200 257,756 109,974 7,057 129,569 17,869 151,988 1,000		468,572 701,616 718,003 585 83,961 428,541 53,979 794,353		1,212,772 959,372 827,977 7,642 213,530 446,410 205,967 795,353		67 - - 60,315
Total operating expenses		1,419,413		3,249,610		4,669,023		60,382
OPERATING INCOME (LOSS)		(326,886)		(632,516)		(959,402)		(1,844)
NONOPERATING REVENUE (EXPENSES)								
Interest income		-		36,476		36,476		662
Total nonoperating revenues (expenses)		-		36,476		36,476		662
OTHER FINANCING SOURCES (USES):								
Capital contributions Transfers in Transfers out		97,084 (30,133)		225,624 - (120,362)		225,624 97,084 (150,495)		- - -
Total contributions and transfers		66,951		105,262		172,213		-
Change in net position		(259,935)		(490,778)		(750,713)		(1,182)
NET POSITION:								
Beginning of year	_	(1,774,191)		11,191,050		9,416,859		31,787
End of year	\$	(2,034,126)	\$	10,700,272	\$	8,666,146	\$	30,605

City of Scotts Valley Statement of Revenues, Expenditures and Changes in Net Position Proprietary Funds For the year ended June 30, 2020

	Enterp	rise Funds			
	Recreation Wastewater Fund Fund		Total	Internal Service Fund	
OPERATING REVENUES:					
Fees and services	\$ 710,240	\$ 3,023,105	\$ 3,733,345	\$ 47,771	
Total operating revenues	710,240	3,023,105	3,733,345	47,771	
OPERATING EXPENSES:					
Salaries Taxes and benefits Maintenance and operations Advertising Professional and contractual services Utilities and communications Insurance and bonds Depreciation Total operating expenses	570,399 1,322,548 68,262 494 88,195 17,448 143,507 500 2,211,353	(533,378) 991,034 - 149,407 418,556 3,315 777,328	1,031,992 789,170 1,059,296 494 237,602 436,004 146,822 777,828 4,479,208	- 54 - - 44,492 - - 44,546	
OPERATING INCOME (LOSS)	(1,501,113) 755,250	(745,863)	3,225	
NONOPERATING REVENUE (EXPENSES)					
Interest income	-	43,902	43,902	681	
Total nonoperating revenues (expenses)	-	43,902	43,902	681	
OTHER FINANCING SOURCES (USES):					
Capital contributions Transfers in Transfers out Total contributions and transfers	380,535 (30,259 350,276) (50,774)	31,204 380,535 (81,033) 330,706	- - -	
			· · · · · · · · · · · · · · · · · · ·		
Change in net position	(1,150,837) 779,582	(371,255)	3,906	
NET POSITION:					
Beginning of year	(2,034,126) 10,700,272	8,666,146	30,605	
End of year	\$ (3,184,963) \$ 11,479,854	\$ 8,294,891	\$ 34,511	

		Primary Government				
ASSETS						
$\begin{array}{l cl} Current assets: \\ Cash and cash equivalents & $ 12,328,511 & $ 2,125,321 & $ 14,453,832 \\ Receivables & 1,613,102 & 1,022,989 & 2,636,091 \\ Total current assets & 13,941,613 & 3,148,310 & 17,089,923 \\ Advances to Redevelopment Successor Agency & 5,041,886 & 1,600,000 & 6,641,886 \\ Cuars receivable & 3,377 & 3,397 \\ Capital assets & 3,397 & 3,397 \\ Depreciable, net & 22,903,303 & 10,009,573 & 32,212,876 \\ Not capital assets & 31,546,665 & 10,704,508 & 42,251,173 \\ Total noncurrent assets & 31,546,665 & 10,704,508 & 42,251,173 \\ Total assets & 39,968,057 & 12,304,508 & 52,272,563 \\ Total assets & 33,996,70 & 15,452,818 & 69,393,748 \\ DEFERRED OUTFLOWS OF RESOURCES & 0 \\ Deferred outflows from persion & 3,111,816 & 881,932 & 3,993,748 \\ Deferred outflows from OPEB & 949,247 & 242,831 & 1,192,078 \\ Total deformed outflows of resources & 4,855,952 & 1,124,763 & 5,980,714 \\ Current liabilities & 262,977 & 42,359 & 305,336 \\ Accounds payable & 762,673 & 134,230 & 896,903 \\ Accrued liabilities & 262,977 & 134,230 & 399,3748 \\ Deposits payable & 762,673 & 134,230 & 896,903 \\ Accrued liabilities & 3,035,473 & 285,311 & 3,320,784 \\ Non-current liabilities & 3,035,473 & 285,311 & 3,320,784 \\ Long-term debt - current portion & 1,292,038 & 71,054 & 1,18,594 \\ Long-term debt - current portion & 1,292,038 & 71,054 & 1,18,594 \\ Long-term debt - noncurrent portion & 1,0671,860 & 64,053 & 10,735,733 \\ Net pension liabilities & 3,035,473 & 285,311 & 3,320,784 \\ Non-current liabilities & 3,035,473 & 285,311 & 3,320,784 \\ Not current liabilities & 3,035,473 & 285,311 & 3,320,784 \\ Long-term debt - noncurrent portion & 10,671,860 & 64,053 & 10,735,733 \\ Net pension liability & 12,262,372 & 3,162,467 & 15,524,839 \\ Total current liabilities & 3,335,473 & 285,311 & 3,320,784 \\ Not current liabilities & 3,261,673 & 1,32,243 & 1,424,946 \\ DEFERRED INFLOWS OF RESOURCES & 24,557,190 & 10,704,508 & 3,261,698 \\ Net DreE liability & 12,262,372 & 3,162,467 & 15,589,318 \\ Total defered inflows from OPEB & 1,655,25 & 61,852 \\ Public sa$		Activities	Activities	Total		
Cash and cash equivalents \$ 12,328,511 \$ 2,125,231 \$ 1,4433,832 Receivables 13,941,613 3,148,310 17,089,922 Noncurrent assets 3,341,613 3,148,310 17,089,922 Noncurrent assets 3,376,109 - 3,376,109 Restricted cash with fiscal agent 3,397 - 3,397 Capital assets 0,000,973 9,338,297 Depreciable, net 22,003,303 10,009,973 32,912,876 Net capital assets 31,546,665 10,704,508 42,251,173 Total noncurrent assets 39,968,057 12,204,508 42,2251,173 Deferred outflows from pension 3,111,816 881,932 3,993,748 Deferred outflows from OPEB 949,247 24,2431 1,192,078 Deferred outflows from pension 3,111,816 881,932 3,993,748 Deferred outflows from OPEB 744,889 - 744,889 Total deferred outflows of resources 4,855,952 1,124,763 5,980,715 Luge 12,002,387 716,785 3,036,376 <th>ASSETS</th> <th></th> <th></th> <th></th>	ASSETS					
Total current assets 13,941,613 3,148,310 17,089,922 Noncurrent assets: 0,000 6,641,886 1,000,000 6,641,886 Loars receivable 3,376,109 - 3,397 1,000,975 3,397 Capital assets: 0,000,975 9,338,297 0,3397 1,000,973 3,2912,876 Nondepreciable 86,43,362 694,935 9,338,297 0,2392,272,565 10,009,973 3,2912,876 Nondepreciable 86,43,362 694,935 9,338,297 0,2392,272,565 10,009,973 3,2912,876 Not capital assets 33,966,057 12,304,508 52,272,565 10,009,973 3,2912,876 Deferred outflows form pension 3,111,816 881,992 3,993,748 0,9362,428 Deferred outflows form onession 3,111,816 881,992 1,924,638 1,112,4763 5,980,715 Label trip 24,889 11,24,763 5,980,715 1,124,763 5,980,715 Current liabilities: 3,02,647 134,230 896,903 Accrund payable 762,673 134,230 </td <td>Cash and cash equivalents</td> <td></td> <td></td> <td></td>	Cash and cash equivalents					
Noncurrent assets:						
Advances to Redevelopment Successor Agency 5,041,886 1,600,000 6,641,886 Loans receivable 3,376,109 - 3,3376 Restricted cash with fiscal agent 3,397 - 3,3397 Capital assets: 3,397 - 3,3397 Nondepreciable, net 22,903,303 10,009,573 32,212,876 Not capital assets 31,546,665 10,704,508 42,251,173 Total noncurrent assets 39,968,057 12,304,508 52,272,565 Total assets 33,909,670 15,452,818 69,362,488 DEFERRED OUTFLOWS OF RESOURCES Deferred outflows from pension 3,111,816 881,932 3,993,748 Deferred outflows from OPEB 949,247 24,2831 1,192,078 Deferred outflows form pension 3,111,816 881,932 3,993,748 Deferred outflows of resources 4,855,952 1,124,763 5,980,715 LIABILITIES Current liabilities 262,977 42,359 305,336 Deposits payable 716,785 37,768 10,735,733 285,311 3,320,784 Long-term debt - urent portion 10,671,680 <td< td=""><td></td><td>13,941,613</td><td>3,148,310</td><td>17,089,923</td></td<>		13,941,613	3,148,310	17,089,923		
Loans receivable 3,376,109 - 3,376,109 Restricted cash with fiscal agent 3,397 - 3,397 Capital assets: 8,643,362 694,935 9,338,297 Depreciable, net 22,903,303 10,009,573 3,2912,876 Net capital assets 31,546,665 10,704,508 42,251,173 Total noncurrent assets 39,968,057 12,304,508 52,272,265 Total assets 31,11,816 881,932 3.993,748 Deferred outflows form pension 3,111,816 881,932 3.993,748 Deferred outflows form pension 3,111,816 881,932 3.993,748 Deferred outflows of resources 4,855,952 1,124,763 5.980,715 LIABILITIES 2000 3,036,768 3,776 Current liabilities 262,977 42,359 305,336 Accroued liabilities 262,977 42,359 3,032,784 Long-term debt - current portion 1,292,038 71,954 1,263,992 Total current liabilities 3,035,473 285,311 3,320,784 Non-current liabilities 3,035,473 285,311 <		5,041,886	1,600,000	6,641,886		
Capital assets: 8,643,362 694,935 9,338,297 Nondepreciable, net 22,903,303 10,009,573 32,912,876 Net capital assets 31,546,665 10,704,508 42,251,173 Total noncurrent assets 39,968,057 12,304,508 52,272,565 Total assets 53,909,670 15,452,818 69,362,488 Deferred outflows form pension 3,111,816 881,932 3,993,748 Deferred outflows form OPEB 949,247 242,831 1,192,078 Deferred outflows of resources 4,855,952 1,124,763 5,980,715 LIABILITIES 20,2977 42,359 305,336 Current liabilities 262,977 42,359 305,376 Accrued liabilities 262,977 42,359 305,376 Long-term debt - current portion 1,292,038 71,954 1,363,992 Total current liabilities 3005,473 285,311 3,300,784 Non-current liabilities 30,654,73 285,311 3,300,784 Non-current liabilities 30,054,73 285,311	Loans receivable		-			
$\begin{array}{c c c c c c c c c c c c c c c c c c c $		3,397	-	3,397		
Depreciable, net 22,903,303 10,009,573 32,912,876 Net capital assets 31,546,665 10,704,508 42,251,173 Total noncurrent assets 39,968,057 12,304,508 52,272,565 Total assets 53,909,670 15,452,818 69,362,488 DEFERRED OUTFLOWS OF RESOURCES 949,247 242,831 1,192,078 Deferred outflows from OPEB 949,247 242,831 1,192,078 Deferred outflows of resources 4,855,952 1,124,763 5,980,715 LIABILITIES 794,889 - 794,889 Current liabilities: 762,673 134,230 896,903 Accounts payable 762,673 134,230 896,903 Accounts payable 716,785 - 716,785 Unegarent debt - current portion 1,292,033 71,954 1,363,992 Total current liabilities: 3,035,473 285,311 3,320,784 Non-current portion 10,671,680 64,053 10,735,733 Net pension liability 12,320,322 3,162,467 15,524,839	1	8 6/3 367	694 935	9 338 297		
Net capital assets $31,546,665$ $10,704,508$ $42,251,173$ Total noncurrent assets $39,968,057$ $12,304,508$ $52,272,565$ Total assets $53,909,670$ $15,452,818$ $69,362,488$ DEFERRED OUTFLOWS OF RESOURCES $949,247$ $24,2831$ $1,192,078$ Deferred outflows from pension $3,111,816$ $881,932$ $3,993,748$ Deferred outflows from pension $749,489$ $-74,489$ $-794,489$ Total deferred outflows of resources $4,855,952$ $1,124,763$ $5,980,715$ LIABILITIES Current liabilities $262,977$ $42,329$ $305,336$ Deposits payable $716,785$ $-716,785$ $-716,785$ Unearmed revenue $1,000$ $36,768$ $37,768$ Long-term debt - current portion $10,671,680$ $40,372,731$ $18,594$ $-118,594$ Non-current liabilities $3,035,473$ $285,311$ $3,320,784$ Non-current liabilities $3,035,473$ $285,311$ $3,320,784$ Non-current liabilities $3,035,473$ 28			,			
Total noncurrent assets $39,968,057$ $12,304,508$ $52,272,565$ Total assets $53,909,670$ $15,452,818$ $69,362,488$ DEFERRED OUTFLOWS OF RESOURCES $949,247$ $242,831$ $1,192,078$ Deferred outflows from OPEB $949,247$ $242,831$ $1,192,078$ Deferred outflows for resources $4,855,952$ $1,124,763$ $5990,715$ LIABILITIES $794,889$ $.794,889$ $.794,889$ Current liabilities: $262,977$ $42,359$ $35,336$ Deposits payable $716,785$ $.716,785$ $.716,785$ Uncarned revenue $1,000$ $36,768$ $37,768$ Long-term debt - current portion $1.292,038$ $71,954$ $1,363,992$ Total current liabilities $3,035,473$ $285,311$ $3,320,784$ Non-current liabilities $3,035,473$ $285,311$ $3,320,784$ Non-current liabilities $3,035,473$ $285,311$ $3,320,784$ Non-current liabilities $3,035,473$ $285,311$ $3,320,784$ Not current po	-					
Total assets $53,909,670$ $15,452,818$ $69,362,488$ DEFERRED OUTFLOWS OF RESOURCES $3,111,816$ $881,932$ $3,993,748$ Deferred outflows from OPEB $949,247$ $242,831$ $1,192,078$ Deferred outflows of resources $4,855,952$ $1,124,763$ $5,980,715$ LIABILITIES Current liabilities: $762,673$ $134,230$ $896,903$ Accounts payable $762,673$ $134,230$ $896,903$ Accounts payable $762,673$ $134,230$ $896,903$ Accounts payable $716,785$ $-716,785$ $-716,785$ Unearned revenue $1,000$ $36,768$ $37,768$ Long-term debt - current portion $1,292,038$ $716,785$ $-118,594$ Non-current liabilities: $3,035,473$ $285,311$ $3,320,784$ Net pension liability $12,22,054$ $4132,731$ $18,42,996$ Net pension liability $12,262,372$ $3,162,467$ $15,524,839$ Total current liabilities $37,444,911$ $7,359,251$ $44,804,162$	•					
DEFERRED OUTFLOWS OF RESOURCES Deferred outflows from pension 3,111,816 881,932 3,993,748 Deferred outflows from OPEB 949,247 242,831 1,192,078 Deferred outflows of resources 4,855,952 1,124,763 5,980,715 LIABILITIES 704,4889 - 794,489 Current liabilities: 262,977 42,359 305,336 Accounts payable 716,785 716,785 716,785 Uncame revenue 1,000 36,768 37,768 Long-term debt - current portion 1,229,038 71,954 1,363,992 Total current liabilities: 3,035,473 285,311 3,302,784 Non-current liabilities: 3,035,473 285,311 3,320,784 Non-current liabilities: 3,035,473 285,311 3,320,784 Net OPEB liability 12,362,372 3,162,467 15,524,439 Net OPEB liability 12,362,372 3,162,467 15,524,839 Total noncurrent liabilities 37,444,911 7,359,251 44,804,162 Deferred inflows from OPEB <td></td> <td></td> <td></td> <td></td>						
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Deferred outflows from OPEB 949,247 242,831 1,192,078 Deferred loss on refunding 794,889 - 794,889 Total deferred outflows of resources 4,855,952 1,124,763 5,980,715 LIABILITIES - 724,889 - 794,889 Current liabilities: - 726,673 134,230 896,903 Accrued liabilities 262,677 42,359 305,345 - Deposits payable 716,785 - 716,785 - 716,785 Unagreem debt - current portion 1.292,038 71,1954 1,363,992 - 118,594 - 118,594 Long-term debt - noncurrent portion 10,671,680 64,053 10,735,735 44,804,162 40,480,384		2 111 916	991 022	2 002 748		
Deferred loss on refunding 794,889 - 794,889 Total deferred outflows of resources 4,855,952 1,124,763 5,980,715 LABILITIES - - 794,889 - 794,889 Current liabilities: - 5,980,715 5,980,715 5,980,715 Accounts payable 762,673 134,230 896,903 Accounts payable 716,785 - 716,785 Deposits payable 1,000 36,768 37,768 Long-term debt - current portion 1,292,038 71,954 1,363,992 Total current liabilities: 3,003,473 285,311 3,320,784 Non-current liabilities: 4,292,265 4,132,731 18,424,996 Net pension liability 12,362,372 3,162,467 15,524,839 Total noncurrent liabilities 40,480,384 7,644,562 48,124,946 DEFERED INFLOWS OF RESOURCES 24,557,190 10,704,508 35,261,698 Deferred inflows from pensions 944,534 368,590 1,313,124 Deferred inflows for mesources				, ,		
LIABILITIES Current liabilities: Accounts payable Accrued liabilities Deposits payable Current liabilities Deposits payable Current liabilities Deposits payable Current liabilities Deposits payable Current liabilities Long-term debt - current portion 1,292,038 Total current liabilities: Accrued interest Accrued interest Accrued interest Accrued interest 118,594 Current liabilities: Accrued interest 118,594 Long-term debt - noncurrent portion 10,671,680 64,053 Net OPEB liability 12,262,372 Actrue dinflows from pensions Deferred inflows from pensions <t< td=""><td>Deferred loss on refunding</td><td>,</td><td></td><td></td></t<>	Deferred loss on refunding	,				
Current liabilities: 762,673 134,230 896,903 Accrued liabilities 762,673 134,230 896,903 Deposits payable 716,785 - 716,785 106,785 Unearned revenue 1,000 36,768 37,768 Long-term debt - current portion 1,222,038 71,954 1,363,992 Total current liabilities 3,035,473 285,311 3,320,784 Non-current liabilities: 3,035,473 285,311 3,320,784 Long-term debt - noncurrent portion 10,671,680 64,053 10,735,733 Net pension liability 14,292,265 4,132,731 18,424,996 Net OPEB liabilities 37,444,911 7,539,251 44,804,162 Total noncurrent liabilities 37,444,911 7,539,251 44,804,162 Deferred inflows from pensions 944,534 368,590 1,313,124 Deferred inflows from OPEB 1,053,650 269,538 1,323,188 Total deferred inflows of resources 1.998,184 638,128 2,263,6312 Net inverstment in capital assets 24,557,190 10,704,508 35,261,698 Restricted for:<	Total deferred outflows of resources	4,855,952	1,124,763	5,980,715		
Current liabilities: 762,673 134,230 896,903 Accrued liabilities 762,673 134,230 896,903 Deposits payable 716,785 - 716,785 106,785 Unearned revenue 1,000 36,768 37,768 Long-term debt - current portion 1,222,038 71,954 1,363,992 Total current liabilities 3,035,473 285,311 3,320,784 Non-current liabilities: 3,035,473 285,311 3,320,784 Long-term debt - noncurrent portion 10,671,680 64,053 10,735,733 Net pension liability 14,292,265 4,132,731 18,424,996 Net OPEB liabilities 37,444,911 7,539,251 44,804,162 Total noncurrent liabilities 37,444,911 7,539,251 44,804,162 Deferred inflows from pensions 944,534 368,590 1,313,124 Deferred inflows from OPEB 1,053,650 269,538 1,323,188 Total deferred inflows of resources 1.998,184 638,128 2,263,6312 Net inverstment in capital assets 24,557,190 10,704,508 35,261,698 Restricted for:<	LIABILITIES					
Accounts payable 762,673 134,230 896,903 Accrued liabilities 262,977 42,359 305,336 Deposits payable 716,785 - 716,785 Unearned revenue 1,000 36,768 37,768 Long-term debt - current portion 1,292,038 71,954 1,363,992 Total current liabilities 3,035,473 285,311 3,320,784 Non-current liabilities 3,035,473 285,311 3,320,784 Accrued interest 118,594 - 118,594 Long-term debt - noncurrent portion 10,671,680 64,053 10,735,733 Net pension liability 14,292,265 4,132,731 18,424,996 Net OPEB liability 12,362,372 3,162,467 15,524,839 Total noncurrent liabilities 37,444,911 7,359,251 44,804,162 Deferred inflows from pensions 944,534 368,590 1,313,124 Deferred inflows from OPEB 1,053,650 269,538 1,323,188 Total deferred inflows of resources 1,998,184 638,128						
$\begin{array}{llllllllllllllllllllllllllllllllllll$		762,673	134,230	896,903		
Unearned revenue $1,000$ $36,768$ $37,768$ Long-term debt - current portion $1,292,038$ $71,954$ $1,363,992$ Total current liabilities $3,035,473$ $285,311$ $3,320,784$ Non-current liabilities: $118,594$ - $118,594$ Long-term debt - noncurrent portion $10,671,680$ $64,053$ $10,735,733$ Net pension liability $14,292,265$ $4,132,731$ $18,424,996$ Net OPEB liability $12,362,372$ $3,162,467$ $15,524,839$ Total noncurrent liabilities $37,444,911$ $7,359,251$ $44,804,162$ Total liabilities $40,480,384$ $7,644,562$ $48,124,946$ DEFERRED INFLOWS OF RESOURCESDeferred inflows from pensions $944,534$ $368,590$ $1,313,124$ Deferred inflows of resources $1.998,184$ $638,128$ $2.263,6312$ Net investment in capital assets $24,557,190$ $10,704,508$ $35,261,698$ Restricted for: $3,397$ $3,397$ $3,397$ $3,397$ Debt services $3,397$ $3,397$ $3,397$ $3,397$ Low mod housing $1,589,318$ $1,589,318$ $1,589,318$ $1,835,661$ Public safety $618,652$ $618,652$ $618,652$ Public safety $618,652$ $618,652$ $618,652$ Public project $3,291,847$ $722,596$ $4,014,443$ Parks & recreations $1,835,661$ $1,835,661$ $1,833,601$ $1,833,603$ Unrestricted: $8,334,007$ $722,596$ <			42,359			
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	Total Restricted:	8,334,007	722,596	9,056,603		
Total net position \$ 16,287,054 \$ 8,294,891 \$ 24,581,945	Unrestricted	(16,604,143)	(3,132,213)	(19,736,356)		
	Total net position	\$ 16,287,054	\$ 8,294,891	\$ 24,581,945		

See accompanying Notes to Basic Financial Statements

Notice of Exemption

To:	Office of Planning and Research 1400 Tenth Street, Room 121 Sacramento CA 95814	From: (Public Agency) Santa Cruz Local Agency Formation Commission 701 Ocean Street, Room 318-D Santa Cruz CA 95060
То:	Clerk of the Board County of Santa Cruz 701 Ocean Street, Room 500 Santa Cruz CA 95060	

Project Title: Service and Sphere of Influence Review for the City of Scotts Valley

Project Location: The City of Scotts Valley was incorporated in 1966 and operates as a general law city pursuant to the laws of the State of California. The City provides an array of services, including but not limited to, law enforcement, animal control, wastewater treatment, and stormwater management. Scotts Valley's city limits encompasses approximately five square miles and has a population estimated at 12,000. A vicinity map depicting the City's jurisdictional and sphere boundaries is attached (refer to **Attachment A**).

Project Location City: Scotts Valley Project Location County: Santa Cruz County

Description of Nature, Purpose, and Beneficiaries of Project: The report is for use by the Local Agency Formation Commission in conducting a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that the Commission conduct periodic reviews and updates of spheres of influence of all cities and districts in Santa Cruz County (Government Code section 56425). It also requires LAFCO to conduct a review of municipal services before adopting sphere updates (Government Code section 56430). Santa Cruz LAFCO has prepared a municipal service review, and sphere of influence update for the City. The purpose of the report is to ensure the effectiveness and efficiency in the delivery of public services by the City, in accordance with the statutory requirements outlined in the Cortese-Knox-Hertzberg Act.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County. The LAFCO public hearing on this proposal is scheduled for 9:00 a.m. on March 3, 2021.

Name of Person or Agency Carrying Out Project: Santa Cruz Local Agency Formation Commission

Exempt Status: (check one)

- Ministerial (Sec. 21080(b)(1); 15268);
 - Declared Emergency (Sec. 21080(b)(3); 15269(a));
 - Emergency Project (Sec. 21080(b)(4); 15269 (b)(c));
 - Categorical Exemption: State type and section number
 - Statutory Exemptions: State code number
 - **x** Other: The activity is not a project subject to CEQA.

Reason Why Project is Exempt: The LAFCO action does not change the services or the planned service area of the City. There is no possibility that the activity may have a significant impact on the environment--State CEQA Guidelines Section 15061(b)(3).

Lead Agency Contact Person: Joe A. Serrano

Area Code/Phone Extension: 831-454-2055.

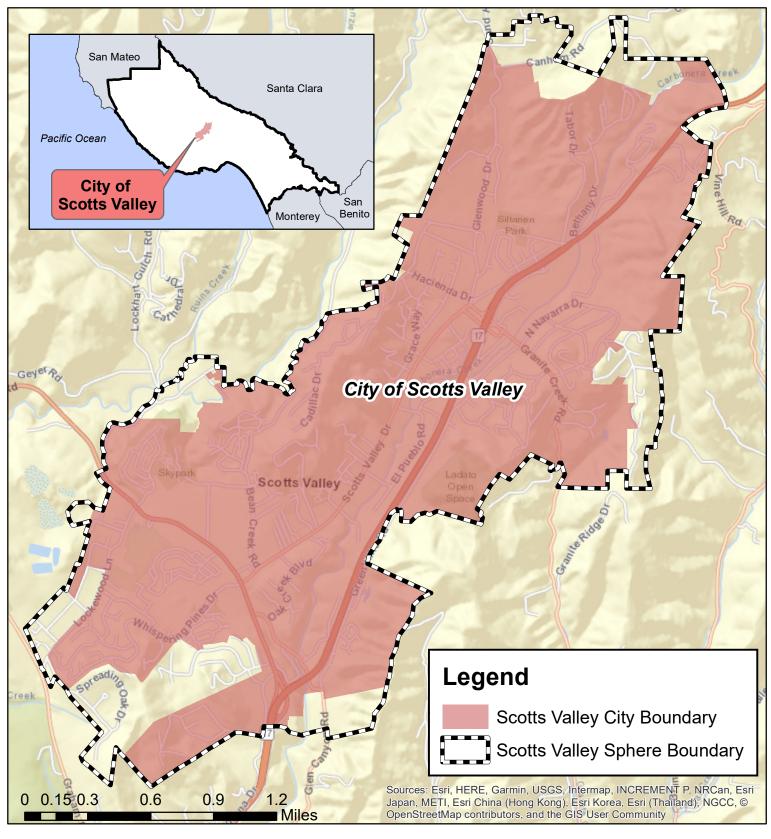
Signature:

Joe A. Serrano, Executive Officer

Date: February 8, 2021

Signed by Lead Agency

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Santa Cruz County, California

City of Scotts Valley Jurisdictional and Sphere Boundaries

Original Sphere of Influence adopted on October 16, 1985

Last Sphere of Influence Update on November 2, 2016

Proposed Sphere Reaffingetien (00 floor 10 at 0 h 3, 2021



NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, March 3, 2021, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- "Atkinson Lane/Brewington Avenue Extraterritorial Service Agreement" with the City
 of Watsonville (LAFCO Project No. ESA 21-04): Consideration of an extraterritorial service
 agreement request for a single parcel to receive water and sewer services from the City of
 Watsonville. In compliance with the California Environmental Quality Act (CEQA), LAFCO
 will act as a responsible agency.
- City of Scotts Valley Service and Sphere of Influence Review: Consideration of a service and sphere review for the City of Scotts Valley. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.

Due to COVID-19, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspend certain requirements of the Ralph M. Brown Act. Members of the public are encouraged to observe the shelter-in-place order and participate remotely. Instructions to participate remotely are available in the Agenda and Agenda Packet: <u>https://www.santacruzlafco.org/meetings/2021-agenda-packets/</u>

During the meeting, the Commission will consider oral or written comments from any interested person. Maps, written reports, environmental review documents and further information can be obtained by contacting LAFCO's staff at (831) 454-2055 or from LAFCO's website at <u>www.santacruzlafco.org</u>. LAFCO 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. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at least 48 hours in advance of the meeting to make arrangements.

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Joe A. Serrano Executive Officer Date: February 9, 2021

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY RESOLUTION NO. 2021-06

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION APPROVING THE 2021 SERVICE AND SPHERE OF INFLUENCE REVIEW FOR THE CITY OF SCOTTS VALLEY

The Local Agency Formation Commission of Santa Cruz County (the "Commission") does hereby resolve, determine, and order as follows:

- 1. In accordance with Government Code Sections 56425, 56427, and 56430, the Commission has initiated and conducted the 2020 Service and Sphere of Influence Review for the City of Scotts Valley ("City").
- 2. The Commission's Executive Officer has given notice of a public hearing by this Commission of the service and sphere of influence review in the form and manner prescribed by law.
- 3. The Commission held a public hearing on March 3, 2021, and at the hearing, the Commission heard and received all oral and written protests, objections, and evidence that were presented.
- 4. This approval of the 2021 Service and Sphere of Influence Review for the City is exempt under the California Environmental Quality Act ("CEQA") pursuant to the CEQA Guidelines Section 15061(b)(3) because this Commission action does not change the services or the planned service area of the subject agency. There is no possibility that the activity may have a significant impact on the environment. This action qualifies for a Notice of Exemption under CEQA.
- 5. The Commission hereby approves the 2021 Service and Sphere of Influence Review for the City of Scotts Valley.
- 6. The Commission hereby approves the Service Review Determinations, as shown on Exhibit A.
- 7. The Commission hereby approves the Sphere of Influence Determinations, as shown on Exhibit B.
- 8. The Commission hereby modifies the Sphere of Influence Map for the City, as shown in Exhibit C.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 3rd day of March 2021.

AYES:

NOES:

ABSENT:

JUSTIN CUMMINGS, CHAIRPERSON

Attest:

Joe A. Serrano Executive Officer

Approved as to form:

Daniel H. Zazueta LAFCO Counsel

EXHIBIT A CITY OF SCOTTS VALLEY 2021 SERVICE REVIEW DETERMINATIONS

1. Growth and population projections for the affected area.

The City currently provides various municipal services to a population of 12,145. A slow growth is projected to occur for the next twenty years. LAFCO staff estimates that the entire population of Scotts Valley will reach 12,418 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

LAFCO did not identify any DUCs within or contiguous to the City's sphere boundary. That said, Scotts Valley has adopted strategic plans and capital improvement plans to ensure the adequate delivery of municipal services to its constituents.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

The City General Plan within its jurisdictional limits designates areas for residential, commercial, and other city-related zoning. The County General Plan designates the unincorporated Scotts Valley community principally for mountain residential, rural residential, and parks and recreational uses.

4. Financial ability of agencies to provide services.

Scotts Valley has experienced some financial hardship. Audited financial statements from Fiscal Years 2014 to 2019 indicate that the balance has declined from \$39 million to \$26 million. As of June 30, 2020, the City was operating with a net position of approximately \$25 million.

5. Status of, and opportunities for, shared facilities.

Scotts Valley continues to explore for collaborative efforts to improve efficiencies. The City is currently a member in various joint powers agreements with local agencies and the County for services such as animal control, library, and criminal justice.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

Scotts Valley is currently within two supervisorial districts (BOS District No. 1 and 5) and two water districts (Scotts Valley and San Lorenzo Valley Water Districts). It may be beneficial to analyze whether these boundaries should be reorganized.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service review.

EXHIBIT B CITY OF SCOTTS VALLEY 2021 SPHERE OF INFLUENCE DETERMINATIONS

1. The present and planned land uses in the area, including agricultural and open-space lands.

The present and planned land uses are based on general plans from the City and the County which range from urban to rural uses. General plans anticipate growth centered on existing urban areas and the maintenance of agricultural production, rural residential uses, and environmental protection in rural areas. Planned land uses within the five applicable general plans are a mix of urban, rural and mountain residential, agricultural, timber, public recreation, and openspace lands.

2. The present and probable need for public facilities and services in the area.

Scotts Valley has identified and prioritized its infrastructure needs in the Five-Year CIP Plan. The CIP is evaluated each year as part of their annual budget's adoption. The principal needs are categorized by priority.

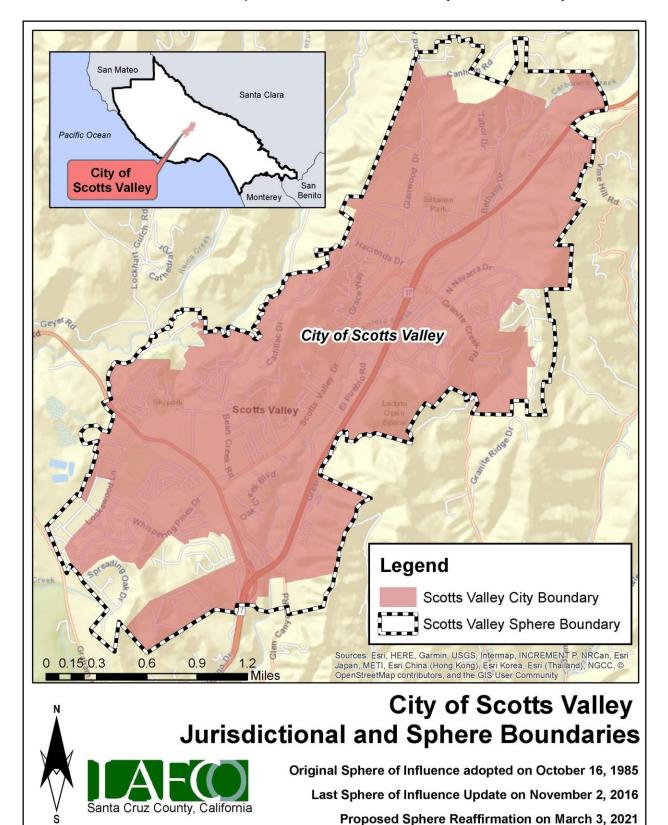
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

Scotts Valley provides various types of municipal services, which can be categorized in two activities (Government and Business). Government activities include animal control, public safety, and public works. Business activities include recreation and wastewater services. In 2020, the City's population was estimated to be 12,145. LAFCO staff projects that the City's population will reach 12,418 by 2040.

- 4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency. Scotts Valley is currently within two supervisorial districts (BOS District No. 1 and 5) and two water districts (Scotts Valley and San Lorenzo Valley Water Districts). It may be beneficial to analyze whether these boundaries should be reorganized.
- 5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

LAFCO did not identify any DUCs within the City's sphere boundary. That said, Scotts Valley has adopted strategic plans and capital improvement plans to ensure the adequate delivery of water service to its constituents.

EXHIBIT C CITY OF SCOTTS VALLEY SPHERE OF INFLUENCE MAP



LAFCO reaffirms the Sphere of Influence for the City of Scotts Valley.

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Santa Cruz Local Agency Formation Commission

Date:March 3, 2021To:LAFCO CommissionersFrom:Joe Serrano, Executive OfficerSubject:Employee Performance Evaluations

SUMMARY OF RECOMMENDATION

The Commission reviews the performance of LAFCO staff on an annual basis. Recommendations from the Personnel Committee are also evaluated when considering changes to staff's salaries and benefits. Changes to these areas are discussed and voted upon in an open session. Any changes that occur to staff's salaries and benefits are implemented by resolution.

It is recommended that the Commission adopt the draft resolution (LAFCO No. 2021-07) approving the salary increases for LAFCO's Executive Officer.

EXECUTIVE OFFICER'S REPORT:

The Commission reviewed staff's performance evaluations in closed session during the February 3rd Regular Meeting. After reconvening, the Commission indicated that LAFCO's Executive Officer may be subject to a salary increase for their performance during the 2020 calendar year. The following section provides a summary of staff's recent evaluations.

Commission Clerks' Performance Evaluation (Current Clerk)

Since 2019, the Executive Officer has conducted an official performance evaluation of the Commission Clerk with a written report identifying projects completed, strengths and weaknesses, and goals for the upcoming year. This new process gave an opportunity for the Executive Officer and Commission Clerk to discuss achievements as well as areas of improvement at the end of each year. Additionally, this internal review process offers documentation for the Executive Officer to present to the Personnel Committee. This written narrative can be used as a reference to justify any recommended salary increases. A proposed salary increase for the current Commission Clerk is not being proposed at this time primarily because their retirement date is near (April 2021).

Commission Clerks' Performance Evaluation (Incoming Clerk)

In December 2020, the incoming Commission Clerk officially began working for LAFCO. A proposed salary increase for the incoming Commission Clerk is not being proposed at this time primarily because they are currently within a year-long probation period. This probation period is in accordance with the Commission's Employment Policy. A potential salary increase may be considered after the probation period ends. Such consideration will be based on the Commission Clerk's performance evaluation conducted at the end of the 2021 calendar year.

Executive Officer's Performance Evaluation

The Personnel Committee conducted a performance evaluation on January 21, 2021 to ensure that the new Executive Officer was fulfilling expectations. Prior to the meeting, the Personnel Committee requested that a written narrative, outlining the Executive Officer's performance in 2020 be completed for review and discussion. A draft version of the written narrative was presented to the Personnel Committee during the January 21 Meeting. A final version of the written narrative was reviewed by the entire Commission during a closed session on February 3, 2021.

After reconvening from the closed session, the Chair indicated that the Executive Officer exceeded the Commission's expectations and earned a 5% salary increase. This change would increase the Executive Officer salary from \$12,017 to \$12,618 per month. The attached resolution outlines the proposed salary increase for the Executive Officer (see **Attachment 1**). If approved, the salary change will go into effect retroactively starting January 1, 2021. This retroactive start date reflects how the performance evaluations are now being conducted. However, the Commission may consider changing the start date of the new salary amount.

Respectfully Submitted,

Joe A. Serrano Executive Officer

Attachments: 1. Draft Resolution No. 2021-07

6A: ATTACHMENT 1

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY RESOLUTION NO. 2021-07

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION APPROVING THE ADJUSTMENTS TO STAFF'S SALARIES AND BENEFITS

WHEREAS, on June 7, 2000, the Local Agency Formation Commission of Santa Cruz County ("Commission") adopted a Personnel Policy specifying an annual process to review staff's performance and their salaries and benefits; and

WHEREAS, pursuant to this Personnel Policy, the Personnel Committee reviewed the performance evaluations for LAFCO's Executive Officer and Commission Clerk on January 28, 2021; and

WHEREAS, the Personnel Committee presented their findings and recommendations to the entire Commission during a Closed Session on February 3, 2021; and

WHEREAS, this Commission discussed the Personnel Committee's report and determined that adjustment to staff's salaries were warranted.

NOW, THEREFORE, BE IT RESOLVED that effective January 1, 2021; the Executive Officer is granted a 5% increase in salary. The Auditor-Controller is requested to make the appropriate retroactive changes.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 3rd day of March 2021.

AYES:

NOES:

ABSENT:

JUSTIN CUMMINGS, CHAIRPERSON

Attest:

Approved as to form:

Joe A. Serrano Executive Officer Daniel H. Zazueta LAFCO Counsel

Agenda Item No. 6b



Santa Cruz Local Agency Formation Commission

Date:March 3, 2021To:LAFCO CommissionersFrom:Joe Serrano, Executive OfficerSubject:Special District Elections Update

SUMMARY OF RECOMMENDATION

State law requires LAFCOs to assist the Independent Special District Selection Committee when seats are vacant in specific boards. This staff report provides an update on the selection process for the vacancies on LAFCO and the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board. 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:

This year, the Independent Special District Selection Committee is authorized to address vacancies on two separate boards: LAFCO and the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board ("COB"). Both boards are in search of a regular and alternate member to effectively represent the special districts in Santa Cruz County. LAFCO staff helps conduct the selection process to fill in these vacancies and follows the guidelines outlined in State law and in the Commission's adopted policies. Calls for applications were distributed in December 2020 for the LAFCO seats and in January for the COB seats. In total, LAFCO staff received two applications for the LAFCO seats and two applications for the COB seats.

Pursuant to Government Code Section 56332(f)(2), if one candidate is nominated for a vacant seat, that candidate shall be deemed appointed. In both cases, the number of applications equaled the number of vacancies on the LAFCO and COB Boards, respectively. Therefore, the applicants were appointed in-lieu of an election. The selection process results are summarized below:

- LAFCO Seats (Regular and Alternate): Jim Anderson and Ed Banks were appointed as the new regular and alternate special district members in-lieu of election.
- **COB Seats (Regular and Alternate):** Jim Anderson and Ed Banks were appointed as the new regular and alternate special district members in-lieu of election.

Respectfully Submitted,

Joe A. Serrano

Executive Officer

Agenda Item No. 6c



Santa Cruz Local Agency Formation Commission

Date:March 3, 2021To:LAFCO CommissionersFrom:Joe Serrano, Executive OfficerSubject:Legislative Update

SUMMARY OF RECOMMENDATION

LAFCO staff tracks bills during the legislative session and provides periodic updates. The Commission may take a position on any tracked bill. This agenda item is for informational purposes only and does not require any action at this time. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

EXECUTIVE OFFICER'S REPORT:

2021 marks the start of a new two-year legislative session. Over 2,000 new bill proposals were introduced prior to the February 19 deadline for non-committee proposals. This year's bills are focusing on COVID-19 response, wildfire prevention, education, healthcare, and bridging the equity divide. All bill proposals must pass out of the house of origin (Assembly or Senate) no later than May 21. Afterwards, all bills must pass through both houses by September 10 with a 30-day period for the Governor to either sign or veto passed bills. **Attachment 1** provides an overview of this year's legislative calendar. The website for additional bill information is http://leginfo.legislature.ca.gov/.

Tracked Bills

The California Association of LAFCOs (CALAFCO) monitors legislative matters that may impact the Commission's ability to effectively administer its regulatory responsibilities. At present, there are 17 bills that directly or indirectly impact LAFCOs. An overview of each of the 17 tracked bills is attached (refer to **Attachment 2**). Staff is currently watching these bills, including two potential bills that have not been introduced: this year's Omnibus Bill (discussed in the next section), and an amendment to Government Code Section 56133 which will be co-sponsored by San Diego LAFCO. If approved, the edit to 56133 would add a ninth sub-section to prevent local agencies from self-exempting themselves without checking with their LAFCO. More information on this potential bill will be presented when available. CALAFCO has also provided a newsletter from Hurst, Brooks, & Espinosa LLC that offers a detailed overview of other legislative activities, shown in **Attachment 3**.

Proposed Omnibus Bill

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH Act") provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. The Omnibus bill makes minor, non-substantive changes to the CKH Act. CALAFCO is sponsoring the 2021 Assembly Local Government Committee (ALGC) Omnibus bill, which identifies 5 potential non-substantive edits to the CKH Act. A bill number and/or title has not been designated at this time.

CALAFCO's role in the omnibus bill is spearheaded by Pamela Miller (CALAFCO Executive Director) and one LAFCO Executive Officer as a liaison. The liaison role typically rotates every 2-3 years. The current liaison is San Bernardino LAFCO's Executive Officer Sam Martinez. His term will end this year. CALAFCO has selected Santa Cruz LAFCO's Executive Officer, Joe Serrano, to be the next liaison. A transition is currently underway.

Obsolete Special Provisions

The Protest Provision Rewrite Working Group, consisting of 18 members (CALAFCO, CSDA, League, CSAC and reps from both local government committees) reconvened earlier this year and approved the submission of several obsolete special provisions relating to protests. Removal of these obsolete provisions may be included in the 2021 Omnibus bill, as shown in **Attachment 4**. Two of the obsolete provisions in LAFCO law involve Santa Cruz County: Government Code Sections 57001.1 and 57202.1.

These two code sections allowed a city in Santa Cruz County that has adopted a voter approved urban limit line to determine the extension deadline and effective date of a reorganization. However, both code sections specifically state that the provisions under 57001.1 and 57202.1 are no longer usable for any reorganization approved or conditionally approved after January 1, 2009. LAFCO staff and the only city with a voter approved urban limit line discussed the obsolete provisions. Since the provisions have been inoperative for 12 years now, neither LAFCO or City staff opposed deleting Government Code Sections 57001.1 and 57202.1 from the CKH Act.

LAFCO staff will continue to monitor and provide periodic updates on the 17 tracked bills the Omnibus bill, and any new LAFCO-related bills as the legislative session unfolds.

Respectfully Submitted,

Joe A. Serrano Executive Officer

Attachment:

- 1. State Legislative Calendar
- 2. Legislative Newsletter from Hurst, Brooks, & Espinosa LLC
- 3. Tracking Sheet of LAFCO-related Bills (as of February 19, 2021)
- 4. Obsolete Special Provisions Summary

6C: ATTACHMENT 1

Revised 12-21-2020

DEADLINES

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Jan. 10 Budget must be submitted by Governor (Art. IV, Sec. 12 (a)).

Jan. 11 Legislature reconvenes (J.R. 51(a)(1)).

Jan. 18 Martin Luther King, Jr. Day.

Jan. 22 Last day to submit bill requests to the Office of Legislative Counsel.

Feb. 15 Presidents' Day

Feb. 19 Last day for bills to be introduced (J.R. 61(a)(1)), (J.R. 54(a)).

Spring Recess begins upon adjournment of this day's session Mar. 25 (J.R. 51(a)(2)).

Mar. 31 Cesar Chavez Day.

Apr. 5 Legislature reconvenes from Spring Recess (J.R. 51(a)(2)).

bills introduced in their house (J.R. 61(a)(3)).

committees to meet prior to June 7 (J.R. 61 (a)(6)).

May 14 Last day for policy committees to meet prior to June 7 (J.R. 61(a)(4)). Last day for fiscal committees to hear and report to the Floor

bills introduced in their house (J.R. 61 (a)(5)). Last day for fiscal

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May 31 Memorial Day.

May 7

May 21

* Holiday schedule subject to final approval by Rules Committee

Page 1 of 2

Apr. 30 Last day for policy committees to hear and report to Fiscal Committees fiscal bills introduced in their house (J.R. 61(a)(2)).

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IMPORTANT DATES OCCURRING DURING INTERIM STUDY RECESS

<u>2021</u> Oct. 10

Last day for Governor to sign or veto bills passed by the Legislature on or before Sept. 10 and in the Governor's possession after Sept. 10 (Art. IV, Sec. 10(b)(1)).

<u>2022</u> Jan. 1

Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 3 Legislature reconvenes (J.R. 51 (a)(4)).

** Holiday schedule subject to final approval by Rules Committee

January 8, 2021

To: HBE Clients

From: Hurst Brooks Espinosa, LLC

Re: Governor's Proposed 2021-22 State Budget

In a lengthy press conference, Governor Gavin Newsom <u>announced</u> his proposed 2021-22 state budget this morning, highlighting the dramatic differences between his 2020 announcement and today's. With the stated goal of addressing the urging needs of Californians, including COVID-19 vaccinations, safely re-opening schools, support for small businesses, money in the pocket of Californians, and wildfire preparedness, the Governor outlined a considerable number of his proposals in detail. We have already outlined a number of proposals that have been previously announced, but additional details on the various proposals are outlined in the memo below. The Governor's budget proposal summary can also be found <u>online</u>; we would caution that the full document is nearly 400 pages, so please be careful before printing.

Some notable components of the Governor's proposed 2021-22 spending plan:

As we have previously reported, the General Fund revenue forecast has improved dramatically since the enactment of the 2020-21 budget. According to the Department of Finance, the increase can generally be tied to three factors: a less severe economic downturn than anticipated in the 2020-21 budget, a significantly greater unequal spread of wage losses in the downturn between higher- and lower-wage workers, and a stronger stock market than was expected.

The Administration has identified \$34 billion in "budget resiliency," what the Governor is calling the state's budgetary reserves and surplus. Of this amount, reserves include \$15.6 billion in the state's Proposition 2 Stabilization Account (the Rainy Day Fund) for fiscal emergencies; \$450 million for the Safety Net Reserve; \$3 billion in the Public School System Stabilization Account; and \$2.9 billion in the state's operating reserve.

The state's improved revenue picture also allows the state to delay \$2 billion in scheduled program suspensions for one year. These are previously scheduled suspensions in the 2020-21 budget that would have otherwise taken effect on July 1, 2021 or December 31, 2021. These include (but are not limited to) Proposition 56 supplemental payment increases, reversing the seven percent reduction in In-Home Supportive Services hours, certain Medi-Cal optional services, and developmental services payment increases.

But the state's economic forecast carries with it higher than normal risk. The budget notes that in December, over 4 million Californians were still receiving some form of unemployment benefits and only about half the jobs lost during the pandemic have been recovered. The budget also estimates a structural budget deficit of \$7.6 billion for 2022-23 that is forecast to grow to more than \$11 billion by 2024-25. To that end, the budget notes that additional federal stimulus is necessary to ensure a

robust ongoing pandemic response and economic recovery. In particular, the Governor noted during his press conference the urgent need for the Biden Administration to focus on local government

discretionary relief. Further, the budget does not include information associated with federal funds received in the December's Coronavirus Response and Relief Supplemental Appropriations Act; beyond what is already outlined for early action, the May Revision will reflect these investments. (See table on page 5 at this <u>link</u> for more information about estimated federal funds for California.)

For budget geeks, its particularly interesting to note that the budget also forecasts that the state will exceed the so-called Gann Limit (see box) by \$102 million in 2021-22. This would be the first time the state has exceeded the Gann Limit since 1986. Look to the May Revision for more clarity on this issue.

The budget proposes \$14 billion in early action proposals starting in January, again in March, with the full budget enactment in June.

The Governor has proposed a \$5 billion immediate action (January) package as follows:

- \$2 billion: Reopen Schools Safely
- \$575 million: Small Business Grants
- \$71 million: Fee Waivers for Small Businesses
- \$2.4 billion: Golden State Stimulus
- Federal Funds/Eviction Moratorium

See table on page 21 at this <u>link</u> for more information on the so-called "immediate action package."

Among a number of other items, the budget includes \$4.6 billion in Proposition 98 for extending learning time, including summer school and other strategies to address the pandemic's impact on learning loss. To provide additional planning time for districts, the Administration is proposing early action by the Legislature this spring to approve these funds.

See table on page 22 at this link for the list of items in the "Early Action Package."

Equitable and Broad-Based Recovery

Economic Recovery and Job Creation

As we have previously shared, the Governor has proposed a \$14 billion recovery package that includes several proposals geared toward supporting businesses, individuals, and job creation both during the pandemic and as the state recovers. The Administration is proposing that the Legislature take action in early 2021 on the majority of the package. (See table on page 25 at this <u>link</u> for the Administration's Equitable and Broad-based Recovery Package.)

The Governor will request immediate action by the Legislature to approve an additional \$575 million to the state's small businesses in addition to the \$500 million already approved for the state's Small Business COVID-19 Relief Grant program. The program offers grants up to \$25,000 to micro and small businesses and non-profits that have been impacted by the pandemic. Of the new funds proposed, the Governor has requested that \$25 million be set aside for small cultural institutions, such as museums and art galleries.

WHAT IS THE GANN LIMIT?

The Gann Limit is a limit on the amount of tax money that state and local governments, including school districts, can legally spend. In November 1979, California voters approved the late Paul Gann's Proposition 4, which is called the Gann Limit. When the state exceeds the Gann Limit, the amount of state revenue collected beyond the limit is then returned equally to taxpayers and to public schools. The budget also includes ongoing investments to support small businesses of \$777.5 million, as follows:

- \$430 million for the California Competes Tax Credit, which incentivizes businesses to locate in California and create jobs, as well as a new CalCompetes grant program to support job creation and investments in infrastructure.
- \$100 million to extend the Main Street Small Business Tax Credit to encourage hiring new employees and rehiring former employees.
- Mitigating the SALT (state and local tax) deduction limitation for S-Corporation shareholders;
- \$35 million for the California Dream Fund to seed entrepreneurship and small business creation in underserved communities.
- \$50 million each for the California Infrastructure and Economic Development Bank's Small Business Finance Center to provide small business loan and disaster loan guarantees and for the California Rebuilding Fund.
- \$100 million in expanded sales tax exclusions through the Treasurer's Office (through the California Alternative Energy and Advanced Transportation Financing Authority, CAETFA) to reduce the cost of manufacturing equipment in order to promote innovation and meet the state's climate goals.
- This total also includes \$12.5 million allocated in late 2020 to capitalize the California Rebuilding Fund to support low-interest loans to underserved businesses.

Additional budget proposals to support the state's small businesses, including:

- \$353 million to support workforce development strategies, including apprenticeship and High-Road Training Partnerships and demand-driven workforce programs in key sectors like health care and technology.
- \$70.6 million in fee waivers to individuals and businesses most impacted by the pandemic, including barbers, cosmetologists, manicurists, bars and restaurants.
- \$300 million in one-time General Fund for the most critical statewide deferred maintenance, including the greening of state infrastructure, including the installation of electric vehicle charging stations at state-owned facilities.
- \$500 million to the Infill Infrastructure Grant (IIG) Program, which provides grants to local governments and developers bring the cost down for new housing by defraying costs for sewers, roads, and site preparation (\$250 million of these funds are proposed for early action).
- \$1.5 billion to accelerate the state's progress towards its clean air and climate goals, including purchases of clean trucks, buses, and off-road freight equipment and Clean Cars 4 All programs; construction of electric charging and hydrogen fueling stations necessary to accelerate zero-emission vehicle adoption; and support for low-income Californians to purchase cleaner vehicles.

Golden State Stimulus

The Governor proposes a "Golden State Stimulus," a tax refund of \$600 intended to provide rapid cash support to four million low-income Californians who are eligible for the California Earned Income Tax Credit (EITC), including those undocumented households that file taxes with an Individual Taxpayer Identification Number (ITIN). Governor Newsom is also seeking immediate action from the Legislature to extend the eviction protections enacted by <u>AB 3088</u> (Chiu, 2020) and ensuring that \$2.6 billion in federal rental assistance funding is distributed quickly, \$1.4 billion of which is distributed to the state and \$1.2 billion of which will be distributed directly to cities and counties.

Not included in the recovery package but highlighted in the budget as an opportunity to create good jobs via government investment in infrastructure projects of \$10 billion – and a total of \$52 billion over the next five years – for state infrastructure such as highways, roads, high-speed rail, state buildings, and K-14 school buildings and will include the acceleration of projects to the extent practicable.

Workforce Development

The budget includes one-time and ongoing investments totaling \$332.9 million in areas that will support an equitable recovery, as follows:

- \$250 million to support forthcoming proposals that are focused on supporting linkages between higher education and employment opportunities.
- \$15 million ongoing Proposition 98 to augment the California Apprenticeship Initiative which supports the creation of apprenticeship opportunities in priority and emerging industry sectors.
- \$10 million one-time Proposition 98 to expand work-based learning models and programs at community colleges, including working with faculty and employers to incorporate work-based learning into curriculum.
- \$20 million one-time General Fund to four science and innovation institutes at University of California campuses to support stipends for students over a five-year period and for research teams to link with industry partners to better align educational programs with workforce needs.
- \$12.9 million ongoing General Fund to support and expand existing UC Programs in Medical Education and to establish a new UC Program in Medical Education focused on Native American communities.
- \$10 million one-time General Fund to the California State University, Monterey Bay to support the Computing Talent Initiative, a computer science acceleration program that will guide several cohorts of underrepresented computer science college students through a series of educational and employment- related modules and workshops and help connect these students with industry professionals who can help them obtain employment in the sector.
- \$25 million one-time General Fund through the California Workforce Development Board to provide over 2,000 new apprenticeships and pre-apprenticeships to support the state's economic recovery, including construction, forestry and agriculture, health care, trade and logistics, and information technology.

COVID-19 Pandemic Response

The Governor's budget dedicates a full chapter to the state's COVID-19 pandemic response over the past year. Notably, the 2021-22 budget includes more than \$300 million as an initial estimate for vaccine distribution, including a public awareness campaign to increase vaccine adoption. The table on page 46 at this <u>link</u> outlines the state's direct response cost estimates for the 2020-21 enacted budget and the 2021-22 proposed budget.

The Administration also reports that, while the deadline to spend Coronavirus Relief Funds (CRF) was extended through December 31, 2021, the state has been finalizing the allocation and prioritization of the remaining \$800 million in state CRF to pay for additional emergency response costs, public health expenses, and public safety payroll costs as authorized by the US Treasury. The Administration anticipates that all funds will be expended and no CRF funds will be returned to the federal government.

Emergency Response

The budget includes \$282 million for the California Office of Emergency Services for the following targeted investments:

- \$256.1 million one-time in California Disaster Assistance Act (CDAA) to assist local governments in serving their communities during and in the wake of emergency events. Funds will be used to repair, restore, or replace public real property damaged or destroyed during disaster events or reimburse local governments for eligible costs associated with emergency activities undertaken in response to a state of emergency proclamation by the Governor.
- \$17.3 million one-time to support the California Earthquake Early Warning System.
- \$3.6 million ongoing to build the state's ability to respond to regional emergencies regarding hazardous materials.
- \$5 million one-time to address identified deferred maintenance needs.

Additionally, the early action package proposes \$25 million one-time General Fund in 2020-21 for CalOES (\$21.9 million) and the Department of Forestry and Fire Protection (\$3.1 million) to support implementation of a home hardening pilot grant program.

For the Department of Forestry and Fire Protection, the budget includes the following investments:

- \$143.3 million one-time in 2021-22, \$124.5 million ongoing, and \$24.2 million one-time in out-years for related capital outlay costs for CAL FIRE and the California Conservation Corps (CCC) to support 30 additional fire crews, including 16 seasonal firefighter crews and 14 CCC crews.
- \$1 billion for a comprehensive package of reserves to increase the pace and scale of forest health activities and decrease fire risk, including \$581 million for CAL FIRE in 2020-21 and 2021-22.
- \$48.4 to support the phasing in of new firefighting aircraft into CAL FIRE's fleet, including Black Hawk helicopters and large air tankers.
- \$5 million one-time for a research grant to California State University, San Marcos to study enhanced firefighting equipment and strategies to protect firefighters from conditions present during wildfires in the wildland urban interface.

Health Care

The Governor's budget includes three overarching proposals that impact the health care system broadly – the creation of a new Office of Health Care Affordability, use of Health Information Exchange, and a focus on health equity.

Office of Health Care Affordability

The Administration is proposing to use \$11.2 million in 2021-22, \$24.5 million in 2022-23, and \$27.3 million in 2023-24 from the Health Data and Planning Fund to establish the Office of Health Care Affordability. Please recall that the Governor had proposed establishing this office as part of the 2020-21 January budget but withdrew the proposal in the spring due to the pandemic.

The Office will be charged with increasing transparency on cost and quality, developing cost targets for the health care industry, enforcing compliance through financial penalties, and filling gaps in market oversight of transactions that may adversely impact market competition, prices, quality, access, and the total cost of care. In addition, the Office will promote health care workforce stability

and training needs, report quality performance and equity metrics on the entire health care system, advance payments models, and promote investments in primary care and behavioral health.

The Administration will submit a proposal in the spring to recast the Office of Statewide Health Planning and Development (OSHPD) and the proposed Office of Health Care Affordability under the umbrella of a Department of Health Care of Affordability and Infrastructure.

Health Information Exchange

The Administration is interested in accelerating the utilization and integration of health information exchanges as part of a network that receives and integrates data for all Californians. The Administration anticipates that additional federal funds will be available to align with federal interoperability rules. The state is proposing to:

- Enable the right access to health information at the right time resulting in improved health and outcomes for all Californians;
- Identify and overcome the barriers to exchanging health information between public programs, as well as with California providers and consumers; and
- Engage consumers and their providers in managing medical, behavioral and social services through appropriate, streamlined access to electronic health information.

The Administration's goal is to create an environment where health plans, hospitals, medical groups, testing laboratories, and nursing facilities contribute to, access, exchange, and make available data through the network of health information exchanges for every person.

Health Equity

The 2021-22 state budget proposes to fund the following initiatives to address health inequities:

- Health Plan Equity and Quality Standards. In the spring, the Administration will propose an investment for the Department of Managed Health Care (DMHC) to establish a priority set of standard quality measures for full service and behavioral health plans (including quality and health equity benchmark standards) and to take enforcement actions against non-compliant plans.
- Improving Equity through Managed Care Plan Reprocurements. As Medi-Cal and Covered California managed care plan contracts come up for renewal, the Administration will work to include a focus on health disparities and cultural and language competency through health plan contract language.
- Analysis of COVID-19 Impacts. The budget includes \$1.7 million General Fund in 2021-22 and \$154,000 General Fund in 2022-23 and ongoing for the California Health and Human Services Agency (CHHS) to conduct an analysis of the intersection of COVID-19, health disparities, and health equity to inform any future response.
- Community Navigators. The budget includes \$5.3 million (\$3.2 million General Fund) for the Department of Developmental Services to contract with family resources centers to implement a navigator model statewide. The purpose of the navigators is to increase service authorization and utilization in diverse communities, furthering health equity within the developmental services system.
- **Data Use.** The budget includes \$4.1 million (\$3.7 million General Fund) in 2021-22 and \$2.1 million (\$1.6 million General Fund) ongoing for the CHHS Agency to further reorient the

administration of its programs through the use of data and the development of an equity dashboard.

Master Plan for Aging

The state budget makes targeted investments identified in the Master Plan for Aging, including:

Medicare Innovation and Integration – The Administration plans to submit a proposal this spring for state operations to establish a new Office of Medicare Innovation and Integration that will explore strategies and models to strengthen and expand low- and middle-income Californians' access to high-quality services and supports, while developing new partnerships with the federal government.

Expanded Facilities to Support Housing – The budget includes \$250 million one-time General Fund for the Department of Social Services (DSS) to acquire and rehabilitate Adult Residential Facilities (ARF) and Residential Care Facilities for the Elderly (RCFE) with a specific focus on preserving and expanding housing for low-income seniors who are homeless or at risk of becoming homeless. More details are included in the Homelessness section.

Aging and Disability Resource Connections (ADRC) – The budget delays suspension of and expands ADRCs, or "No Wrong Door," networks to serve the entire state. Currently ADRCs serve about one-third of the state. The budget provides \$7.5 million in 2021-22, half-year funding of \$5 million in 2022-23 and is subject to suspension on December 31, 2022.

IHSS COVID-19 Back-Up Provider System – The budget includes \$5.3 million one-time General Fund in 2021-22 to extend the back-up provider system and back-up wage differential to avoid disruptions to caregiving until December 2021. The Administration will evaluate the need of an IHSS backup system for severely impaired individuals as the state recovers from the pandemic.

Increased Geriatric Workforce – The budget includes \$3 million one-time General Fund for OSHPD to grow and diversify the pipeline for the geriatric medicine workforce.

Alzheimer's Investments

The Administration is proposing that CDPH administer \$17 million in investments in Alzheimer's:

- \$5 million one-time General Fund for a public education campaign on brain health.
- \$4 million one-time General Fund for new training and certification for caregivers
- \$2 million one-time General Fund for expanded training in standards of care for health providers.
- \$2 million one-time General Fund for grants to communities to become dementia-friendly.
- \$4 million one-time General Fund for research to strengthen California's leadership on disparities and equity in Alzheimer's.

Behavioral Health

Given the behavioral health impacts to children, families, and seniors related to the pandemic, the Administration is focused on improving outcomes and expanding access to preventative services through county behavioral health departments and schools. Specific proposals include:

Student Mental Health – The budget includes \$400 million (\$200 million General Fund) for a multiyear effort for the Department of Health Care Services (DHCS) to implement an incentive program through Medi-Cal managed care plans, in coordination with county behavioral health and schools. The incentive program seeks to build infrastructure, partnerships, and capacity statewide to increase the number of students receiving preventive and early intervention behavioral health services from schools, providers in schools, or school-based health centers. DHCS will be releasing trailer bill language providing more detail on the proposal.

The budget also includes \$25 million ongoing from Proposition 98 General Fund to fund innovative partnerships with county behavioral health departments to support student mental health services. The funding would be provided to local educational agencies as a match to funding in county Mental Health Services Act (MHSA) spending plans dedicated to the mental health needs of students.

The budget provides \$25 million one-time Mental Health Services Fund, available over multiple years, to expand the Mental Health Student Services Act Partnership Grant Program, which funds partnerships between county behavioral health departments and schools. Priority for the grants will be given to high-poverty and rural schools, with funds supporting suicide and drop-out prevention services, outreach to high-risk youth, and other strategies that respond to the mental health needs of students.

County Behavioral Health – In light of the pandemic, the budget proposes statutory changes to extend the flexibilities in county spending of local MHSA funds that were included in the 2020 Budget Act for an additional fiscal year. The changes allow counties to spend down their local MHSA prudent reserves, allow counties to spend funds within the Community Services and Supports program component regardless of category restrictions to meet local needs, and allow counties to use their existing approved MHSA plans if a new plan is delayed due to COVID-related reasons. DHCS will be releasing trailer bill language providing more detail on the proposal.

The budget includes \$750 million one-time General Fund for competitive grants to counties to acquire and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources.

Incompetent to Stand Trial – For details on the Governor's multiple proposals to expand state and local capacity to manage the IST population, see pages 18 and 19 of this document.

Medi-Cal

The Administration proposes a number of investments in the Medi-Cal program, including in the CalAIM proposal that was deferred last year due to the pandemic.

California Advancing and Innovating Medi-Cal (CalAIM) – The Administration released a <u>document</u> today that summarizes the key components of CalAIM and includes a chart identifying how the CalAIM proposal has changed since initially proposed in October 2019, including revised implementation dates. We recommend the document as a refresher to what the Administration's goals with CalAIM are, as well as the details of specific proposals. The budget proposes \$1.1 billion (\$531.9 million General Fund) in 2021-22, growing to \$1.5 billion (\$755.5 million General Fund) in 2023-24 for CalAIM. The Administration will be releasing trailer bill language in February detailing the statutory changes necessary to implement CalAIM.

The following chart details the Administration's spending proposals for the different CalAIM components in 2021-22.

Components of CalAIM	Total Funds	General Fund
Enhanced Care Management	\$187.5	\$93.7
In Lieu of Services	\$47.9	\$24.0
Incentives	\$300.0	\$150.0
Transitioning Populations	\$401.6	\$174.7
Dental Preventive Services	\$59.4	\$30.0

Components of CalAIM	Total Funds	General Fund
Dental Continuity of Care	\$43.5	\$21.7
Dental Caries Risk Assessment	\$9.0	\$4.5
Dental Silver Diamine Fluoride	\$1.6	\$0.8
Behavioral Health Quality Improvement Program	\$21.8	\$21.8
Carve Organ Transplant into Managed Care	\$4.7	\$1.3
Carve Multipurpose Senior Services Program Out to FFS	\$1.6	\$0.8
Carve Specialty Mental Health Services Out of Managed Care Statewide	-\$4.8	-\$2.3
State Operations Funding	\$23.9	\$11.0
Totals	\$1,097.7	\$531.9

* Dollars in millions

Other Medi-Cal budget adjustments include:

Increased Caseload – The Medi-Cal caseload is expected to increase because of the COVID-19 pandemic for two main reasons. First, the federal Families First Coronavirus Response Act (FFCRA) requires that the state implement a "continuous coverage requirement," under which Medi-Cal beneficiaries may be disenrolled only under very limited circumstances. Reducing the number of disenrollments causes the caseload to grow. Second, difficult labor market conditions related to the pandemic result in individuals experiencing the loss of income, employment, and health coverage, leading to additional individuals qualifying for and enrolling in Medi-Cal. Observed increases in the Medi-Cal caseload have been less than initially projected as part of the 2020-21 Budget Act. However, caseloads are consistently growing, and are anticipated to continue to grow as long as the continuous coverage requirement is in effect, which is assumed to continue through December 2021. The budget assumes that the average Medi-Cal caseload will be about 14 million in 2020-21, with associated cost increases of \$5.4 billion total funds (\$1.7 billion General Fund). In 2021-22, The budget assumes that the average Medi-Cal caseload will increase to about 15.6 million, with associated cost increases of \$13.5 billion total funds (\$4.3 billion General Fund).

Increased Federal Funding – The FFCRA provides additional federal matching funds for Medi-Cal tied to the federal public health emergency, which offset what otherwise would be state General Fund costs. The budget assumes this increased federal funding will be available through December 2021. The budget includes \$4.9 billion in increased federal funding, with offsetting General Fund savings in the DHCS budget of \$2.9 billion in 2020-21. For 2021-22, The budget includes \$3.3 billion in increased federal Fund savings in the DHCS budget of \$2.2 billion.

Medi-Cal Coverage of Continuous Glucose Monitors – Communities of color have a higher prevalence of diabetes than the general population. To improve diabetes management and outcomes and to increase health equity, The budget includes \$10.9 million total funds (\$3.8 million General Fund) to add Continuous Glucose Monitoring systems as a Medi-Cal benefit for beneficiaries ages 21 and older with Type I diabetes, effective January 1, 2022.

Permanent Telehealth Flexibilities – The Governor's Budget proposes to make permanent and expand certain telehealth flexibilities put in place during the COVID-19 pandemic focusing on improving equitable access to providers and addressing inequities and disparities in care to every member. Among the telehealth proposals, the budget includes \$94.8 million total funds (\$34.0 million General Fund) to implement remote patient monitoring services as an allowable telehealth modality in fee-for-service (FFS) and managed care delivery systems. DHCS is proposing trailer bill language for expansion of telehealth for certain Medi-Cal services. Trailer bill is expected to be released February 1.

Medi-Cal Rx – Given the ongoing challenges and constantly evolving health care landscape associated with the unprecedented COVID-19 public health emergency, DHCS decided to lengthen

the transition time to the full implementation of Medi-Cal Rx by three months, to April 1, 2021. Because of changes in the timing of payments due to the lengthened transition period, the Medi-Cal Estimate assumes less savings from Medi-Cal Rx in 2020-21, such that the pharmacy carve-out reflects temporary net costs during the current fiscal year. However, the net cost is temporary as savings have shifted into 2021-22. Under revised estimates, Medi-Cal Rx is projected to result in net savings of \$612 million total funds (\$238.1 million General fund) in 2021-22.

County Administration – The budget includes an ongoing increase of \$65.4 million (\$22.9 million General Fund) in 2021-22 for county eligibility determination activities.

Proposition 56

Beginning in 2021-22, the General Fund is projected to be needed to partially support supplemental payment programs at current levels funded by Proposition 56 due to program costs that exceed declining tobacco tax revenues, primarily due to the assumed implementation of the ban on flavored tobacco and vaping products pursuant to Chapter 34, Statutes of 2020 (SB 793). Additionally, current law requires that a number of Proposition 56 expenditure items be suspended, unless certain conditions related to revenues and expenditures in the state budget are met.

Most Proposition 56 payments are subject to suspension effective July 1, 2021. Additionally, certain adult optional benefits, a recent expansion of post-partum care eligibility, and additional screening for substance use in primary care settings to beneficiaries over 21 years of age are subject to suspension after December 31, 2021. The Governor's budget proposes to delay the suspension dates by one year.

For Proposition 56 payments for Intermediate Care Facilities for the Developmentally Disabled (ICF/DDs), freestanding pediatric subacute facilities, and Community-Based Adult Services, suspension is delayed 18 months to align with the managed care rate year. Suspension is no longer proposed for Proposition 56 payments for HIV/AIDS waiver providers, home health providers, or pediatric day health care facilities, because it is assumed such suspensions would not be approved by the federal government. For expansion of screening for additional substances, no suspension is proposed because this became a mandatory benefit due to a recent United States Preventive Services Task Force (USPSTF) recommendation.

Public Health

The Administration is proposing \$372 million from the emergency spending allocation to accelerate vaccination efforts. The figure is an estimate and the Department of Finance expects the number to be adjusted going forward. As was previously reported, the funding will be used for information technology, including upgrading the CalVax system; logistics, including transport containers, dry ice, freezers, etc.; and a public education campaign.

Other funding proposals impacting the California Department of Public Health (CDPH), include:

New Cannabis Department – The budget proposes to transfer 119 positions and \$29 million in 2021-22 from CDPH to support consolidation of resources at the new Department of Cannabis Control.

Licensing and Certification – The budget includes \$19.1 million for year three of the Los Angeles County contract and \$4.5 million to support increased medical breach and caregiver investigation workload.

Childhood Reading – The budget includes \$5 million one-time for CDPH to provide books to low-income children to improve child development and literacy.

Social Services

Food Assistance

The budget includes funding to support food and nutrition, including:

Food Banks – The budget includes \$30 million one-time General Fund above program base funding levels for DSS to fund existing Emergency Food Assistance providers, food banks, tribes, and tribal organizations to mitigate increases in food needs among low-income and food-insecure populations.

Supplemental Nutrition Benefit and Transitional Benefit Programs Adjustment – The budget includes \$22.3 million ongoing General Fund to reflect adjusted benefit amounts mitigating the effects of the elimination of the SSI Cash-Out policy.

California Food Assistance Program (CFAP) Emergency Allotments – The budget includes \$11.4 million one-time General Fund for CFAP households to receive the maximum allowable allotment based on household size.

CalWORKs

CalWORKs average monthly caseload is estimated to be 482,436 families in 2021-22, a 19 percent increase from the revised 2020-21 projection. Though CalWORKs was expected to spike in 2020 due to the pandemic, the caseload increase did not materialize likely due to expanded and extended unemployment insurance benefits and direct stimulus payments.

The budget includes \$46.1 million one-time General Fund (TANF) block grant funding to temporarily suspend any month in which CalWORKs aid or services are received from counting towards the CalWORKs 48-month time limit based on a good cause exemption due to the pandemic.

The budget also reflects a 1.5 percent increase to CalWORKs Maximum Aid Payment levels, effective October 1, 2021, which is estimated to cost \$50.1 million 2021-22.

In-Home Supportive Services

IHSS Services Hours Restoration – The budget includes \$449.8 million General Fund in 2021-22 and \$242.6 million General Fund in 2022-23 to reflect a delay in suspending the 7-percent across-the-board reduction to IHSS services hours. The increased funding for IHSS services hours in now proposed to be suspended on December 31, 2022. The suspension will be lifted if the Administration determines through the 2022 Budget Act process that there is sufficient General Fund revenue to support all suspended programs in the subsequent two fiscal years.

Minimum Wage – The budget reflects \$1.2 billion (\$557.6 million General Fund) to support projected minimum wage increases to \$14 per hour on January 1, 2021 and \$15 per hour on January 1, 2022.

IHSS County Administration – The county IHSS administrative costs are being updated to reflect 2021-22 and include \$17.8 million General Fund to reflect caseload and Consumer Price Index adjustments. Previously, the Administration had held county IHSS administrative costs at the 2019-20 level.

Children's Programs

COVID-19 Related Supports for Child Welfare Services – The budget includes \$61.1 million General Fund in 2021-22 to support services related to quarantine needs for foster youth and caregivers, temporary extension of assistance payments to emergency caregivers, support to Family Resource Centers, state-administered contracts for youth and family helplines, provision of laptops and cell phones to foster youth, assistance to families with youth who are at-risk of entering foster care, and temporary provision of assistance payments to youth who turn 21 years of age while in extended foster care after April 17, 2020 through December 31, 2021 and for any nonminor dependent who met eligibility requirements for the Extended Foster Care program and lost their employment or has a disruption in their education resulting from COVID, and cannot otherwise meet nay of the participation requirements.

Federal Family First Prevention Services Act Implementation – The budget includes \$61.1 million (\$42.7 million General Fund) to begin implementation of Part IV of the federal Family First Prevention Services Act.

Youth Returning from Out of State – In December 2020, the Administration and Legislature allocated \$5.2 million one-time General Fund to support youth in their transition back to California.

Child Welfare Workforce Development – The budget includes \$10.1 million (\$5.9 million General Fund) ongoing to establish an additional child welfare social workers regional training academy in northern California, increase ongoing training for social workers and supervisors, assess training effectiveness, and modernize how social worker training is monitored and used to inform workforce development planning.

Delay Suspensions – The budget proposes to extend the temporary augmentation to the Emergency Child Care Bridge Program, foster family agencies, Child Welfare Public Health Nursing Early Intervention Program, and the Family Urgent Response System from December 31, 2021 to December 31, 2022. Estimated costs to delay the suspension in 2021-22 are \$54.5 million General Fund.

Immigration Services

The budget includes \$5 million one-time General Fund for the Rapid Response Program to support entities that provide critical assistance/services to immigrants during emergent situations when federal funding is not available.

Child Care

The 2020-21 state budget shifted early learning, child care, and nutrition programs from the Department of Education (CDE) to the Department of Social Services (DSS). This transition becomes effective July 1, 2021.

COVID-Related Supports – The budget includes \$55 million one-time General Fund to support child care providers' and families' needs as a result of the pandemic.

Proposition 64 – Cannabis tax revenues will provide an additional \$21.5 million for child care slots in 2020-21 and \$44 million ongoing. The funds provide 4,700 new child care slots.

Federal Relief – Congress passed a fifth stimulus bill, the Coronavirus Response and Relief Supplemental Appropriations Act that includes approximately \$10.3 billion for child care and Early Start. The state is expected to receive approximately \$1 billion. The 2020 Budget Act included language to guide the prioritization of additional federal funds as follows:

- Up to \$100 million for providers accepting vouchers to extend access to child care for children of essential workers, at-risk children, and other eligible children.
- Up to \$90 million in child care provider stipends.
- Up to \$35 million to increase the number of paid non-operational days for providers accepting vouchers that must close for health and safety reasons.

- Up to \$30 million for reimbursing child care providers for family fees waived for families enrolled, but not receiving in-person care, from September 1, 2020 to June 30, 2021. These costs were addressed in October.
- Up to \$30 million to increase capacity for up to two years for subsidized child care and preschool.
- Up to \$15 million to assist child care providers with the costs of reopening.

Supplemental Security Income/State Supplementary Payment (SSI/SSP)

Effective January 2021, the maximum SSI/SSP grant levels are \$955 per month for individuals and \$1,598 per month for couples. The projected growth in the Consumer Price Index is 2.2 percent for 2022. As a result, the maximum SSI/SSP monthly grant levels will increase by approximately \$17 and \$26 per month for individuals and couples effective January 2021.

Community Schools

The 2021-22 proposed budget provides an additional \$264.9 one-time Proposition 98 General Fund to enable local educational agencies to expand existing networks of community schools and establish new community schools, and to coordinate a wide range of services to these schools, with priority given to schools in high-poverty communities. Community school programs can help to mitigate the educational disadvantages associated with poverty and improve students' attendance, behavior, and achievement by making schools a hub for community resources.

Housing

The 2021-22 proposed budget includes \$8 billion in resources for housing programs and proposes combining several policy and administrative actions along with these financial investments to specifically address the COVID-19 pandemic's exacerbation of the existing housing crisis and its disproportionate impact on low-wage workers.

Federal Rental Assistance

California's eviction prevention efforts will be bolstered by \$2.6 billion in funding for rental assistance – part of the December federal COVID-19 relief bill. The funding is to be split between the state and local governments, with counties and cities with populations over 200,000 receiving a direct allocation. The funding will be used support low-income tenants under 80 percent of Area Medium Income (AMI), with a priority for those under 50 percent of AMI. These efforts are meant to complement the Governor's Golden State Stimulus proposal.

Extending Statewide Eviction Protections

While federal and state actions since the start of the pandemic have helped individuals and families pay rent and cover mortgage payments, Governor Newsom proposes swift action to extend state tenant protections set to expire January 31, 2021. Recall, the Legislature passed, and the Governor signed <u>AB 3088</u> (Chiu) in August 2020 which prevented a wave of evictions this past fall. The Governor proposes to extent AB 3088 protections, although the budget proposal does not indicate for how long.

Fair Housing and Enforcement

The Governor proposes \$2 million in General Fund resources to support additional actions to further fair housing through outreach and education campaigns, housing surveys, and prosecuting violators of anti-housing discrimination laws.

Infill Infrastructure Grant Program

The 2021-22 proposed budget includes \$500 million from the General Fund for the Infill Infrastructure Grant (IIG) Program. Governor Newsom is asking the Legislature to take early action to approve \$250 million in the current year and another \$250 million in 2021-22. This investment is part of the Governor's larger economic recovery strategy and will help stimulate housing construction and create jobs by defraying the cost of infrastructure associated with infill development. The IIG funding can also be used for site remediation which will unlock additional land for future housing development.

Low-Income Housing Tax Housing Credits

Governor Newsom proposes another \$500 million from the General Fund for low-income housing tax credits to help affordable housing projects pencil out.

Improving Affordable Housing Funding Process

The budget commits \$2.7 million from the General Fund to the California Department of Housing and Community Development (HCD) to help streamline housing funding programs to maximize the efficiency and effectiveness of the state's comprehensive investment.

Harmonizing State Programs

The availability of funding from the Low-Income Tax Credits and other housing programs are currently contingent upon the state's efforts to streamlining the state's housing funding programs after the Bureau of State Audits found the state lacked a comprehensive strategy to maximize state investments to address the housing crisis. The state has dozens of housing funding programs administered by a variety of state departments and committees. As noted in the budget write-up, HCD has paused the release of Notices of Funding Availability until further notice and the state has aligned its programs, regulations, and responsible entities.

Excess State Land Development

Governor Newsom championed a new program in 2019 to utilize excess state lands in new and innovative ways. There are three excess state land projects currently underway and the state has an additional nine sites in the pipeline in 2021. The budget proposes statutory changes to expand the current program to include market-rate and commercial development and other changes to increase flexibility to build housing on excess state lands.

Local Accountability Framework

Governor Newsom proposes to create a Housing Accountability Unit (Unit) within HCD to help facilitate the production of affordable housing. The budget directs \$4.3 million in General Fund revenues to support the creation and staffing of the office, which will monitor, provide technical assistance, and enforce implementation of existing housing laws. The creation of this Unit is meant to provide an opportunity for proactive engagement between the state and local governments to resolve issues prior to the state pursuing legal remedies under existing law.

Targeted Environmental Exemptions

The Governor's budget includes a discussion of the role the California Environmental Quality Act (CEQA) plays in the development of housing. As evidenced by Project Homekey, the Administration finds that there is a sensible way to protect the environment while also providing for streamlining. It is unclear in the budget document released today though whether the Governor intends to propose policy changes around CEQA and housing development.

Homelessness

The state has invested over \$1 billion in federal and state revenues towards critical homelessness programs and services since the onset of the COVID-19 pandemic. The 2021-22 Budget proposes another \$1.75 billion in one-time General Fund revenue to acquire and create new units to end homelessness.

Homekey Continuation

As of December 2020, the Homekey program has resulted in the securitization of over 6,000 units by awarding \$846 million to 51 local agencies. The Governor's January Budget proposes another \$750 million to continue Homekey into the next fiscal year. Recall, Homekey funding can be used to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent long-term housing. The Governor is asking the Legislature to take early action to authorize \$250 million in the current year.

Behavioral Health Continuum Infrastructure

The homelessness proposals in the Governor's proposed budget also include \$750 million in onetime General Fund revenue for the acquisition and rehabilitation of real estate assets to expand the community continuum of behavioral health treatment resources.

Expanded Facilities to Support Housing

The budget proposed \$250 million in one-time General Fund revenue to the Department of Social Services to acquire and rehabilitate Adult Residential Facilities and Residential Care Facilities with a focus on housing for low-income seniors.

Local Public Safety

Implementation of SB 823 – Division of Juvenile Justice (DJJ) Realignment

As part of late 2020-21 budget action, the Legislature enacted and the Governor signed <u>SB 823</u>, which – effective July 1, 2021 – stops intake at DJJ facilities and prospectively shifts to counties responsibility for the custody and care of previously DJJ-eligible youth. The Governor's proposed 2021-22 budget includes the following elements of note related to DJJ Realignment.

Local Funding to Support Incremental Shift – Consistent with SB 823, the proposed budget affirms dedicated, ongoing funding to counties to support the new responsibilities, including the following annual allocations that match the year-over-year growth in the population shift until full implementation projected in 2024-25: \$46.5 million in 2021-22, \$122.9 million in 2022-23, \$195.9 million in 2023-24, and \$212.7 million annually beginning in 2024-25. Additionally, the budget reaffirms the current-year one-time appropriation of \$9.6 million in Regional Youth Programs and Facilities Grant Program, which is being administered by the Board of State and Community Corrections (BSCC).

Start-up and Ongoing Funding for New Office of Youth and Community Restoration – SB 823 also created the Office of Youth and Community Restoration within the Health and Human Services Agency. The new office's responsibilities include reporting requirements, staffing responsibilities for the Child Welfare Council committee focused on improving outcomes for justice-involved youth, and duties associated with an office ombudsperson. The 2021-22 state budget proposal includes \$3.4 million in 2021-22 and \$3.1 million annually thereafter to support the new office.

DOJ Work Group to Develop Plan for Statewide Juvenile Justice Data System – SB 823 also requires that the Department of Justice convene a workgroup to design a plan by January 1, 2023 to

replace the Juvenile Court and Probation Statistical System. The Governor's proposed budget includes \$1.9 million in 2021-22 and \$1 million in 2022-23 to support the efforts of this work group.

Investments in Probation

New Funding for Adult and Juvenile Probation Activities – Citing the impacts of DJJ Realignment and the implementation of <u>AB 1950</u> (Kamlager, 2020) on revocation rates, the Governor's budget proposes \$50 million in one-time funds to be used for a broad and diverse set of services supporting efforts to keep juveniles and adults out of the criminal justice system.

Continued Funding for SB 678 – The budget also acknowledges limitations in calculating revocation rates – which also has been affected by pandemic-induced impacts on local law enforcement and court systems – as an impediment to determining SB 678 incentive funding for county probation departments. As a result, the budget proposes \$122.9 million in statewide SB 678 funding, which reflects the aggregation of each county's highest payment over the past three years. The Administration commits to revisiting the performance-based formula once circumstances affecting probation trends stabilize.

Workload Increases for Proposition 57 – In recognition of temporary increases in post-release community supervision responsibilities association with implementation of Proposition 57 (2016), the budget proposes to allocate \$19.5 million to county probation departments.

Repurposing of Relinquished Jail Construction Grants

Since 2007, there have been five jail construction competitive grant programs to support construction of more responsive local detention facilities to meet the needs of new populations within counties' jurisdiction. The Governor's proposed budget identifies \$202 million in available resources associated with relinquished jail awards or otherwise unspent funds. Governor Newsom proposes exploration of repurposing the unused jail construction grants to purchase or modify community mental health facilities and to help address the needs of the homeless population and those experiencing mental health crises.

Proposition 47 Savings

The budget estimates that implementation of the 2014 ballot initiative that reduced penalties for specified property and drug crimes will yield \$114.8 million in state correctional savings, when comparing 2020-21 costs to the base year of 2013-14 (the last full fiscal year prior to the passage of the initiative), representing a \$11.9 million increase over the current budget year. These savings are dedicated to three policy priorities identified in Proposition 47: (1) behavioral health treatment and diversion programs (65 percent), (2) programs to improve outcomes for K-12 students and reduce truancies (25 percent), and (3) support for trauma recovery centers (10 percent).

Community Corrections Partnership Planning Grants

The 2021-22 budget includes another investment of \$7.95 million for statewide planning grants, which are meant to support ongoing implementation of AB 109 (2011) and the associated work of the CCP. Counties' receipt of the fixed-amount grants (determined by county size) is typically conditioned upon the completion of a report to the BSCC on implementation of the CCP plan.

State Corrections

Prison Capacity and Pandemic-Related Activities

Primarily driven by the pandemic and associated actions the state took to accelerate early release and to suspend of sentenced inmates from county jails, the state's adult inmate population for 2020-21 is now projected to be 97,950 – a 20 percent decrease from projections last Spring.

Implementation of Proposition 57 also continues to contribute to reductions in the prison population. The Governor's budget document provides extensive details on operational impacts caused by the pandemic, how the Department of Corrections and Rehabilitation (CDCR) has responded and will continue to respond, and costs incurred as a result of pandemic-related response activities. Despite the declining population, the budget does not propose additional facility closures in the context of the pandemic, given that new consideration must be given as to how best to manage use of space during periods of outbreaks and the need for isolation or quarantine. CDCR will continue to explore long-term strategies about the prison system and its facilities into the future.

Reimbursement of County Costs

Like most other areas of governmental operations, the state prison systems had to make dramatic changes to its operations as a result of the pandemic. As mentioned above, intake of sentenced felons from county jails was suspended in late March, resumed on a limited basis in August, and again halted in late November due to the ongoing surge. Intake will resume with continued precautions – testing upon intake and two-week quarantines in reception centers – as public health conditions allow. The Governor's proposed budget reports that \$38.8 million in reimbursements to counties for holding state inmates during intake stoppage had been made as of December 1, 2020; an additional \$40.4 million in payments were pending; and current projections indicate that a total of \$163.4 million in additional reimbursements will be required to cover costs through June 30, 2021.

Other Corrections System Investments

The budget proposes \$546.9 million in inmate rehabilitative programming, outlines investment in infrastructure support and modernization, invests in various address deferred maintenance projects, and supports delivery of medical and mental health care to the inmate population.

Judicial Branch

The Governor's budget includes \$4.1 billion in overall funding, more than half of which (\$2.2 billion) is dedicated to support trial court operations. The Governor's budget recognizes the \$200 million ongoing reduction for the judicial branch (\$176,9 million of which is absorbed by the trial courts) and describes in detail the dramatic and extensive steps the courts have taken during the pandemic to maintain access to justice while protecting the health and safety of judges, court employees, and the public.

Given the resulting impacts and limitations on court operations as well as associated backlogs, the Governor's budget proposes the following:

- **Trial Court Augmentation** The budget proposes \$72.2 million ongoing to support court operations, including addressing disruptions occasioned by the pandemic.
- **Self-Help Services for Unrepresented Litigants** The budget includes \$19.1 million ongoing for continued provision of self-help services in the trial courts.
- Resources Associated with AB 3088 Implementation The budget acknowledges the impact of <u>AB 3088</u> (Chiu, 2020) and proposes \$11.7 million in one-time funds for the trial courts to process anticipated increases in unlawful detainer and small claims filings. The Administration recommends that the Legislature take early action on this proposal in 2021.
- Pandemic Early Disposition Calendar Program Although no specific proposal is advanced, the Governor's budget narrative discusses the Chief Justice's efforts to address delays in processing of criminal cases caused by the pandemic and associated limitations on court operations. The Administration commits to working with the Legislature and Judicial Council to establish a Pandemic Early Disposition Calendar Program to create opportunities for

specified defendants to be eligible for a diversion program. More details on this proposal will be forthcoming.

Criminal Justice Fines and Fees

Given the enactment of <u>AB 1869</u> as part of the 2020-21 budget, the proposed 2021-22 budget maintains the commitment to provide counties \$65 million associated with the elimination of a wide variety of criminal justice administrative fees effective July 1, 2021. As part of 2021-22 budget process, efforts will be undertaken to finalize a funding allocation methodology for distribution of backfill to counties for the 2021-22 budget.

The Governor's 2021-22 proposed budget also builds on a pilot program now operational in six courts that permits indigent and low-income individuals to apply online for a reduction in traffic violation fines and fees in accordance with their ability to pay. The 2021-22 proposed budget includes \$12.3 million for the budget year growing to \$58.4 million by 2024-25 to expand the ability-to-pay program statewide and to incorporate traffic and non-traffic infractions. This investment is meant to cover an online application system and to backfill the courts for \$55.7 million in estimated lost revenue.

Courthouse Construction

No new or additional investments in courthouse construction projects are proposed in the 2021-22 budget. However, the Governor's budget proposes to take action relating to the two primary sources supporting the trial court capital outlay program – the Immediate and Critical Needs Account (ICNA) and the State Court Facilities Construction Fund (SCFCF) – to address issues of insolvency. Due to continued declines in fine and fee revenue, the ICNA and SCFCF both are projected to become insolvent over the next several years. The 2021-22 budget proposal consolidates the two fund sources to create solvency in 2021-22 and to permit the Judicial Council to maintain existing service levels for its facilities program. Additionally, the budget proposes a one-time investment of \$30 million to fund deferred maintenance projects in the trial and appellate courts. Finally, over the next two years, the Governor proposes \$67.7 million (\$18.9 million in 2021-22 and \$48.8 million in 2022-23) to correct deficiencies in two trial courts (Orange and San Diego Counties) identified by the State Fire Marshal.

Other Public Safety Items of Note

Incompetent to Stand Trial

Reflecting ongoing concern regarding the number of persons deemed incompetent to stand trial (IST) who await admission to the Department of State Hospitals, the Governor's budget proposes some new and several revised proposals – including initiatives in the 2020-21 budget withdrawn last spring due to contracted spending during the pandemic – intended to expand local and state IST treatment capacity, including:

- Community Care Demonstration Project The budget invests \$233.2 million in 2021-22 and \$136.4 million in 2022-23 and thereafter to establish a demonstration project for the felony IST population in three counties. This project, projected to serve approximately 1,250 ISTs in county continuum of care settings (rather than in state hospital settings) in the budget year, seeks to improve outcomes for persons with serious mental illness.
- Jail-Based Competency Treatment Program The budget proposes \$765,000 in 2020-21 and an additional \$6.3 million annually in 2021-22 and thereafter to expand the Jail-Based Competency Treatment Program to seven additional counties, which is expected to increase capacity by up to 31 beds in the budget year.

- Community-Based Restoration (CBR) Program To augment the existing CBR program in Los Angeles County and to expand the program to other counties, the budget proposes to invest \$9.8 million in 2020-21, \$4.5 million in 2021-22, and \$5.3 annually beginning in 2022-23. This proposal seeks to add an additional 250 beds in 2021-22.
- IST Diversion Program In addition to reauthorizing existing program funding set to expire in 2020-21, the Governor's proposed budget also would invest \$46.4 million in one-time fund over three years to expand the current IST Diversion program in already participating counties and in additional jurisdictions. An additional investment of \$1.2 million for research and administrative activities is proposed as well.
- Forensic Conditional Release Program (CONREP) Initiatives The budget makes two proposed investments in CONREP-related activities. First, the Governor proposes \$5.6 million in 2021-22, \$8 million in 2022-23 and 2023-24, and \$8.2 million annually beginning in 2024-25 for a Mobile Forensic Assertive Community Treatment (FACT) Team within CONREP. The objective of this model is to expand community-based treatment options for both IST and non-IST populations in counties to free up approximately 100 IST state hospital beds. Secondly, the Governor proposes \$3.2 million in 2020-21 and \$7.3 annually beginning in 2021-22 to expand the CONREP Continuum of Care and increase step-down capacity in the community. This latter investment is projected to increase state hospital IST capacity by 40 beds in the budget year.

Committee on Revision to the Penal Code

As we have written previously, Governor Newsom recommended as part of the 2019-20 budget – and the Legislature subsequently approved – the creation of the Committee (see Sections 11-18 of <u>SB 94</u>, the 2019-20 public safety budget trailer bill), with the following objectives:

- 1) Simplify and rationalize the substance of criminal law.
- 2) Simplify and rationalize criminal procedures.
- 3) Establish alternatives to incarceration that will aid in the rehabilitation of offenders.
- 4) Improve the system of parole and probation.

The proposed budget includes \$494,000 to fund additional staffing support for the committee, which is slated to issue a set of recommendations next week after its first year of study.

Department of Justice

The proposed budget proposes \$1.1 billion to support the range of responsibilities that fall within the Department of Justice. Notable in this year's budget proposal are the following:

- Bureau of Forensic Services The budget proposes \$16 million in 2021-22, increasing to \$23.3 million in annually thereafter to backfill the continued decline in fine and fee revenues that support the DNA Identification Fund. Additionally, the budget proposes \$6.5 million in one-time funds to support construction of a Consolidated Science Forensic Laboratory that will expand the state's forensic capacity and capability.
- Use of Force Investigations Pursuant to enactment of <u>AB 1506</u> (McCarty, 2020), the Attorney General is required to investigate officer-involved shootings that result in the death of an unarmed civilian. The Governor's budget includes \$13 million in 2021-22 and \$13.5 million annually thereafter to establish three investigative teams in the north, central, and southern regions of the state.

General Government

Broadband

While the Governor's proposed budget does not include a specific proposal associated with deployment of broadband, the budget summary does discuss existing efforts to coordinate state efforts to provide every Californian a reliable and affordable broadband connection and encourages future steps to support the expansion of broadband infrastructure, improve and restructure the state's existing Universal Service programs to support broadband subsidies, and address inequities in how these programs are funded. The Administration also urges making broadband more affordable by eliminating hidden fees on customers' bills and safeguarding consumer protection. Further, the budget notes that local governments and regional agencies must be supported in identifying gaps in broadband availability and improving broadband infrastructure within their jurisdictions.

Allocation of the Cannabis Tax Fund

The budget estimates \$443.1 million available from the Cannabis Tax Fund for allocation beyond state administrative and enforcement activities, as follows:

- \$265.9 million for education, prevention, and treatment of youth substance use disorders and school retention.
- \$88.6 million for clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation.
- \$88.6 million for public safety-related activities.

Additionally, the budget includes \$15.5 million ongoing Cannabis Tax Fund for the permanent funding authority for the local equity grant program that is administered by GO-Biz to help expand the work of facilitating greater equity in business ownership and employment in the cannabis market.

California State Library

The budget includes some investments in programs provided by the California State Library:

- An additional \$1 million ongoing to support the online purchase and delivery of library books through the Zip Books Program, an online book borrowing and loaning system.
- An increase of \$800,000 ongoing for library districts to develop summer meal programs for students in low-income communities.
- \$3 million one-time to provide grants to underserved local libraries for the purchase of a bookmobile or community outreach vehicle.
- An increase of \$5 million one-time to provide grants to local libraries to support early learning and after-school programs.

Property Tax Backfill for Wildfire Losses

The Governor's proposed budget does not include funding for local property tax revenue losses associated with wildfire damage. The Department of Finance has indicated that it will consider a funding decision in the spring when better data on losses are available.

Insufficient ERAF

The Governor's budget includes \$10.1 million to San Mateo County to reimburse for lost Vehicle License Fee (VLF) backfill associated with insufficient Educational Revenue Augmentation Funds (ERAF).

Climate Change

Governor Newsom continues to focus on all matters surrounding climate change and uses his 2021-22 budget proposal to commit funding to help the shift towards zero-emission vehicles, conserving more land and coastal waters, and using the state's working lands to provide additional climate change solutions.

Wildfire and Forest Resilience

After many consecutive and increasingly devastating wildfires in the state, including in 2020 where 9,000 wildfires burned over four million acres of land, the Governor is using \$1 billion in one-time General Fund revenues to support the Forest Management Task Force's Wildfire and Forest Resilience Action Plan. The Governor is requesting the Legislature take early action on \$323 million in proposed early action to accelerate fire prevention projects, create jobs, and support economic recovery. The Governor's budget also proposes statutory changes to make \$200 million of cap-and-trade revenues available to the Department of Forestry and Fire Protection (CalFIRE) for forest health and fire prevention activities over the next five-years. The Wildfire and Forest Resilience Expenditure Plan includes the following investments:

- Resilient Forests and Landscape \$512 million to enhance wildlife resilience by thinning forests, replanting trees, and utilizing prescribed fire.
- Wildfire Fuel Breaks \$335 million for CalFIRE and the California Conservation Corps to complete 45 to 60 fuel-break projects each year over the next several years.
- Community Hardening \$38 million to increase the resilience of the state's most firevulnerable communities including educational programs, defensible space outreach, and basic retrofits for low-income homeowners.
- Science-Based Management \$39 million to support monitoring and scientific inquiry to achieve long-term forest health and restoration.
- Forest Sector Economic Stimulus \$76 million to invest in innovative projects and workforce preparedness in the forest sector.

Zero-Emission Vehicles

In September of 2020, Governor Newsom signed Executive Order <u>N-79-20</u> which directed California to phase out gasoline-powered cars and equipment. Specifically, by 2035, the goal is for 100-percent of in-state sales of new passenger cars and trucks be zero-emission. The Governor's 2021-22 January State Budget proposes the following investments that are designed to simultaneously address equity and scale issues associated with the transition to zero-emission vehicles. Regarding equity, the Governor's budget proposes to prioritize state investments in communities that suffer most from environmental, economic, and health burdens. To address scale, the Administration's goal is to bring down the transition cost by accelerating private capital development.

- Zero-Emission Vehicle Infrastructure \$1 billion to increase the pace and scale of the construction of electric vehicle charging and hydrogen fueling stations necessary to accelerate zero-emission vehicle adoption. The Governor proposes to securitize future revenues associated with an existing vehicle registration fee that is set to expire in 2024 (note: this does not impact SB 1 or other transportation infrastructure funding).
- **Greening of State Infrastructure** \$50 million in one-time General Fund to support the installation of zero-emission vehicle charging stations at state-owned facilities.
- Zero-Emission Vehicles \$465 million in one-time cap-and-trade revenues to improve access to new and used zero-emission vehicles, including passenger cars and trucks, medium- and heavy-duty vehicles, and off-road equipment.

Finally, the Governor proposes to exclude the construction or addition of electric vehicle charging and hydrogen fueling stations completed by January 1, 2024 from the definition of accessible new construction for ten years to provide property tax relief.

Natural and Working Lands

The 2021-22 budget proposes several investments to improving the management of natural and working lands to advance the state's climate goals, including:

- \$125 million from Proposition 68 to support multi-benefit water quality, water supply, and watershed protection and restoration projects.
- \$79.9 million in one-time funding from various bonds for the Wildlife Conservation Board to support multi-benefit ecosystem and watershed projects.
- \$43.7 million in 2021-22 (and a total of \$96.6 million over five years) for restoration and ecosystem enhancement projects throughout the state.
- \$81 million in 2021-22 (and a total of \$102.3.9 million over four years) for the Delta Levees System Integrity Program.
- \$67 million in 2021-22 (and a total of \$224.9 million over four years) from the General Fund to leverage \$1.8 billion in federal funding for the flood risk reduction American River Commons Features Project.
- \$28.5 million one-time Proposition 68 for the Department of Water Resources to support collaborative flood risk management.
- \$6.5 million in 2021-22 (and a total of \$9.5 million over three years) Prop 1 for emergency flood response in the Delta.
- \$6.5 million in 2021-22 (and a total of \$17.4 million over two years) Prop 68 to support projects that improve biodiversity and climate resilience by increasing costal and marine ecosystem health.

Workforce Training and Just Transition Roadmap

The budget proposes \$25 million in one-time General Fund as an early action in 2020-21 to expand the High Road Training Partnership model to several industry-specific sectors, including construction, forestry and agriculture, healthcare, trade and logistics, and information technology.

Cap-and-Trade Expenditure Plan

The Governor proposes a \$1.37 billion cap-and-Trade Expenditure Plan for existing programs and includes a request for early action. As previously mentioned in the zero-emission vehicles section, the expenditure plan helps advance the state's zero-emission vehicle goal as well as priorities related to environmental justice and public health. See following table for specific Cap-and-Trade investments. The 2021-22 January Budget includes the following one-time proposals in addition to continuous Cap-and-Trade appropriations:

- Community Air Protection Program (AB 617) \$325 million to reduce emissions in communities with disproportionate exposure to toxic air pollution through monitoring and reduction programs.
- Clean Trucks, Buses, & Off-Road Freight Equipment \$315 million for reducing emissions from the transportation sector.
- Agricultural Diesel Engine Replacement & Updates \$170 million for reducing emissions from the agricultural sector.
- Clean Cars 4 All & Transportation Equity Projects \$150 million for incentives to low-income consumers to retire older, higher polluting vehicles in favor or new or use zero-emission vehicles.

Sustainable Agriculture

The Governor's proposed budget includes strategic investments to support the state's agricultural industry as it continues to operate and adapt to the COVID-19 pandemic. As part of the Governor's investments in sustainable agriculture, the budget includes \$50 million in one-time General Fund revenues to support state-affiliated fairgrounds and their ongoing operational costs while the state also evaluates alternative business models. The Governor also included \$10 million in one-time General Fund revenues for fairground deferred maintenance.

Natural Resources

Governor Newsom proposes a total of \$7.4 billion (\$4.6 billion in General Fund, \$2 billion in special funds, and \$812 million in bond funds) for a variety of programs to conserve, restore, and enhance the natural, historical, and cultural resources of California.

Department of Water Resources

The budget proposes the following:

- \$60 million one-time General Fund (\$30 million in 2020-21 and \$30 million in 2021-22) for sustainable groundwater grants supporting local planning and implementation of Groundwater Sustainability Plans across critically over-drafted basins.
- \$183 million from various sources (a total of \$365.2 million over the next four years) for flood preparedness to leverage \$1.8 billion in federal funds.
- \$75 million one-time General Fund for deferred maintenance for critical levee repairs projects.
- \$43.7 million in 2021-22 (a total of \$69.9 million over the next five years) from various sources for ecosystem restoration and watershed resilience on the San Joaquin River and within the Delta.

Department of Parks and Recreation

The Governor's proposed budget includes \$82 million to improve access to state parks, including:

- \$20 million one-time General Fund to support critical deferred maintenance projects throughout the state park system.
- \$12.7 million ongoing cannabis tax funds to support youth community access to natural and cultural resources.
- \$10 million one-time General Fund for Woolsey Fire restoration projects.
- \$6.3 million one-time General Fund to complete high-priority inholding acquisitions to increase access to and acreage within existing state parks.
- \$2.7 million one-time Proposition 68 bonds funds to provide the design for recreational access and enhancements at Candlestick Point State Recreation Area.
- \$585,000 ongoing for community liaison programs that engage underserved and underrepresented communities in urban areas.

Department of Fish and Wildlife

The Governor's proposed budget includes \$45.1 million one-time General Fund and bond funds for strategic investments in equipment, technology, and process improvements to deliver more effective and efficient services to save California's natural resources for future generations.

- \$9.8 million one-time General Fund and bond funds for wetlands management.
- \$7 million one-time General Fund to response to increased human-wildlife incidents across the state.
- \$6 million one-time General Fund and bond funds to support access for all and biodiversity resilience.
- \$7 million one-time General Fund to modernize hatchery operations.
- \$5.5 million one-time General Fund to generate vegetation mapping.
- \$4.5 million one-time General Fund to replace an aging airborne patrol fleet.
- \$4.5 million one-time to support offshore vessel patrol fleet replacement efforts.
- \$750,000 one-time General Fund to support modernization of a licensing platform for fishing and hunting licenses.

Environmental Protection

Governor Newsom's environmental budget includes \$4.3 billion for a variety of programs and activities to promote the state's economy in a sustainable manner by reducing greenhouse gas emissions, enhancing environmental quality, and protecting public health.

Department of Toxic Substances Control Reform

The Governor's budget proposes actions in support of the Department of Toxic Substance Control's (DTSC) efforts to improve stewardship of public resources. After conducting thorough reviews of its programs, DTSC needs further ongoing resources as well as statutory changes to meet its core mission, including:

- **Fee Authority** The budget establishes a Board of Environmental Safety to set fees through regulation, hear permit appeals, and provide strategic guidance to DTSC. The budget includes statutory changes to authorize the Board to utilize a public fee-setting process.
- Hazardous Waste Control Account Fee Restructure The Administration proposes statutory changes to streamline the existing fee structure and reflect the polluter pays principle. The budget also provides \$22.5 million in one-time General Fund backfill for this account.
- Toxic Substances Control Account The budget includes a proposal to adjust the environmental fee through a public process and a \$13 million one-time General Fund backfill for this account.

Site Cleanups

The budget proposes \$300 million in one-time General Fund to accelerate clean-up of contaminated properties in impacted communities. The funds are contingent upon adoption of the Administration's government and fiscal reform package.

The budget also includes \$31.4 million in one-time General Fund revenues to meet the state's existing commitment to clean up 3,200 residential properties with specific lead contamination levels that surround the Exide facility in Vernon. Finally, to support its cost recovery efforts, the Governor is proposing \$14 million in General Fund revenues to hold responsible parties accountable for Exide.

Circular Economy

Governor Newsom proposes a reevaluation of existing waste programs to identify opportunities to better align the state's waste and recycling systems with a circular economy approach, combat climate change, and support economic recovery.

Transportation

The COVID-19 pandemic resulted in dramatic reductions in travel across the state which in turn reduced fuel consumption and fuel tax revenues used to support transportation infrastructure investment. The total impact of the pandemic on transportation funding is still projected to be \$1.8 billion through 2024-25. However, California anticipates \$900 million in federal funding for transportation purposes from the December federal COVID-19 economic recovery bill which will offset these revenues losses to some degree. The Governor's budget anticipates that revenues will not decline further in 2021-22 and that state highway programs will be fully funded in the coming year.

K-12 Education

The Governor's 2021-22 state budget proposes record Proposition 98 funding for K-14 schools of \$85.8 billion, as well as an additional \$2.3 billion one-time General Fund for K-14 schools in recognition of the additional costs schools face as they respond to the pandemic. The budget also proposes paying down an estimated two-thirds of school deferrals implemented last year and provides a 3.84 percent cost-of-living increase to the Local Control Funding Formula. A \$3 billion deposit into the Public School System Stabilization Account will also trigger a 10 percent statutory cap on school districts' reserves in 2022-23.

Facing growing pressure to address California parents' growing concerns about school closures, the Governor proposes a framework to support schools to continue operating safely in-person and to expand the number of schools safely resuming in-person instruction. The plan contemplates bringing back the youngest children (TK-2nd grade) and those who have special education needs first (by February 16), then 3rd-6th grades by March 15. Distance learning will remain an option for parents and students who choose it and for those whose health status does not allow them to return to school in the near term.

The Governor's proposed budget includes \$2 billion (\$450 -\$700 per student in current year Proposition 98 funds) in financial incentives to support school safety measures, including testing, ventilation, and PPE, for those schools that have resumed in-person instruction or have a plan to phase-in in-person instruction by early spring. Key health supports will include frequent testing for all students and staff, including weekly testing for communities with high rates of transmission; masks for all students and staff, including distribution of millions of surgical masks for school staff; improved coordination between school and health officials for contact tracing; and prioritization of school staff for vaccinations. Schools with later start dates will qualify for a proportionally lower base grant, except those in counties with high rates of community spread.

The budget also includes \$4.6 billion in one-time Proposition 98 funds for early action by the Legislature to allow districts time to design targeted interventions that address learning loss, particularly for students from low-income families, English language learners, youth in foster care, and homeless youth. The budget specifically suggests an extended school year or summer school as options.

One item of interest: The budget notes that historical data from the California Student Aid Commission indicate that underrepresented students are less likely to complete a Free Application for Federal Student Aid (FAFSA). In response, the Administration proposes to require local educational agencies to confirm that all high school seniors complete a FAFSA or California Dream Act Application beginning in the 221-22 academic year.

For detailed information about proposals to assist student with behavioral health needs, please see the Behavioral Health section of this memo on page 7.

Higher Education

For the California Community Colleges, in addition to the Proposition 98 investments described above and the early action package previously described, The budget includes \$150 million for emergency financial assistance for full-time, low-income community college students, \$100 million to address food and housing insecurity among community college students, and \$30 million to support student technological access to higher education via electronic devices and high-speed internet connectivity, among others.

The budget for the California State University (CSU) includes \$144.5 million in ongoing General Fund support to provide a three percent increase in base resources, as well as \$225 million one-time to support emergency financial assistance grants to students in need, support for culturally competent professional development, support for the Computing Talent initiative, and for deferred maintenance. These investments are provided with the expectation that CSU maintain undergraduate tuition and fees at current levels for the 2021-22 academic year, take action to significantly reduce equity gaps, adopt policies furthering educational opportunities using online learning programs, better align student learning objectives with workforce needs, and create a new stand-alone dual admissions pathway enabling first-time freshman applicants to be considered for guaranteed admission to CSU upon completion of an associate degree at a California Community College.

For the University of California (UC), the budget includes ongoing General Fund augmentations of \$136 million to support a three-percent General Fund increase in base resources for UC campuses and support. In addition, the budget includes \$225 million one-time General Fund to address deferred maintenance and energy efficiency projects at UC campuses, support emergency financial assistance grants to students in need, support the California Institutes for Science and Innovation, provide support for culturally component professional development, provide UC Subject Matter Projects resources for K-12 teacher professional development, and to support UC Fire Advisors. Like the CSU, the UC is expected to maintain undergraduate tuition and fees at current levels for the 2021-22 academic year, take action to significantly reduce equity gaps, adopt policies furthering educational opportunities using online learning programs, better align student learning objectives with workforce needs, and create a new stand-alone dual admissions pathway enabling first-time freshman applicants to be considered for guaranteed admission to UC upon completion of an associate degree at a California Community College.

1991 and 2011 Realignment: Updated Revenue Estimates

Updated revenue estimates for 1991 and 2011 Realignment programs are offered in the Governor's proposed budget as detailed in the chart found on pages 121 and 122 at this <u>link</u>.

What's Next?

Starting next week, the full budget committees in each house will meet to hear an overview of the Governor's proposed spending plan. Since the Administration is seeking early action on a number of its proposals, we anticipate subcommittee hearings to start shortly. Trailer bill language (TBL) to implement various budget proposals is typically due February 1 to the Legislature but expect TBL on items proposed for early action soon. (Draft trailer bill language is *already* available for the proposal to reopen schools <u>here</u>.) We will continue to keep you apprised on budget developments going forward and welcome your questions about both the budget substance and process.

Please feel free to contact any one of us at Hurst Brooks Espinosa ...

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CALAFCO Daily Legislative Report as of Friday, February 19, 2021

1

AB 339 (Lee D) State and local government: open meetings.

Current Text: Introduced: 1/28/2021 html pdf

Introduced: 1/28/2021

Status: 1/29/2021-From printer. May be heard in committee February 28.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
	1st House				2nd H	louse		Conc.	Enroned	veloeu	Chaptereu

Summary:

Current law requires all meetings, as defined, of a house of the Legislature or a committee thereof to be open and public, and requires all persons to be permitted to attend the meetings, except as specified. This bill would require all meetings, including gatherings using teleconference technology, to include an opportunity for all persons to attend via a call-in option or an internet-based service option that provides closed captioning services and requires both a call-in and an internet-based service option to be provided to the public.

Position: Watch

Subject: Other

CALAFCO Comments: This bill allows for continued remote participant in local (and state) hearings/meetings while adding requirements for both call-in and internet service based options for all public meetings; requires providing closed caption services; and requires agencies to provide language access services.

The bill requires teleconferenced meetings to include an in-person public comment opportunity that creates a place where members of the public can gather at a designated site to give public comment (barring any inperson restrictions). Further, the bill requires the agenda and instructions for accessing the meeting to be translated into all languages for which 5% of the population in the area governed by the local agency is a speaker.

The bill adds requirements for local agencies to employ a sufficient amount of qualified bilingual people to provide translation services during the meeting in the language of the non-English speaking person (consistent with all languages for which 5% of the population in the area governed by the local agency speak).

The bill adds similar requirements for any state legislative body.

This bill is sponsored by the Leadership Council for Justice and Accountability.

AB 361 (Rivas, Robert D) Open meetings: local agencies: teleconferences.

Current Text: Introduced: 2/1/2021 html pdf

Introduced: 2/1/2021

Status: 2/12/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

Position: Watch

Subject: Other

CALAFCO Comments: Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that certain requirements are met (noticing, public access, etc.). This bill allows a local agency to conduct meetings using teleconference methods without complying with certain teleconferencing requirements if they are meeting for the purposes of declaring or ratifying a local emergency, during a declared state or local emergency (as defined in statute), when state or local health officials have imposed or recommended certain measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

The legislative body must give notice of the meeting and post agendas to allow members of the public to access

the meeting and address the legislative body, offer public comment, and protect rights of the parties and public appearing before the legislative body.

This bill is sponsored by the CA Special Districts Association (CSDA).

<u>AB 703</u> (<u>Rubio, Blanca</u> D) Open meetings: local agencies: teleconferences.

Current Text: Introduced: 2/16/2021 html pdf

Introduced: 2/16/2021

Status: 2/17/2021-From printer. May be heard in committee March 19.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the requirements of the act particular to teleconferencing and allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment. The bill would require that, in each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the local agency also give notice of the means by which members of the public may observe the meeting and offer public comment and that the legislative body have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act, as provided.

2

Position: Watch **Subject:** Other

<u>SB 55</u> (Stern D) Very high fire hazard severity zone: state responsibility area: development prohibition. **Current Text:** Introduced: 12/7/2020 <u>html</u> <u>pdf</u>

Introduced: 12/7/2020

Status: 2/3/2021-Referred to Com. on RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Would, in furtherance of specified state housing production and wildfire mitigation goals, prohibit the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area. By imposing new duties on local governments with respect to the approval of new developments in very high fire hazard severity zones and state responsibility areas, this bill would impose a state-mandated local program.

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: This bill prohibits the creation or approval of a new development in a very high fire hazard severity zone or a state responsibility area.

3

<u>AB 11</u> (Ward D) Climate change: regional climate change authorities.

Current Text: Amended: 1/21/2021 html pdf Introduced: 12/7/2020 Last Amended: 1/21/2021 Status: 1/25/2021-Re-referred to Com. on NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Would require the Strategic Growth Council, by January 1, 2023, to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation autorities, state agencies, and other relevant stakeholders.

Subject: Other

CALAFCO Comments: As amended on 1/21/21, this bill authorizes/requires the Strategic Growth Council (SGC) to establish up to 12 regional climate change authorities by January 1, 2023, to include local agencies and regional stakeholders. The SGC is required to adopt guidelines that: (1) Define the authority; (2) Include guidelines for establishing an authority via a stakeholder-driven process; (3) Consult with OPR (and other state authorities) in development of the guidelines and award annual grants to authorities.

The bill outlines the regional climate change authorities in summary as: coordination, capacity-building, and technical assistance activities within their boundaries, promote regional alignment and assist local agencies in creating and implementing plans developed pursuant to Section 65302 of the Government Code, other federal or state mandates, and programs designed address climate change impacts and risks. The bill also requires the authority to submit annual reports to the SGC, with the scope of the report outlined in the bill.

AB 428 (Mayes I) Local government planning.

Current Text: Introduced: 2/4/2021 html pdf

Introduced: 2/4/2021

Status: 2/5/2021-From printer. May be heard in committee March 7.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, makes certain findings and declarations relating to local government organizations, including, among other things, the encouragement of orderly growth and development, and the logical formation and modification of the boundaries of local agencies. This bill would make nonsubstantive changes to these findings and declarations.

Position: Watch **CALAFCO Comments:** This is a spot bill.

AB 473 (Chau D) California Public Records Act.

Current Text: Introduced: 2/8/2021 html pdf

Introduced: 2/8/2021

Status: 2/18/2021-Referred to Com. on JUD.

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Summary:

The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. This bill would recodify and reorganize the provisions of the act. The bill would include provisions to govern the effect of recodification and state that the bill is intended to be entirely nonsubstantive in effect. The bill would contain related legislative findings and declarations. The bill would become operative on January 1, 2023.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a redo of AB 2138 from 2020 that did not move forward. According to the author's office, this bill and AB 474 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

AB 474 (Chau D) California Public Records Act: conforming revisions.

Current Text: Introduced: 2/8/2021 html pdf

Introduced: 2/8/2021

Status: 2/18/2021-Referred to Com. on JUD.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Would enact various conforming and technical changes related to another bill that recodifies and reorganizes the California Public Records Act. The bill would only become operative if the related bill recodifying the act is enacted and becomes operative on January 1, 2023. The bill would also specify that any other bill enacted by the Legislature during the 2021 calendar year that takes effect on or before January 1, 2022, and that affects a provision of this bill shall prevail over this act, except as specified.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a redo of AB 2438 from 2020 that did not move forward. According to the author's office, this bill and AB 473 are part of recommendations from the California Law Revision Commissions Page 303 of 340

to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

AB 588 (Garcia, Eduardo D) Local government.

Current Text: Introduced: 2/11/2021 html pdf

Introduced: 2/11/2021

Status: 2/12/2021-From printer. May be heard in committee March 14.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
	1st House				2nd H	louse		Conc.	Linoned	veloeu	Chaptered

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. This bill would make a nonsubstantive change to the provision naming the act.

Position: Watch

Subject: Other

CALAFCO Comments: This is a spot bill. According to the author's office there is no current intended use for the bill.

AB 903 (Frazier D) Los Medanos Community Healthcare District.

Current Text: Introduced: 2/17/2021 html pdf

Introduced: 2/17/2021

Status: 2/18/2021-From printer. May be heard in committee March 20.

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Summary:

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to complete a property tax transfer process to ensure the transfer of the district's health-related ad valorem property tax revenues to the county in order to operate the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service from the County of Contra Costa as described above, the bill would impose a state-mandated local program.

Position: Watch

AB 959 (Mullin D) Park districts: regulations: nuisances: abatement.

Current Text: Introduced: 2/17/2021 html pdf

Introduced: 2/17/2021

Status: 2/18/2021-From printer. May be heard in committee March 20.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Current law prescribes procedures, including the election of a board of directors, for the formation of regional park districts, regional park and open-space districts, or regional open-space districts. Current law authorizes 3 or more cities, together with any parcel or parcels of city or county territory, whether in the same or different counties, to organize and incorporate, but requires that all the territory in the proposed district be contiguous. Current law requires the board of directors to superintend, control, and make available to all the inhabitants of the district all public recreation lands and facilities, as provided. Existing law authorizes the board to adopt regulations. Current law provides that a violation of an ordinance, rule, or regulation adopted by the board is a misdemeanor punishable by a fine or imprisonment in the county jail, as provided. This bill would authorize the board of directors to adopt regulations relating to nuisances and establish a procedure for the abatement of the nuisances, including administrative abatement.

Position: Watch

<u>SB 13</u> (Dodd D) Local agency services: contracts: Counties of Napa and San Bernardino.

Current Text: Introduced: 12/7/2020 html pdf

Introduced: 12/7/2020

Status: 1/28/2021-Referred to Com. on GOV. & F.

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Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes a pilot program under which the commissions in the Counties of Napa and San Bernardino, upon making projection 304 more at a

noticed public hearing, may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to support existing or planned uses involving public or private properties, as provided. Current law requires the Napa and San Bernardino commissions to submit a report to the Legislature on their participation in the pilot program, as specified, before January 1, 2020, and repeals the pilot program as of January 1, 2021. This bill would reestablish the pilot program, which would remain in effect until January 1, 2026. The bill would impose a January 1, 2025, deadline for the Napa and San Bernardino commissions to report to the Legislature on the pilot program, and would require the contents of that report to include how many requests for extension of services were received under these provisions.

Position: Watch

Subject: CKH General Procedures

CALAFCO Comments: This bill is the same as SB 799 from 2020 and seeks to re-establish and continue the pilot program for five more years. The program ended as of January 1, 2021 but due to the pandemic, SB 799 from 2020 to extend the sunset was not moved forward in the legislature.

<u>SB 96</u> (<u>Dahle</u> R) Fallen Leaf Lake Community Services District Fire Department Protection Act of 2021: elections. Current Text: Introduced: 12/21/2020 <u>html</u> pdf

Introduced: 12/21/2020

Status: 1/28/2021-Referred to Coms. on GOV. & F. and E. & C.A.

Des	k	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Would require the El Dorado County elections official, with the assistance of the Fallen Leaf Lake Community Services District, to conduct district elections pursuant to the Uniform District Election Law, except as otherwise provided in the bill. The bill, notwithstanding existing law, would provide that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services District, as specified. The bill would require the designations of voters and authority of legal representatives to be filed with the El Dorado County elections official and the secretary of the Fallen Leaf Lake Community Services District and maintained with the list of qualified voters of the district. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Special Districts Governance

CALAFCO Comments: This bill is the same as SB 1180 from 2020 which did not move through the legislature. It is a local El Dorado County/district bill. This bill does several things. (1) Provides that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services. (2) The bill also would authorize a voter who is not a resident of the district but owns a real property interest in the district to designate only one voter to vote on their behalf, regardless of the number of parcels in the district owned by the nonresident voter. (3) This bill would prohibit the Fallen Leaf Lake Community Services District from providing any services or facilities except fire protection and medical services, including emergency response and services, as well as parks and recreation services and facilities.

SB 273 (Hertzberg D) Water quality: municipal wastewater agencies.

Current Text: Introduced: 1/29/2021 <u>html</u> pdf Introduced: 1/29/2021

Status: 2/10/2021-Referred to Coms. on GOV. & F. and E.Q.

Desk	P	olicy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
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Summary:

Would authorize a municipal wastewater agency, as defined, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. To the extent this requirement would impose new duties on local agency formation commissions, the bill would impose a state-mandated local program.

Position: Watch

Subject: Municipal Services

CALAFCO Comments: This bill is a redo of SB 1052 from 2020 that was not moved forward because of the pandemic. This bill adds authority to municipal wastewater agencies as outlined in 13911(a) and (b) relating to Page 305 of 340

stormwater runoff and management. The bill authorizes this additional authority while keeping the LAFCo process to activate these latent powers intact.

SB 274 (Wieckowski D) Local government meetings: agenda and documents.

Current Text: Introduced: 1/29/2021 html pdf

Introduced: 1/29/2021

Status: 2/10/2021-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
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Summary:

The Ralph M. Brown Act, requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by mail or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a modified redo of SB 931 from 2020 that did not move forward because of the pandemic. This bill updates the Government Code to require a public agency to email the agenda or agenda items to anyone who requests it or the link to the website where the documents can be accessed (current law requires the mailing of such documents upon request, this bill adds the option to email if requested).

<u>SB 403</u> (<u>Gonzalez</u> D) Drinking water: consolidation.

Current Text: Introduced: 2/12/2021 html pdf

Introduced: 2/12/2021

Status: 2/16/2021-From printer. May be acted upon on or after March 18.

Desk	Po	olicy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
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Summary:

The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water or where a disadvantaged community is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would authorize the state board to also order consolidation where a water system serving a disadvantaged community is at risk of failing to provide an adequate supply of safe drinking water or where a water or where a disadvantaged community is substantially reliant on domestic wells that are at risk of failing to provide an adequate supply of safe drinking water.

Position: Watch

Subject: Disadvantaged Communities, Water

CALAFCO Comments: Current law (Health & Safety Code Section 116682) authorizes the State Water Resources Control Board (Board) to order consolidation (physical or operational) of a public water system or state small water system serving a disadvantaged community that consistently fails to provide an adequate supply of safe drinking water, or a disadvantaged community (in whole or part) that is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would add to that a water system or domestic well(s) that are at risk of failing to provide an adequate supply of safe drinking water, as determined by the Board. The bill also requires the Board, before ordering consolidation, to conduct outreach to ratepayers and residents served by the at-risk system and to consider any petition submitted by members of a disadvantaged community being served by the at-risk system.

<u>SB 475</u> (<u>Cortese</u> D) Transportation planning: sustainable communities strategies.

Current Text: Introduced: 2/17/2021 html pdf

Introduced: 2/17/2021

Status: 2/18/2021-From printer. May be acted upon on or after March 20.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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Summary:

Current law requires certain transportation planning activities by designated regional transportation planning agencies, including development of a regional transportation plan. Certain of these agencies are designated

under federal law as metropolitan planning organizations. As part of a regional transportation plan, current law requires a metropolitan planning organization to adopt a sustainable communities strategy, which is designed to achieve certain targets established by the State Air Resources Board for the reduction of greenhouse gas emissions from automobiles and light trucks in the region. Existing law, to the extent the sustainable communities strategy is unable to achieve the greenhouse gas emissions reduction targets, requires the affected metropolitan planning organization to prepare an alternative planning strategy showing how the targets may be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. This bill would state the intent of the Legislature to enact subsequent legislation that would make various changes to these provisions.

Position: Watch

Total Measures: 17 Total Tracking Forms: 17

2/19/2021 3:28:33 PM

CALAFCO Amendments to 2021 Assembly Local Government Omnibus Bill Removal of obsolete special provisions

As concurred by the Protest Provisions Rewrite Working Group on February 2, 2021

<u>Item #1</u>

56375.2. (Reorganization or consolidation of the Sewerage Agency of Southern Marin)

Government Code Section 56375.2 authorized Marin LAFCo to conduct a consolidation or reorganization without the normal protest process of five sewage agencies in Marin County which, in part, make up the Sewerage Agency of Southern Marin (SASM). In 2011-2012, the Commission (Marin LAFCo) considered utilizing this provision, but ultimately decided not to move forward with the consolidation/reorganization of the SASM. In 2020, the Commission revisited this issue; the Commission determined that, were a future potential consolidation or reorganization to occur, the traditional protest process should be utilized.

<u>Item #2</u>

56705(b). (Special time limits for petitions for cities in Los Angeles County)

Government Code Section 56705(b) establishes specific provisions for circulating petitions in Los Angeles County. For all other petitions—that is, in the other fifty-seven (57) counties—a petition-gatherer has sixty (60) days in which to secure signatures. In Los Angeles County, the signature-gathering period is extended to ninety (90) days, in conjunction with Government Code §56760 (also proposed for deletion). This provision established one set of requirements in Los Angeles County, not applicable anywhere else in the State, with no apparent public policy benefit.

<u>Item #3</u>

56747. (Annexations to City of Cupertino)

Government Code Section 56747 was first enacted in 1980, and was most recently amended in 2001. It allows the City of Cupertino to conduct "cherry stem" annexations within unincorporated islands. Based on research into the legislative history of this statute, it appears that this special provision was necessary at that time in order to address unique problems that the City of Cupertino was facing due to past annexations and this provision was enacted to enable the City to implement its policies to eliminate unincorporated islands within the city. Given this original legislative intent, the provision is no longer necessary since the City has annexed its large urban unincorporated islands.

Item #4

56760. (Los Angeles County Notice of Intent)

Government Code Section 56760 establishes specific provisions for circulating petitions for a proposed reorganization for any city in Los Angeles County with a population of more than one hundred thousand (100,000) residents. Under current

law, and using State of California Department of Finance (DOF) population statistics (January 1, 2020), this provision applies exclusively to fifteen (15) cities in Los Angeles County (Burbank, Downey, El Monte, Glendale, Inglewood, Lancaster, Long Beach, Los Angeles, Norwalk, Palmdale, Pasadena, Pomona, Santa Clarita, Torrance, and West Covina). The provision does not apply to the other seventy-three (73) cities in Los Angeles County (those with a population under one hundred thousand (100,000) residents), nor does it apply to any city in any of the other fifty-seven (57) counties. With respect to the circulation of petitions, Government Code Section 56760 established one set of requirements for a small handful of cities in Los Angeles County, not applicable anywhere else in the State, with no apparent public policy benefit. Further, the existence of "two sets of rules" for reorganization proposals in different cities in Los Angeles County is confusing to the public

<u>Item #5</u>

57001.1. (Santa Cruz County exception)

Government Code Sections 57001.1 and 57202.1 allowed a city in Santa Cruz County that has adopted a voter approved urban limit line to determine the extension deadline and effective date of a reorganization. However, both code sections specifically say that the provisions under 57001.1 and 57202.1 are no longer usable for any reorganization approved or conditionally approved after January 1, 2009. Representatives from Santa Cruz LAFCo and the only city with a voter approved urban limit line have discussed the matter. Since the provisions have been inoperative for 12 years now, neither Santa Cruz LAFCo or the city oppose deleting Government Code Sections 57001.1 and 57202.1 from the Act.

<u>Item #6</u>

57075.5. (Los Angeles County; written protests, adoption of resolution) Government Code Section 56075.5 establishes a specific threshold which triggers a confirmation election by the registered voters, resulting from a written protest process, for a proposed annexation to any city in Los Angeles County with a population of more than one hundred thousand (100,000) residents. Under current law, and using State of California Department of Finance (DOF) population statistics (January 1, 2020), this provision applies exclusively to fifteen (15) cities in Los Angeles County (Burbank, Downey, El Monte, Glendale, Inglewood, Lancaster, Long Beach, Los Angeles, Norwalk, Palmdale, Pasadena, Pomona, Santa Clarita, Torrance, and West Covina). The provision does not apply to the other seventythree (73) cities in Los Angeles County (those with a population under one hundred thousand (100,000) residents), nor does it apply to any city in any of the other fifty-seven (57) counties. This provision established one set of requirements for a small handful of cities in Los Angeles County, not applicable to other cities in Los Angeles County, and not applicable anywhere else in the State, with no apparent public policy benefit. Further, the existence of "two sets of rules" for city annexations in different cities in Los Angeles County is confusing to the public. Finally, and because city population figures change, LA LAFCO is required to monitor the population of those cities with a population just above 100,000 (three cities, for example, have a population of around 105,000 residents) as well as those cities nearing the 100,000 resident threshold (two cities with a population of approximately 97,000).

<u>Item #7</u>

57202.1. (Santa Cruz County exception)

Government Code Sections 57001.1 and 57202.1 allowed a city in Santa Cruz County that has adopted a voter approved urban limit line to determine the extension deadline and effective date of a reorganization. However, both code sections specifically say that the provisions under 57001.1 and 57202.1 are no longer usable for any reorganization approved or conditionally approved after January 1, 2009. Representatives from Santa Cruz LAFCo and the only city with a voter approved urban limit line have discussed the matter. Since the provisions have been inoperative for 12 years now, neither Santa Cruz LAFCo or the city oppose deleting Government Code Sections 57001.1 and 57202.1 from the Act.

Item #8

57383. (Conveyance of parking lots; Los Angeles County)

Government Code Section 57383 allows the Los Angeles County Board of Supervisors, by a two-thirds vote, to convey specified parking lots owned by the County to the city in which the parking lot is located. This section was added in 1985 to facilitate the transfer of a parking lot from the County to a city. As best as can be determined, the County utilized the provision once, and has not used it since. Representatives from LA LAFCO and Los Angeles County have discussed the matter, and being of the opinion that the provision is now obsolete, representatives of both support deleting Code §57383 from the Act.



Santa Cruz Local Agency Formation Commission

Date:March 3, 2021To:LAFCO CommissionersFrom:Joe Serrano, Executive OfficerSubject:Written Correspondence during the Month of February

SUMMARY OF RECOMMENDATION

LAFCO staff typically receives and distributes written correspondence regarding active proposals, CALAFCO news, or other relative documents. 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:

In February, CALAFCO released the latest quarterly report, which features LAFCOrelated news around the State, highlights recent CALAFCO actions, identifies upcoming educational events, and offers an update on legislative news that may affect LAFCOs. **Attachment 1** provides a copy of the CALAFCO Quarterly Report.

At the February 3rd Meeting, the Commission approved LAFCO's comment letter regarding the University's draft Environmental Impact Report for its long-range plan. Following the meeting, LAFCO staff received an email from Becky Steinbruner who attended the February 3rd Commission Meeting. Her email provides information about a memorandum of understanding between UC Davis, the County of Yolo, and the City of Davis. **Attachment 2** provides a copy of Ms. Steinbruner's email.

Respectfully Submitted,

Joe A. Serrano Executive Officer

Attachments:

- 1. CALAFCO Quarterly Report (dated February 1, 2021)
- 2. Becky Steinbruner Email (dated February 3, 2021)



7A: ATTACHMENT 1 News from the Board of Directors CALAFCO QUARTERLY February 2021

Greetings from your CALAFCO Board of Directors and Executive Director. It seems that our collective hope for an uneventful start to 2021 was met with laughter and resistance from the universe. However, we remain undaunted and resolute to move

forward in partnership with our members to make great things happen in 2021.

This Quarterly Report will begin by highlighting the good news in our CALAFCO family first, followed by Association updates. Happy reading!

message

from the

Executive

Director

Santa Clara LAFCo Receives State APA Award for C Communication and Outreach Plan

After receiving the American Planning Association - California Northern Chapter's "Award of Excellence – Communication Initiative", *Santa Clara LAFCo*'s project then received the **State Chapter's 2020 Award of Excellence.**

San Bernardino and San Diego LAFCos Awarded Sustainable Agricultural Lands Conservation (SALC) Grants San Bernardino LAFCo, in partnership with the Inland Empire Resource Conservation District (IERCD), were awarded a SALC planning grant for \$220,475. The planning grant project aims to create a local tool for the preservation of agriculture lands, which does not currently exist in San Bernardino County. The goals of this project would be to encourage the long-term preservation of agricultural lands within San Bernardino County and develop local mitigation tools to provide a way for municipalities to preserve agricultural lands while continuing to address housing and growth needs.

San Diego LAFCo, in partnership with the Resource Conservation District (RCD) of Greater San Diego, the San Diego County Farm Bureau, the County of San Diego, and San Diego Association of Governments (SANDAG) were also awarded a SALC planning grant for \$250,000. The purpose for the funding is to develop a community vision and strategic plan to increase and preserve San Diego region's agricultural lands and preserve its economic viability in semi-rural and rural communities. The plan of action is to identify and monitor agricultural lands and uses to inform future preservation and enhancement opportunities.

The Strategic Growth Council (SGC) added LAFCos to the list of eligible entities to apply for SALC grants in January 2019 after many years of CALAFCO trying to get LAFCos eligible for state-level grant funding. Since then, *San Bernardino* and CALAFCO welcomes our newest Silver Associate Member, *Holly Owen*, Certified Planner. Holly's services include Municipal Service Reviews and planning and feasibility studies. To contact Holly, you can email her at holly.owen@gmail.com.

Welcome to Our Newest Associate Member

CALAFCO BOARD OF DIRECTORS

CALAFCO BOARD CHANGES

The Board recently welcomed three new Board members. In late October, two new members were elected to the Board. Representing the Coastal region

county seat is *Christopher Lopez, Monterey LAFCo* Commissioner and County Supervisor. The central region county seat also has a new representative, *Merced LAFCo* Commissioner and County Supervisor *Daron McDaniel*. In January, the Board appointed a new member to fill the unexpired term of recently re-elected Board member Cheryl Brothers (who unfortunately lost her home election). Filling that unexpired term for the southern region city seat is *San Bernardino LAFCo* Commissioner and City of Fontana Mayor *Acquanetta Warren*.

The Board also gratefully acknowledges the outgoing Board members whose dedicated service to CALAFCO had a great impact: former *Monterey LAFCo* Commissioner *Jane Parker* (coastal region county rep); former *El Dorado LAFCo* Commissioner *Shiva Frentzen* (central region county rep); and former *Orange LAFCo* Commissioner *Cheryl Brothers* (southern region city rep).

* * * *

San Diego LAFCos are the first two LAFCos to initiate a grant application.

CALAFCO congratulates *Santa Clara, San Bernardino and San Diego LAFCos* on their achievements!









News from the Board of Directors **CALAFCO QUARTERLY**

February 2021

Page 2



In November, the officers of the Board for 2020-21 were seated as follows:

Chair - Michael Kelley, Imperial LAFCo (southern) Vice Chair - Anita Paque, Calaveras LAFCo (central) Secretary - Bill Connelly, Butte LAFCo (northern) Treasurer - Margie Mohler, Napa LAFCo (coastal) Immediate Past Chair - Michael McGill, Contra Costa LAFCo (coastal)

During their November meeting, the Board made the following Committee appointments:

Legislative Committee

Bill Connelly (North) Gay Jones (At-Large) Jo MacKenzie (South) Mike McGill (Coastal) Anita Paque (Central) Michael Kelley (a) (South) Chris Lopez (a) (Coastal) Daron McDaniel (a) (Central) Tom Murray (a) (At-Large) Josh Susman (a) (North)

Elections Committee

Blake Inscore Gay Jones (Chair) Chris Lopez David West

Awards Committee

Daron McDaniel Jo MacKenzie Margie Mohler Anita Paque (Chair) Josh Susman

2021 Annual Conference

David Couch Tom Murray Daniel Parra David West (Chair)

The CALAFCO Board met virtually for their biennial strategic planning session on January 21, followed by a regular Board meeting the next day on January 22 (also virtual). The full meeting packet for both sessions is located on the CALAFCO

website (and accessible to all CALAFCO members). During the strategic planning session the Board discussed several topics of critical importance to the Association, including the current dues structure and population cap used, the ongoing practice of using 15% net profit from the Annual Conference to balance the budget, and the issue of extension of services as it relates to local agencies not always seeking LAFCo



authorization of exemption or approval to extend services.

After spending time connecting as a group, the strategic planning session began with a dashboard review of the Association's work in 2020. Highlights included the cancellation of both the Staff Workshop and Conference (and the fiscal impact to the Association as a result of the Conference cancellation due to the reliance of the 15% net profit to balance the budget); the creation and delivery of a series of webinars offered at no cost to CALAFCO members; a new section on the CALAFCO website that houses these

webinars for on-demand viewing; updates to the CALAFCO website: and the legislative year that wasn't. Additional work accomplished that was not part of the strategic plan for 2020 included a successful transition of the two primary contractors to employees and the retention of the Executive Director (originally set to retire in the fall of 2020). The full 2020 dashboard review can be found on the CALAFCO website.

The Board spent a great deal of time discussing the member LAFCo dues issue after receiving a full report from the dues ad hoc committee. After reviewing the various models considered by the ad hoc committee (16 in total), the Board received one additional model that had updated population figures from the Department of Finance (using the existing FY 2020-21 model as the base). Again, after much discussion, the Board gave unanimous consent to maintaining all of the existing variables in the FY 2020-21 dues model, using the required updated population estimates and not adding the CPI increase (estimated at 3%) for the FY 2021-22 dues. This decision was formally ratified with unanimous approval during the Board meeting on January 22. An announcement regarding the FY 2021-22 dues was distributed February 9, and you can find the dues on the CALAFCO website.

The Board then discussed the ongoing structural deficit and dangerous fiscal practice of using an unreliable educational event net profit to balance the budget. They gave unanimous consensus to no longer using any net profit from any education event to balance the budget. Underscored this year without a Conference, the loss of that budgeted net profit created a structural deficit. That decision was also formally ratified with unanimous approval during their Board meeting on January 22.

> Later that afternoon there was a discussion about the problem of local agencies not seeking LAFCo authorization to extend services. The Board brainstormed non-legislative ideas for consideration this year as an interim solution to a legislative fix in 2022. The day ended with a brief conversation about SMGA and the relationship between LAFCo and investor-owned utilities.

The Board will consider adopting the next two-year strategic plan (for 2021-22) at their April 30 meeting.

During their January 22 meeting, in addition to ratifying the decisions noted above, the Board received the second quarter financial reports and directed the Executive Director to create a rolling two-year budget going forward (beginning with the draft FY 2021-22 budget) and adopted the 2021 legislative policies with the recommended amendment of the Legislative Committee Page 313 of 340

News from the Board of Directors **CALAFCO QUARTERLY**

February 2021 Page 3



CALAFCO EDUCATIONAL EVENTS

2021 STAFF WORKSHOP AND ANNUAL CONFERENCE Staff Workshop

Due to the COVID-19 pandemic, CALAFCO's Staff Workshop was once again cancelled. The workshop was scheduled for March 17-19 in Newport Beach.

CALAFCO staff successfully negotiated a revision in the facility contract for 2022 at the same rates as 2021. We are still working with the mobile workshop vendors to try and roll over the deposits for that event and will keep you posted.

We wish to thank our Workshop hosts, Imperial and Orange LAFCos who have graciously agreed to host in 2022 - third time is a charm they say!

CALAFCO is currently polling LAFCo staff on their desire to have something offered for staff only in a virtual format. Watch for updates soon. If your LAFCo staff have not provided us that feedback, please do so by the deadline of February 12.

Mark your calendars for the Staff Workshop on March 23 -25, 2022.

Annual Conference

The Annual Conference, hosted by CALAFCO, is currently scheduled for October 6 - 8 at the Hyatt Regency Newport Beach John Wayne Airport. We are hopeful by that time we will be able to safely meet in person, and the Conference planning committee will begin their work very soon. Watch for a call for program planning volunteers.

CALAFCO UNIVERSITY

We were pleased to offer six virtual University

sessions in 2020 between August and December. This year, CALAFCO is planning several virtual CALAFCO U sessions for the first half of the year. Once again, these sessions will be offered to our members at no cost to you. Watch for save-the-date announcements coming very soon. As a teaser, we are planning for a threepart session on Fire and EMS Agency reorganizations in March and another session on Hiring Best Practices in May.

CALAFCO ADMINISTRATIVE UPDATE

CALAFCO staff are working on the annual updates of the Membership Directory. It's requested you respond to the request for updates when you receive them from us.



CALAFCO LEGISLATIVE UPDATE



The new two-year legislative session is in full swing and it is anticipated to be another interesting year. As the deadline to introduce legislation nears (Feb. 19), we are seeing a large number of bills relating to COVID-19 response, wildfire prevention, education, healthcare and bridging the equity divide.

CALAFCO is sponsoring the 2021 Assembly Local Government Committee (ALGC) Omnibus bill and continues the work of the Protest Provision Rewrite Working Group as legislative priorities for 2021. The Working Group, consisting of 18 members (CALAFCO, CSDA, League, CSAC and reps from both local government committees) reconvened and has approved the submission of several obsolete special provisions relating to protests into the Omnibus bill. The group is also working on drafting language to consolidate all existing protest language into one section within CKH, and the subcommittee that is looking at the protest percentage threshold variances is reconvening.

CALAFCO has also been working closely since last fall with Senator Caballero's staff and the sponsors of SB 414 (2019-20) on a redo of that bill. Our conversations have included offering amendments to write LAFCos back into the formation process of the new water authorities. Although the new bill has not yet been introduced (as of the writing of this Report), it is expected before the 2/19 deadline.

The 2020 CKH Guide is now available to download from the CALAFCO website. We are also accepting orders for the hard copy version. Visit the CALAFCO website for details.

Full 2020 legislative reports from the ALGC and Senate Governance & Finance Committees are also available on the CALAFCO website.

All bills being tracked by CALAFCO can be found on the CALAFCO website inside the Legislation section of the site (log in with your member id first to access this section). The CALAFCO Legislative Committee meets regularly and all meeting materials are located in the Legislation section of the CALAFCO website.



News from the Board of Directors CALAFCO QUARTERLY

CALAFCO ASSOCIATE MEMBERS' CORNER



This section is dedicated to highlighting our Associate Members. The information below is provided to CALAFCO by the Associate member upon joining the Association. All Associate member information can be found in the CALAFCO Member Directory.

City of Rancho Mirage

The City of Rancho Mirage has been a Silver Associate Member since July



2010. With a population of just over 18,000, the City of Rancho Mirage is located in the County of Riverside. The City offers an ubundant amount of sunshine, great climate, and related resort-style living. For more information about the City, contact the Director of Development Services, Jeremy Gleim, at jeremyg@ranchomirageca.gov, or at 760-328-2266. Learn more about the City on their website at www.ranchomirageca.gov.

County Sanitation Districts of Los Angeles County



The County Sanitation Districts of Los been a Silver Associate

Member since July 2005. They are a public agency focused on converting waste into resources like recycled water, energy and recycled materials. The agency consists of 24 independent special districts serving about 5.6 million people in Los Angeles County. The service areas cover approximately 850 square miles and encompass 78 cities and unincorporated areas in the county. For more information on the Districts, contact Donna Curry at dcurry@lacsd.org, or visit their website at www.lacsd.org.

Rancho Mission Viejo

Rancho Mission Viejo has

RANCHO MISSION VIEJO

been a Silver Associate Member since June 2005. They are responsible for the development and management of a governance structure for a 23,000-acre, 14,000 home planned community. For more information. visit them at www.ranchomissionviejo.com or contact Michael Balsamo at mbalsamo@ranchomv.com.

OK

A Silver Associate Member since September 2010, OK (formerly Quad Knopf) provides planning, engineering, biology. environmental and survey services to public and private clients. Their

February 2021

Page 4



planners have previous experience working for public agencies, including serving as LAFCo Analysts and Executive Officers. They specialize in the San Joaquin and Sacramento Valley regions. For more information on QK, visit their website at www.gkinc.com, or contact Jerome Keene at jerome.keene@gkinc.com.

CALAFCO wishes to thank all of our Associate Members for your ongoing support and partnership We look forward to continuing to highlighting you in future Quarterly Reports.

Did You Know??

CALAFCO 2020 Survey

Did you know we recently published the 2020 survey of member LAFCos relating to *COVID?* The survey included questions about current and future operations, staffing



models, commission meeting methods, and budget impacts.

Meeting Documents Online

Did you know that all CALAFCO Board of Directors and Legislative Committee meeting documents are online? Visit the Boards & Committees pages in the Members Section of the site. Board documents date back to 2008 and Legislative Committee documents back to 2007.

CALAFCO Courses Archived

Did you know that all CALAFCO University course materials are now archived on the CALAFCO website? Visit the CALAFCO website in the CALAFCO U Course Material Archive section.

Mark Your Calendars For These Upcoming CALAFCO Events

CALAFCO Legislative Committee virtual meeting -2/19



- CALAFCO Legislative Committee virtual meeting - 3/26
- CALAFCO Board of Directors virtual meeting 4/30

The CALAFCO 2021 Calendar of Events can be found on the CALAFCO website.

As we continue to face both known and unknown challenges, your CALAFCO Board and Staff wish all of you to stay safe and be healthy. We thank you for your continued dedicated service to the communities you serve. Page 315 of 340 Be well.

Joe Serrano

From:	Becky Steinbruner <ki6tkb@yahoo.com></ki6tkb@yahoo.com>
Sent:	Wednesday, February 3, 2021 11:13 AM
То:	Joe Serrano
Cc:	Debra Means; Becky Steinbruner
Subject:	Fw: Questions re: Yolo County / City of Davis Negotiations with UC Davis
Follow Up Flag:	Follow up
Flag Status:	Completed

******CAUTION:**This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.****

Dear Mr. Serrano,

I would like to provide this information to you and the Commission because of Commissioner comments made this morning after my testimony this morning regarding the successful negotiation of a legally-binding MOU between UC Davis, the County of Yolo and City of Davis.

Commissioner Roger Anderson stated that Yolo County had not been successful in arriving at an agreement, and there were statments by Chairman Lather that Solano County was involved. Commissioner Coonerty commented that this County is seeking a legally-binding agreement, and that the Davis agreement was not.

Here is a link to information about the *successful legally-binding* MOU between UC Davis, the County of Yolo, and the City of Davis in 2018. At that time, I phoned Davis City Councilman Lee and spoke with him about the process. He described a situation very similar to the contentious issues existing in our community with UC Santa Cruz, but went on to outline the successful outcome of the negotiations.

https://www.ucdavis.edu/news/city-davis-yolo-county-and-uc-davis-agree-memorandum-understanding-partnership-and-growth

Recently I contacted Yolo County Supervisors to ask about any problems with fulfillment of the MOU terms. Supervisor Analyst Richard Reed referred me to Yolo County Counsel Eric May for my answer.

Below is the correspondence with Mr. May, in which he indicates there have been no problems and that the relationship between UC Davis and the County has improved since.

I hope that the Commissioners will take the time to read this information and clear in their minds that the veracity of the comment I provided this morning regarding UCSC growth and the local community.

Thank you very much. Sincerely, Becky Steinbruner

----- Forwarded Message ----From: Eric May <eric.may@yolocounty.org>
To: Becky Steinbruner <ki6tkb@yahoo.com>
Cc: Richard Reed <Richard.Reed@yolocounty.org>
Sent: Monday, January 25, 2021, 09:16:31 AM PST
Subject: RE: Questions re: Yolo County / City of Davis Negotiations with UC Davis

I sent an inquiry to a group, and I didn't hear back from anyone. I take that as a tacit agreement that the relationship is in a better place than it was a few years ago. Again, I can't say for sure how much the MOU contributed to that, but it doesn't hurt to have certain parameters governing our relationship spelled out in writing and having additional opportunities for decision-makers to meet on a periodic basis.

Best,

Eric

Eric May

Senior Deputy County Counsel, County of Yolo 625 Court Street, Room 201 | Woodland, CA 95695 Direct: (530) 666-8278 | Main: (530) 666-8172 Cell: (530) 400-8052 | Fax: (530) 666-8279

From: Becky Steinbruner [mailto:ki6tkb@yahoo.com]
Sent: Sunday, January 24, 2021 10:53 PM
To: Eric May <Eric.May@yolocounty.org>
Cc: Richard Reed <Richard.Reed@yolocounty.org>
Subject: Re: Questions re: Yolo County / City of Davis Negotiations with UC Davis

Dear Eric,

I wonder if you have any further information regarding the outcome of the negotiated agreements with UC Davis?

Thank you for your help.

Sincerely,

Becky Steinbruner

831-685-2915

On Tuesday, January 12, 2021, 06:22:22 PM PST, Becky Steinbruner <<u>ki6tkb@yahoo.com</u>> wrote:

Dear Eric,

Thank you for your response. I am encouraged that the working relationships between UC Davis, Yolo County and the City of Davis have improved, and it gives me hope that Santa Cruz County and City can use your good efforts as our model.

There has been a history of adversarial regard that has only caused tension in the community and made the attorneys profit. Many of us, myself included, are ready to try a different approach. COVID has offered an inroad to better cooperation, as the UC Santa Cruz Biomolecular Dept. has recently provided testing supplies and given guest lectures on the matter, benefitting the community.

I look forward to hearing from you further after consulting with your colleagues.

Thanks so much,

Becky

831-685-2915

On Tuesday, January 12, 2021, 10:23:22 AM PST, Eric May <<u>eric.may@yolocounty.org</u>> wrote:

Hi Becky,

It is nice to meet you. I'm unaware of UC Davis being in violation of any terms of the MOU, and COVID likely gave us a bit of a breather on their growth and the demand for housing in the community.

My sense is that the relationship among the University, City, and County has improved in the last few years. I'm not sure how much the MOU contributed to that improvement, but it probably doesn't hurt to have certain policy issues ironed out in an agreed-upon document. The three entities also have been brought together by the COVID emergency to work together more, which hopefully will allow for more dialogue on housing issues when they (inevitably) come back to the fore.

I'm checking with some others within the County to see if they have any impressions that may diverge from mine, and will let you know if I hear back anything different.

Best,

Eric

Eric May Senior Deputy County Counsel, County of Yolo 625 Court Street, Room 201 | Woodland, CA 95695 Direct: (530) 666-8278 | Main: (530) 666-8172 Cell: (530) 400-8052 | Fax: (530) 666-8279

From: Becky Steinbruner [mailto:ki6tkb@yahoo.com]
Sent: Friday, January 8, 2021 11:24 PM
To: Eric May <<u>Eric.May@yolocounty.org</u>>
Cc: Richard Reed <<u>Richard.Reed@yolocounty.org</u>>; Becky Steinbruner <<u>ki6tkb@yahoo.com</u>>
Subject: Questions re: Yolo County / City of Davis Negotiations with UC Davis

Dear Mr. May,

I am contacting you at the suggestion of Mr. Richard Reed regarding my questions about Yolo County and City of Davis negotiated agreements made with UC Davis in 2018. I live in Santa Cruz County, and have studied the actions in your area, as I feel they could benefit my community's path forward with UC Santa Cruz. The problems and issues are the same.

Here is the article of interest that I found last year:

https://campusplanning.ucdavis.edu/news/city-davis-yolo-county-and-uc-davis-agree-memorandum-understandingpartnership-and-growth

I see that the agreements made were legally binding. My question to you is this: How is the agreement working out? Is UC honoring the terms, or are there still problems with inadequate numbers of beds to accommodate increasing enrollment numbers and the stress on local infrastructure? Perhaps the COVID restrictions have temporarily altered on-campus numbers, but I am curious about the success of the negotiated MOU.

Please feel free to telephone me at your convenience. Anytime Monday afternoon would work well for my schedule.

Thank you very much.

Sincerely,

Becky Steinbruner

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Santa Cruz Local Agency Formation Commission

Date:	March 3, 2021
To:	LAFCO Commissioners
From:	Joe Serrano, Executive Officer
Subject:	Press Articles during the Months of January and February

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.

Article #1: "Yvette Brooks, Mayor's message | Mayor sets her priorities for next year": The editorial, dated January 31, was an introductory piece by Commissioner Yvette Brooks. As the new Capitola Mayor, Ms. Brooks identified her top priorities for the City, such as supporting families during these challenging times, focusing on impartial policies, and developing a well-organized budget. Mayor Brooks has made it a goal to collaborate with local leaders to effectively serve the Capitola community.

Article #2: "Guest Commentary – LRDP a blueprint for future of campus" The editorial, dated February 7, was written by Cynthia Larive, UCSC Chancellor. Ms. Larive discussed the goal and intent of the University's 2021 UC Santa Cruz Long Range Development Plan and the accompanying draft Environmental Impact Report (EIR). It is the University's plan to address housing and academic needs for its future population. LAFCO recently sent a letter to the University with comments on the draft EIR.

<u>Article #3: "Public Law Newsletter – Winter 2021 Edition"</u> LAFCO staff receives periodic newsletters from Colantuono, Highsmith & Whatley PC, a law firm familiar with LAFCO and the Cortese-Knox-Hertzberg Act. This edition focuses on a number of interesting topics including a recent ruling on local taxes approved by a simple majority, and the latest redistricting cycle affecting local government boundaries.

Article #4: "Santa Cruz, Soquel Creek water propose extending pilot program": The article, dated February 22, highlights the strategic partnership between the City of Santa Cruz and the Soquel Creek Water District. Under this shared services agreement, the City will funnel excess surface water to the water district. The water-sharing concept was first approved in 2016. The proposed 5-year extension will continue the effort to ensure that residents have adequate water supply, maximize existing water infrastructure, and showcase how neighboring agencies can work together.

Articles #5 to #9: "Potential Water Consolidation involving Scotts Valley and San Lorenzo Valley Water Districts": During the month of February, there were several articles published regarding the potential consolidation between Scotts Valley and San Lorenzo Valley Water Districts. This staff report includes 5 articles that ran in local and out-of-county newspapers. Each article discussed how both agencies are merely exploring the idea of consolidation and highlighted how consolidation is a multi-year effort. The articles also refer to LAFCO's recent presentations at the water districts' board meetings held in February. At present, there is no intent to submit an application to LAFCO. A series of stakeholder meetings and evaluations are required before initiation is considered.

Respectfully Submitted,

Joe A. Serrano Executive Officer

Attachments:

- 1. "Yvette Brooks, Mayor's message | Mayor sets her priorities for next year"
- 2. "Guest Commentary LRDP a blueprint for future of campus"
- 3. "Public Law Newsletter Winter 2021 Edition"
- 4. "Santa Cruz, Soquel Creek water propose extending pilot program"
- 5. "North County water districts explore consolidation"
- 6. "Water Districts Consider Consolidating Agency Operations | Bay City News Services"
- 7. "Tensions boil over in SLV water merger meeting"
- 8. "Scotts Valley Water District votes to proceed exploring consolidation with SLVWD"
- 9. "Leap of faith: North County water districts toe line of merger talks"

8A: ATTACHMENT 1

Yvette Brooks, Mayor's message | Mayor sets her priorities for next year

Yvette Brooks

Fired PVUSD Superintendent Michelle Rodriguez reinstated

January 31, 2021 at 10:52 pm

It is my honor to serve as the new mayor for the City of Capitola. As we come upon a new year, I am eager to get to work with my fellow councilmembers. It is a privilege to serve on behalf of our community and its members.

My priorities as the new mayor are: to focus on strategic budget planning, to support families and their children and to ensure policy is created with an equity lens.

At our December City Council meeting, the council reviewed a budget revision stating that this quarter we did better than expected, therefore council unanimously passed to end the city's furlough and applied a COLA to staff.

In addition, the council unanimously passed a \$600,000 COVID contingency fund as a safeguard as we move into the next quarter. As we know, the city of Capitola has been significantly impacted by the pandemic. To date, the city has had to make huge budget cuts and this has greatly impacted our organization, businesses and members of the community.

In addition, the pandemic has impacted families all throughout the county and the city recognized this early on and was one of the first to open a program for children in our community. The city of Capitola currently offers an out-of-school program to support families within the Soquel School District to support families of essential workers.

Even during our most impacted year, the city managed to put the program together and offer scholarships with the help and funding support of the Soquel School District and Santa Cruz County. It is with great excitement to share that Santa Cruz County will continue funding support through the next year.

As the city continues to navigate through the pandemic, it is imperative we recognize the need of all our community members. To be able to do so, we must begin to look within our own organization.

In the next few months, the City Council will discuss training opportunities against racial bias, next steps on the city's current/outdated policies and possible training for internal staff. By taking these steps, the city can move forward in its quest to address social equity.

I am optimistic about the future of our city. As we continue to work together, wear masks, maintain social distancing and adhere to safety protocols to keep our families and others safe, we together can reduce the COVID infection rate and begin to rebuild our community and get back to business as normal.

If you have any questions and would like to reach out please do so by emailing me at <u>brooksforcitycouncil@gmail.com</u> or visit our website at <u>http://www.cityofcapitola.org/</u>.

I look forward to hearing from you.

Mayor's message is a Sunday column written by Capitola Mayor Yvette Brooks.

8A: ATTACHMENT 2

Guest Commentary | LRDP a blueprint for future of campus

Santa Cruz Sentinel

By Chancellor Cynthia Larive

UC Santa Cruz has always pursued excellence and aspired to distinction — in teaching, in research, in access to education, in public service. The incredible achievements we have seen in our relatively short history have not happened by chance. Our campus sustains a clear vision for its future, shaped partly through intensive planning efforts undertaken regularly over the span of our 55 years.

A draft of our latest effort, the 2021 UC Santa Cruz Long Range Development Plan, was released last month. It reflects four years of work by campus leaders and planners, plus extensive collaboration with campus and community members. It sketches in broad strokes how our main campus and Westside Research Park might develop over the next two decades.

Long-range planning is an inexact science. Our first LRDP, undertaken in 1963, assumed we'd have 27,500 students by 1990, roughly 9,000 more than we enroll today. It described a campus with 20 residential colleges and 10 professional schools extending across the entire 2,000 acres, from the meadows at the base of campus to the redwoods in the north. We currently have 10 colleges and one professional school, in engineering. But planning efforts of this magnitude are extremely valuable. They force us to ask hard questions about what we have accomplished and what directions the university might take in the future.

The challenging part is to translate the answers to these big questions into a land-use plan, which is what the LRDP is. It designates areas on campus for specific uses, such as housing, academic or recreational areas. It does not green-light growth. It simply details where future infrastructure would go if it is eventually needed and funded. Every future project would need some level of environmental analysis and its own approval before any earth is moved.

These are exciting times for our campus. UCSC joined the American Association of Universities this past academic year, underscoring the impact and quality of our research and teaching.

Demand for a UCSC education remains at record levels, the diversity in our student ranks is growing, and we are educating an increasing number of first-generation and low-income students. We rank among the top universities in the nation for student social mobility, suggesting we are on track in our mission to provide educational opportunity and access to all Californians. Our responsibility is figuring out how we will educate the next generation while protecting what makes UCSC special. This plan does that, charting an innovative and sustainable course for our campus.

The UCSC of 2040 will be more functional and flexible. Our footprint will remain compact, with new learning, research and housing spaces clustered in our existing academic core. New paths and street designs will make us less car-dependent. Campus natural reserves will be nearly double their current size. And here's a key point: We aim to house 100% of new student enrollment over the 19,500 students already planned for under our 2005 land-use plan. That not only lessens housing impacts in the city, but traffic, too. The plan also calls for additional employee housing. And all facilities will be integrated into the landscape, just as campus founders proposed nearly 60 years ago, highlighting our long-standing commitment to respect the campus natural environment.

The draft LRDP and the accompanying draft Environmental Impact Report are available online for review at lrdp.ucsc.edu. We want your feedback. We have created a community handbook that provides a summary of the detailed draft Environmental Impact Report and technical documents. There's a frequently asked questions webpage to help people understand the plan. The public comment period for our draft EIR extends to March 8.

This plan is a visual expression of our mission, detailing how we will advance it while stewarding the incredible land on which the university resides. Help us create a clear guide for the next 20 years.

Cynthia Larive is the chancellor of UC Santa Cruz.

GRASS VALLEY | PASADENA SACRAMENTO SOLANO BEACH | SONOMA

COLANTUONO, HIGHSMITH & WHATLEY PC

Winter 2021

Newsletter

Update on Public Law CHW Grows!

CHW had a growth spurt in 2021, opening three new offices and adding lawyers and cities to our team.

On February 1st, the municipal lawyers of Walter & Pistole joined CHW, bringing the cities of Martinez, Novato, and Sonoma into the CHW family. Jeffrey A. Walter is the City Attorney of the three and joins CHW as a shareholder and brings 45 years' legal experience. W&P's Sonoma office is now CHW's North SF Bay office. Jeff previously served Benicia, Corte Madera, and Cotati as City Attorney, is special counsel to the Sonoma County Civil Service Commission, and has served other districts and agencies as general counsel. He has an AV Preeminent rating from Martindale-Hubbell and was honored as a Northern California Super Lawyer in 2010. Jeff's practice focuses on all aspects of municipal law, including land use, taxation, development fees, elections, initiatives, and referenda.

Also joining our North SF Bay team is **John A. Abaci**, a 27-year lawyer who handles both advisory and litigation matters. John has been a litigator since 1994, initially as a deputy DA handling consumer protection and insurance fraud prosecutions and, since 1998, for municipal clients. He has litigated a variety of cases, including personal injury, inverse condemnation, nuisance abatement, disability, and civil rights. He also advises public agencies on a wide range of matters including government claims, law enforcement, personnel, public records, and public works. John's current cases include an arbitration with PG&E over the reopening of Richmond's franchise agreement and police liability defense matters for the City of Vallejo. He joins us as Senior Counsel.

Others on the North SF Bay team are land use lawyer **David L. Zaltsman**, with 36 years' experience, and labor and employment lawyer **Jennifer M. Vuillermet**, with 25 years' experience. They join us Of Counsel.

(Continued on page 3)

COLANTUONO HIGHSMITH WHATLEY, PC

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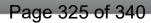
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Good News on Local Tax Authority

By Michael G. Colantuono

Recent court decisions provide good news for local taxing authority. Howard Jarvis Taxpayers Association v. City and County of San Francisco is the latest of three decisions — from appellate courts in San Francisco and Fresno — concluding that special taxes proposed by initiative may be approved by a simple majority of voters. Special taxes are those the proceeds of which are legally restricted to a particular purpose, like public safety. Before the California Supreme Court's 2017 decision in California Cannabis Coalition v. City of Upland, the law had required two-thirds voter approval of special taxes whether proposed by local government officials or by initiative petition. Citing that case, the Court of Appeal concluded in 2020 that San Francisco's Proposition C was validly approved by a simple majority of voters because it was proposed by initiative. This year's Fresno decision closely followed the reasoning of that earlier case. This latest San Francisco case adds one more point — the fact that a San Francisco Supervisor was an initiative proponent, using his City Hall address, did not change the result. There are strict rules against using public resources to urge a "yes" or a "no" vote once a measure is on the ballot, however.

The Howard Jarvis Taxpayers Association sought rehearing in the latest San Francisco case and can be expected to seek review in the California Supreme Court, as it did in the Fresno case. The Supreme Court has until March 29 to act on its Fresno petition. Given that the Supreme Court denied review in the first San Francisco case, it may not take up the issue. If so, *Upland*'s suggestion has become the holding of these three cases and settled law.

Wyatt v. City of Sacramento is the latest chapter in ample litigation of transfers from utility funds to cities' and counties' general funds under 1996's Proposition 218 and 2010's Proposition 26. Some of those cases led to settlements by which cities agreed to seek voter approval of general fund transfers (GFTs) as taxes. Sacramento obtained voter approval of its GFT in 1998 — just two years after Proposition 218 and without pressure of a suit. The trial court concluded decades later the measure violated Proposition 218's requirement that utility rate proceeds be spent only on utility services. On January 29, 2021, the Sacramento Court of Appeal gave Sacramento and CHW a win, concluding Proposition 218 did not limit voters' power to approve utility users taxes. This is an important victory, not only for cities which have voterapproved GFTs, but for the 104 cities and counties which have utility users taxes, as the logic of the trial court (and of a similar ruling against Long Beach) could undermine all such taxes. Wyatt will likely seek review in the California Supreme Court and the Long Beach case is pending in the LA Court of Appeal, but this is very good news for local governments and those who depend on their services. For more information, contact Michael at MColantuono@chwlaw.us or (530) 432-7359.

We've Got Webinars!

CH&W offers webinars on a variety of public law topics including mandatory policies on watermeter shutoffs; new and proposed housing statutes; personnel, public works, and management issues under COVID-19; and police personnel records.

Current topics are listed on our website under "Resources." Our webinars provide advice and Q&A for public agency counsel and staff in an attorney-client-privileged setting for \$1,000 per agency.

To schedule a webinar, contact Bill Weech at BWeech@chwlaw.us or (213) 542-5700.

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FAIR MAPS Redistricting Bootcamp

By Holly O. Whatley and Pamela K. Graham

The redistricting cycle following the 2020 Census will be unique. All local governments with districts must comply with the recently enacted FAIR MAPs Act's demanding procedural and substantive criteria.

The clock is ticking. Census data are typically available by April 1, but COVID-19 has delayed release to September 30 (with another 30 days needed for State prisoner reallocations).

2020's Assembly Bill 1276 (Bonta, D-Alameda) extended deadlines to these:

• Cities and counties with regular elections between January 1 and July 1, 2022 must draw districts not later than 174 days before that election. For cities and counties with June 7, 2022 elections, the deadline is December 15, 2021.

• Cities and counties with the next regular election occurring on or after July 1, 2022 must adopt district boundaries not later than 205 days before that election. For municipalities with November 8, 2022 elections, the deadline is April 17, 2022.

• Charter city deadlines are the same unless a different deadline is adopted by ordinance or charter provision before October 1, 2021.

Substantively, district boundaries must comply with the U.S. and California Constitutions and the federal Voting Rights Act, and must be "substantially equal" in population, with only minor deviations permitted. The FAIR MAPs Act also requires districts be geographically contiguous; respect local neighborhoods and communities of interest; be easily identifiable; accomplish geographic compactness; and neither favor nor discriminate against political parties.

Procedurally, cities must hold at least four public hearings — at least one before drawing a map and at least two after. To increase public participation, those public hearings require five days' notice, with draft maps published at least seven days before adoption, and public access to demographic and mapping data, among other requirements. For communities which must act by December 15, 2021, these must begin before Census data is released on September 30, 2021 — perhaps relying on state Department of Finance and other data which give a sense of what the Census data will show.

Local jurisdictions should begin to prepare now. Hire the necessary demographer. Decide whether to use a citizens' commission. Start developing your website and calendar.

Our redistricting team is here to help you through this process.

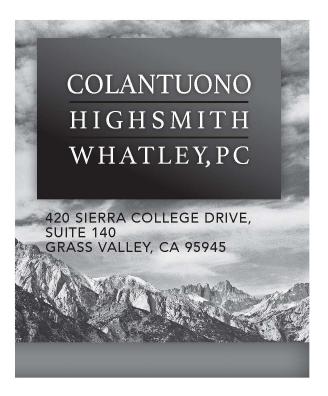
For more information, contact Holly at HWhatley@chwlaw.us or (213) 542-5704 or Pamela at PGraham@chwlaw.us or (213) 542-5702.

CHW Grows!

(cont. from page 1) On January 4th, **Alena Shamos** joined us as the anchor of our new **San Diego County** office in Solana Beach. In her 20th year of practice, Alena is a litigator with a wide range of experience serving local governments in San Diego County. Her current cases include election, marijuana, post-redevelopment, and land use matters, including two petitions for review pending in the California Supreme Court in land use and inverse condemnation disputes. She joins us as Senior Counsel.

Finally, we have opened an office in **Sacramento** to be anchored by shareholder **Gary B. Bell**, City Attorney of Auburn and Town Attorney of Yountville and **Ryan A. Reed**, Assistant City Attorney of Auburn and Grass Valley and Assistant Town Attorney of Yountville. Gary and Ryan serve a number of our special district clients, too.

An exciting time of growth for CHW!



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NEWS > ENVIRONMENT

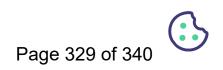
Santa Cruz, Soquel Creek water propose extending pilot program

The program launched in 2016, but water staff say more data is needed



A fisherman floats along the surface of the Loch Lomond reservoir on a quiet Sunday morning outside of Lompico. Loch Lomond serves as a source for Santa Cruz's drinking water supply. (Kevin Johnson — Santa Cruz Sentinel file)

By **HANNAH HAGEMANN** | hhagemann@santacruzsentinel.com | PUBLISHED: February 22, 2021 at 4:35 p.m. | UPDATED: February 22, 2021 at 4:51 p.m.



SANTA CRUZ — The Santa Cruz City Council is poised to approve a 5-year extension between the City and Soquel Creek Water Districts on a pilot program that would funnel excess surface water to Soquel Creek during winter months, in hopes of bolstering overdrawn groundwater supply there.

That surface water, on average, is projected to be around 115 million gallons delivered by Santa Cruz Water to Soquel Creek during the wet season, which would take strain off pumping the Santa Cruz Mid-County Groundwater Basin. If formalized, the agreement could allow that aquifer to refill naturally, and armor against seawater infiltrating underground water supply. That would theoretically also boost the City's drinking water supply, in the long-term.

The water-sharing pilot program was first approved in 2016, but drought conditions limited longer-term data collection, according to Santa Cruz Water Director Rosemary Menard.

"We need to understand more about how this works, about how the aquifer responds, one season of trying isn't enough," Menard said.

So far, water district staff have only been able to test the pilot program for one full wet season. The extension would authorize the water suppliers to gather data for an additional five winter seasons.

To get surface water to Soquel Creek customer's taps, it requires mixing groundwater and surface water sources. That intermingling can impact water quality.

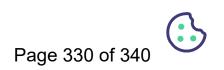
Groundwater sources, in general, contains higher levels of dissolved minerals, such as calcium or iron, compared to surface water, Menard said. Those drinking water surfaces above ground also have higher levels of oxygen. When intermixed, chemical reactions between the two types of water can impact things such as drinking water color.

"The 2018 to 2019 winter tests did demonstrate that there was not an issue, water quality parameters were measured carefully, we didn't see anything that was a concern, but more years of evaluation are better than a single cycle," Menard said.

The pilot program is just one strategy of many to try and boost Santa Cruz County's water supply. It will take more than one option to combat shorter and more sporadic wet seasons, the water director said.

"This water — it's quantity-limited — there's not an endless supply of it, it's not available in some years, like this one or last year, while it will be quite available in other years," Menard said.

On the upside, because the water-sharing program would utilize existing water infrastructure, it's relatively low-cost compared to other options, Menard said.



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If the amended pilot program is passed by City Council members, Soquel Creek Water would pay \$1,930-per-million-gallons transferred. As it is now, water staff projected an average of 115 million gallons could be transferred from the City to Soquel Creek from November through April.

"If it can be used as part of a longer-term strategy, then that's good, but I'm pretty sure that the amount we have available, is not reliably available, and it won't solve everybody's problem," Menard said. "The system, especially with the climate change impact, is seeing more dry years, more wet years, fewer normal years."

Upcoming meetings

What: Santa Cruz City Council Meeting

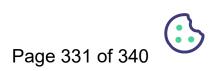
When: 1:00 p.m., Feb. 23.

Wilagre: https://soletbers/j/94684401344

To participate via phone: 1-833-548-0276



Hagemann



North County water districts explore consolidation | Press Banner

By: Staff Report

SANTA CRUZ MOUNTAINS—Today the San Lorenzo Valley Water District (SLVWD) and Scotts Valley Water District (SVWD) announced their respective boards of directors will consider possibly consolidating the agencies' operations in the future.

Boards from both water districts will learn more about the consolidation process when Joe Serrano, executive officer of the Santa Cruz Local Agency Formation Commission (LAFCO), provides an overview presentation about the consolidation process at each district's respective board meeting. SLVWD meets <u>Feb. 4</u>, and SVWD will meet <u>Feb. 11</u>.

"LAFCOs were created to support how municipal services, such as water, are delivered. It is encouraging to see that the two water districts continue to collectively search for ways to ensure that their constituents have adequate water supply through a strong level of service," Serrano said. "Consolidation is simply another tool that districts can utilize to improve how water is delivered."

Staff from SVWD and SLVWD meet regularly to discuss issues of mutual concern and find ways to enhance the efficiency of both agencies through collaborative efforts. Staff from both water districts agree there is the potential of substantial benefits by joining the two agencies.

"This is a collaborative effort to consider what is best for our customers, our water supply and our environment now and into the future," SLVWD Manager Rick Rogers said. "It's a good time to consider our options and have a conversation with the community."

Said SVWD Manager Piret Harmon: "We think we have complementary strengths that are worth a public review for potential to benefit customers and employees of both districts. Specific benefits of merged operation could mean economies of scale, improved levels of customer service and more opportunities for employees."

SLVWD and SVWD both draw water from the Santa Margarita Groundwater Basin, a series of aquifers in the region. They also are connected through an intertie system, allowing them to share water during emergency situations.

The process of consolidation, which is facilitated by LAFCO, begins with an exploratory phase of at least one year that includes an analysis of both districts and input from a stakeholder group that includes representatives from both districts. If the feasibility study is favorable to consolidation, the districts can apply for a change of governance with LAFCO. There would be multiple opportunities for public engagement and feedback, followed by a specified period during which customers would have an opportunity to support or oppose the proposal. Following public review, the two boards could only approve consolidation if it is not opposed by a majority of ratepayers.

The SLVWD board meets at 5:30 p.m. on Thursday, Feb. 4.

Join the meeting online: https://us02web.zoom.us/j/82075782498

or call +1 669 900 6833

Webinar ID: 820 7578 2498

The SVWD board meets at 6 p.m. on Thursday, Feb. 11.

Join the meeting online: https://global.gotomeeting.com/join/488730213

or call (646) 749-3122

Access Code 488-730-213

8A: ATTACHMENT 6 Water Districts Consider Consolidating Agency Operations

Bay City News Service

Two water districts in Santa Cruz County -- the San Lorenzo Valley Water District and the Scotts Valley Water District -- are considering consolidating their operations, officials announced on Wednesday.

Both districts draw water from the same series of aquifers in the region known as the Santa Margarita Groundwater Basin. They are also connected through a system that allows the districts to share water during an emergency.

Their proximity and shared goals, in addition to staff meeting together regularly, are among reasons representatives believe consolidation may be a good idea.

"This is a collaborative effort to consider what is best for our customers, our water supply and our environment now and into the future," San Lorenzo Valley Water District Manager Rick Rogers said. "It's a good time to consider our options and have a conversation with the community."

Piret Harmon, manager of the Scotts Valley Water District echoed similar sentiment and said both districts have "complementary strengths," which merit consideration for consolidation.

"Specific benefits of merged operation could mean economies of scale, improved levels of customer service and more opportunities for employees," Harmon said.

But it will still be at least a year before consolidation can occur.

That is because the Santa Cruz Local Agency Formation Commission (LAFCO) begins the process of consolidation with an exploratory phase of at least a year.

In that year, LAFCO will analyze the water districts and collect input from a stakeholder group consisting of representatives from each district.

If LAFCO's study is favorable to consolidation, the districts can then apply for a change of governance.

"LAFCOs were created to support how municipal services, such as water, are delivered," Joe Serrano, executive director of the county's LAFCO said. "It is encouraging to see that the two water districts continue to collectively search for ways to ensure that their constituents have adequate water supply through a strong level of service."

Before the exploratory phase of consolidation can occur, Serrano will provide an overview of the process at each water district's board meeting.

Throughout the exploratory process, residents will have "multiple opportunities" for public engagement and feedback, water district officials said in a statement.

There will also be a specific period where customers have the opportunity to oppose or support consolidation. Consolidation can also only pass if it not opposed by majority of ratepayers.

Serrano said that consolidation is "simply another tool that districts can utilize to improve how water is delivered."

Serrano will give his consolidation overview presentation to the San Lorenzo Valley Water District on Thursday Feb 4 at 5:30 p.m.

To attend the virtual meeting visit https://us02web.zoom.us/j/82075782498 or call (669) 900-6833 (Webinar ID: 820 7578 2498).

The Scotts Valley Water District will hear the presentation the following week on Thursday Feb. 11 at 6 p.m. The virtual meeting can be accessed at https://global.gotomeeting.com/join/488730213 or by calling (646) 749-3122 (Access Code: 488 730 213).

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Tensions boil over in SLV water merger meeting | Press Banner

By: Christina Wise

In a tense, two-and-a-half-hour board meeting on Feb. 4 that included more than 100 attendees, San Lorenzo Valley Water District (SLVWD) broached the subject of a potential merger with Scotts Valley Water District (SVWD).

The reaction from those who attended the Zoom meeting was anything but subtle: the majority opposed the idea, and representatives of SLVWD found themselves back on their heels from the opening salvo.

SLVWD is no stranger to drama around mergers. FLOW (Friends of Locally Owned Water), a Felton-based advocacy group, was born in 2002 after the Felton Water system was purchased by New Jersey utility company American Water Works, which was under the control of overseas conglomerate RWE from 2001-08. Cal-Am Water, an American Water subsidiary based in California, attempted to increase Felton water rates by 74%. After six years of working with local leaders, including then-Felton Representative Mark Stone, FLOW saw Cal-Am Water and SLVWD come to an agreement in 2008 for the town's water to, once again, be controlled locally.

Then came the merger with the Lompico County Water District (LCWD) in June 2016. The result was an increase of 500 water hookups for SLVWD, and a \$2.75 million dollar bond that would be paid via property taxes over a 30-year term. LCWD had no general manager, and the district was run by then-Board President Lois Henry (who recently finished her term as SLVWD Board President).

The troubled utility discovered a raft of issues with its bookkeeper (arrested for embezzlement in 2010) and its director, who was fired in early 2010 for "mismanagement." The only option to keep Lompico residents "in water" at a reasonable price was the SLVWD merger; although some residents were opposed to the idea, the general perception was that it was a necessary step for the community.

On Feb. 2, SLVWD threw its ratepayers for yet another loop when the utility issued a press release regarding their intent to begin a conversation around a potential merger with SVWD. A day later, an <u>online petition</u> was circling, and by early Wednesday morning, nearly 1,500 residents had added their names in opposition to the proposal.

While the districts share boundaries, aquifers and priorities, each has carved out its own means of serving its residents. While the SLVWD was established in 1941 as an independent special district, SVWD wasn't formed until 20 years later under the County Water District Act. Both districts are governed by a five-member board of directors, elected at-large from within the district's service area, but each has vastly different geographical makeups.

SLVWD covers 60 square miles of challenging, mountainous terrain providing service to approximately 7,900 connections. SVWD is only six square miles and services its population through 4,200 service connections.

SLVWD's website says the district "relies on both surface water and groundwater Page 334 of 340 resources, including nine currently active stream diversions, one groundwater spring, and eight active groundwater wells. The District owns, operates, and maintains two water systems from separate water sources. These sources are derived solely from rainfall within the San Lorenzo River watershed."

The Mañana Woods neighborhood, and the Vista Del Lago and Spring Lakes Mobile Home Parks, all located in Scotts Valley, are served by SLVWD.

Both districts share water from the Santa Margarita Groundwater Agency (SMGA). Established in 2017, the agency covers a 30 square mile geographical area including parts of Boulder Creek, Brookdale, Lompico, Zayante, Ben Lomond, Mount Hermon and Scotts Valley. Although SMGA is the most easily accessible aquifer in the region, there are three other layered aquifers beneath it, each providing water support to area customers, including those on well water. The deepest water deposit, the Butano aquifer, is only accessed by SVWD.

The longtime rivalry between the two valleys was on full display in the Feb. 4 meeting, as residents from both regions did not mince words when it came to vilifying their neighbors. San Lorenzo Valley attendees spoke of the cultural differences, citing a chasm between the values of the two areas, and shared concerns about stolen water, a lack of local control and a fierce resistance to supporting what many see as Scotts Valley's attempt to acquire water for their expanding population.

A SVWD employee called in to say he was opposed to the merger, and one attendee called it "the worst idea since the pet rock."

Two days later, SLVWD board member Tina To released a statement in an effort to tamp down the rhetoric, but the damage had been done. The statement has since been taken down on advice by the district's legal counsel.

Leaders from both districts have yet to say what is the impetus for merging at this point? SLVWD Director Rick Rogers boiled it down to a cost-savings event, citing the destruction to the watershed and infrastructure following the CZU August Lightning Complex fires that resulted in a melted water main, the destruction of holding tanks and the loss of over 1,000,000 gallons of water.

It is unclear if the merger will mean Scotts Valley residents will be dragooned to help the San Lorenzo Valley utility regain its financial footing. Future rate hikes are a strong possibility to replace the infrastructure lost to the CZU fires, and those ratepayers could be left in financial hurt if the merger is shot down.

The SVWD board meets tonight (Feb. 11) at 6pm. Join the meeting online: <u>global.gotomeeting.com/join/488730213</u> or call (646) 749-3122 and enter access Code 488-730-213.

Scotts Valley Water District votes to proceed exploring consolidation with San Lorenzo Valley Water District

Hannah Hagemann

SCOTTS VALLEY — The Scotts Valley Water District board voted Thursday night to move forward in exploring a possible merger with the San Lorenzo Valley Water District, a motion contingent upon San Lorenzo Valley board staff voting to do the same.

It's the first step of a multi-year process, that investigates the possibility of consolidating the two water agencies, into one, new water supplier.

During Thursday's meeting, district General Manager Piret Harmon, voiced her support on examining the possibility of a merger and laid out similarities of the two water suppliers.

"This could be a relationship," Harmon said. "We have complementary strengths, and I'm curious to dig a little deeper."

According to Harmon, water demand is projected to increase in Scotts Valley by approximately .3% per year, and in the San Lorenzo Valley by .2% per year. The two water suppliers both utilize the Santa Margarita Groundwater Basin — which is currently in a state of overdraft — for drinking water. They also share customers, who receive recycled water from the Scotts Valley Water District and drinking water from San Lorenzo Valley Water District, Harmon said.

How merger process works

Both water districts are currently in the "consideration" phase of a possible consolidation. The merger process is governed by The Local Agency Formation Commission. There are 58 LAFCO's, which operate in every California county, including Santa Cruz.

Before an application for a merger to take place can be submitted, research and studies need to be done.

"There needs to be evidence to justify this new venture," Joe Serrano, executive director with The Local Agency Formation Commission of Santa Cruz County said Thursday. "The first step should be the board giving direction to their staff to look into this, to explore the idea. This allows staff and water districts to begin analyzing whether consolidation makes sense financially, operation wise and more importantly, does it benefit the residents."

That research phase may include the formation of a working group, and the hiring of a consultant to complete a feasibility study. The results of that study, which should explore financial cost benefits, questions on conservation, as well as water demand, and associated service changes, must be presented to the public, according to Serrano.

If an application is submitted for the consolidation of the two water districts, the Santa Cruz County LAFCO will largely base their approval on that feasibility study, as well as comments from the public and water customers. Residents will have further opportunity to voice their opinion, even if that application is approved.

First, after a approval follows 30-day period during which community members could submit new evidence to LAFCO on how the consolidation might impact them. Second, a protest period would take place, during which affected registered voters and landowners could submit "petitions of opposition" against the merger. If the Santa Cruz County LAFCO receives less than 25% opposition, the consolidation between the two water districts would stand as approved by LAFCO. If opposition ranges from 25% to 50%, a special election would be triggered. If more than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger than 50% of impacted voters and landowners oppose the water district merger district merge

consolidation would not move forward, according to Serrano.

Community feedback

It's early in the possible consolidation process. Still, residents, staff and board members alike raised concerns about the challenges of merging the two distinct water districts.

During the Thursday meeting, Scotts Valley resident Michael Schulman, inquired about infrastructure repairs, due to the CZU Lightning Complex fire and other future potential natural disasters, raising concerns about San Lorenzo Valley water tanks and pipelines being "subject to pretty harsh conditions." Schulman also brought up the differences in community makeup.

"The board here in Scotts Valley represents a certain community. The board in SLV represents a community. And we have some distinct differences in our community," Schulman said.

Those differences were brought up by other community members, such as water consumption habits, and cultural contrasts between more rural communities, including some unincorporated areas such as Lompico, and a more quickly-developing Scotts Valley.

A San Lorenzo Valley change.org petition has more than 1,400 signatures, urging the water districts to not merge.

"I feel like the concern for us, for us in smaller communities, especially those who aren't incorporated, if there is a disagreement or when priorities are made, we don't get the same sort of consideration because we don't have the same representation," San Lorenzo Valley resident Jade Herrick said during a Feb. 4 San Lorenzo Valley Water District meeting.

The San Lorenzo Valley Water District board delayed its vote on proceeding into an exploration phase.

It's unclear when the water district will meet again to make a decision. The Scott's Valley Water District board vote hinges on San Lorenzo formally expressing interest in a merger.

"We don't want to take over San Lorenzo Valley Water District," Ruth Stiles, vice president of the Scotts Valley Water District said Thursday. "If this happens, this would be a new agency, most likely with new higher management, probably with district elections. And it would be a coming together rather than us dominating you or you dominating us."

San Lorenzo Valley Water District Manager Rick Rogers said during that first meeting on Feb. 4, that he was interested in moving forward in the process.

"I feel strongly the district should cautiously explore a possible consideration of these two agencies. It's far from a down deal, there's a lot of work to be done," Rogers said.

Leap of faith: North County water districts toe line of merger talks

Staff Report

By Katie Evans & Christina Wise

The San Lorenzo Valley Water District (SLVWD) and Scotts Valley Water District (SVWD) have considered beginning studies on the impact of a potential consolidation of the two districts.

Both boards hosted Joe Serrano, the Local Agency Formation Commission (LAFCO) Executive Officer, who presented <u>a roadmap for the potential consolidation process</u>. SLVWD hosted an impassioned—and at times vitriolic—meeting about the merger on Feb. 4. SVWD hosted its own meeting a week later and took its first steps toward considering the merger.

Ultimately, the latter passed a conditional motion that staff should begin analysis of consolidation if, and only if, SLVWD also directs staff to explore the possibility. After an inconclusive meeting on Feb. 4, that board will return to the subject in its meeting on March 4.

IN THE MOUNTAINS

For the past five years, the agencies' general managers, Piret Harmon (SVWD) and Rick Rogers (SLVWD), had regular monthly meetings. They'd discuss the direction of their districts, and share best practices. Rogers says the inter-district collegiality was a refreshing new approach considering the previous rivalry, and it's been a benefit to each district.

"Scotts Valley was the lead agency on the Regional Intertie Project back in 2013 that resulted in a \$3.917 million grant benefitting five different local water agencies, including SLV." Rogers said. "Currently, we're working on the joint Urban Water Management Plan document, and we're seeing that there are significant savings by combining the districts and using one consultant."

When the topic of merging the two districts came up, both Harmon and Rogers agreed to take the idea to their boards. Both boards agreed to add the idea to their respective meeting agendas, and that's when things started rocking.

"Neither of us wanted to appear as the aggressor in this situation, so we tried to roll it out at the same time," Rogers said. "We had talked about this before the CZU August Lightning Complex fire began, so the idea had been on hold since early August. I know people were questioning the timing of introducing the merger, but we'd been sitting on it for six months."

As for the overall reaction from SLV residents at the Feb. 4 board meeting, Rogers says he wasn't surprised.

"People are passionate about this topic, but you won't see residents with balloons Page 338 of 340 standing at the light in Felton in favor of it," he said. "All of us drive through Scotts Valley, and you look at their growth and wonder if they have enough water. In reality, Scotts Valley's demand has remained the same—their pumping has decreased by 40 percent from their historical highs in the '90s."

Rogers says that he, Harmon, and several key members of Harmon's staff are knocking on retirement's door. By looking at consolidating the districts, Rogers sees the financial benefit of slimming down operations.

"Think about the savings of running one administrative building, only having one manager/director, and reducing overhead costs," he said.

For now, the two districts are flowing down the same stream in unison. They both draw from the same aquifers and they're working hand-in-hand on restoring them under the Santa Margarita Groundwater Agency to reach sustainability by 2042.

"Usually, when a merger happens, it's because one agency needs something from the other. In this case, I think we need each other," Rogers said. "We're both small districts, and in order to keep rates low, invest in capital improvements and comply with state regulations, we need a solid customer base to increase revenue. Our district is struggling with increased operational costs, and there aren't a lot of areas to reduce expenditures. We need to explore the benefits of consolidation—that includes doing some studies and answering folks' top questions—but I see this as a move that will strengthen both of our districts."

While residents are concerned about the impacts of a merger, Rogers is worried about what happens if the consolidation doesn't happen and another, larger agency such as Santa Cruz of San Jose merges with Scotts Valley.

"We already have over 1,000 water connections in Scotts Valley; ultimately, combining the two districts strengthens our position with groundwater and surface water. It gives us greater control, and I think it's a good fit," he said. "We'll need surveys done, and we'll need data reports from our engineers, and that information will help answer a lot of the residents' questions. The best way to control our water supply is to have local management of it, so I see a lot of positives."

At the March 4 meeting, the board will have a conversation about getting basic preliminary information regarding the merger. Rogers hopes that will help the SLV board determine if they want to pursue the idea.

"No decisions have been made, no actions have been taken," he said. "It's strictly exploratory; we're looking at a minimum of two years of board meetings to get information to our ratepayers, and it's up to both boards as to whether they want to move forward with that exploration."

DOWN THE VALLEY

Harmon echoed Rogers at the SVWD Feb. 11 meeting, saying that the meeting was "this is the first step of the first step, just to see if the board is interested in giving staff direction."

"Let's see if there is merit to this proposal. I'm not convinced there is," she said. "We may come out of this study and find that there are as many downsides as merits. But I am a person of facts and I need to look at something tangible and quantifiable to bring a recommendation to the board."

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During public comment participants voiced concerns over the cost of conducting analysis, differing consumption rates between the two valleys and employee representation. Harmon struggled to see a disadvantage in considering consolidation.

"I'm too much of an engineer for that, everything should be evaluated for efficiency, unless it's too expensive or our partner is unwilling from the get-go," she said.

According to Serrano, if both boards direct staff to begin analysis, LAFCO would fund one-third of the fee for an outside consultant hired to conduct a detailed analysis.

The trouble, Director Chris Perri said, is both agencies—staff and ratepayers—need to be willing to merge.

"If they're not taking an action, I don't want it to appear as though we are the ones driving this," he said.

Director Wade Leishman echoed Perri: "It feels like we're both strapped up to bungee cords at the end of the bridge, holding hands, saying, 'You jump first,' 'No you.'

"The first person might jump and the second person could stand there and change his mind... If we jump first, then we are the aggressor. We are trying to take over, that's the message," he said. "Until we're really sure they're a willing participant... I worry about jumping off the bridge first. I'd like to be hand-in-hand."

Harmon originally proposed consolidation to Rogers because of the potential increases in efficiency of both districts. According to Harmon, consolidation could allow for the elimination of many redundancies such as top executive positions, support services (legal counsels, auditors, public outreach, web hosting) and professional services (integrated regional water management agencies, LAFCO, engineering consulting, hydrogeological consulting). Consolidation could also reduce time spent on regulatory reports, lead to better utilization of assets, and larger departments would provide better customer service coverage, Harmon says.

"All of this is expected to result in increased efficiency, reduced operating expenses, lower rate increases, improved customer service, increased job satisfaction, and productivity," she said.

Consolidation might also improve the work environment, she says.

Despite the potential positives, some SVWD staff expressed concerns during the board meeting, calling into question the timing of the move. Harmon said change is always difficult, and even more so when so little information is available.

"I'm very proud of them, that they came forward with their fears," she said. "I heard from them some great ideas. I want to make sure, if it were to go forward, that they can be part of designing the new organization."

For now, the districts await the March 4 meeting.

"Based on what they heard from us, I hope that the [SLVWD Board] will decide to act," Harmon said. "For now, it's a waiting game."

Get in touch with the Scotts Valley Board of Directors at <u>https://www.svwd.org</u>/<u>board</u>. Read up on the Feb. 11 meeting at <u>https://www.svwd.org/board-meetings</u>.

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