



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

ADOPTED MINUTES

LAFCO REGULAR MEETING AGENDA

**Wednesday, September 1, 2021
Start Time - 9:00 a.m.**

1. ROLL CALL

Chair Justin Cummings called the meeting of the Local Agency Formation Commission of Santa Cruz County (LAFCO) to order at 9:00 a.m. and welcomed everyone in attendance. He asked the Commission Clerk to conduct roll call.

The following Commissioners were present:

- Chair Justin Cummings
- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Zach Friend
- Alternate Commissioner Ed Banks
- Alternate Commissioner Yvette Brooks
- Alternate Commissioner John Hunt

The following LAFCO staff members were present:

- Executive Officer Joe Serrano
- Commission Clerk Chris Carpenter

2. EXECUTIVE OFFICER'S MESSAGE

2a. In-Person Meeting Protocol

Executive Officer Joe Serrano announced that the Commission Meeting is being conducted virtually through the Zoom Webinar platform and participation by Commissioners and staff are from remote locations. Members of the public will have access to the meeting by phone or online. Mr. Serrano anticipates conducting the next LAFCO meetings remotely for the remainder of the year due to the ongoing rise in COVID cases in California.

2b. Countywide Fire Report

Executive Officer Joe Serrano indicated that an administrative copy of the countywide service and sphere review regarding fire protection was distributed to the 13 local agencies analyzed in the report. This is an opportunity for the affected agencies' staff to review and provide comments to LAFCO's analysis and findings. The deadline to submit any comments or edits will be Friday, September 17. Mr. Serrano believes that the final version of the countywide report will be available for the public by mid-September. The final version will be presented to the Commission during the October Regular Meeting. He also provided an update on the Branciforte Fire Protection District and its preparation to assume all internal operations after September 30, which is the date their contractual agreement with Scotts Valley Fire Protection District officially ends.

Chair Justin Cummings asked if the Branciforte Fire Protection District has the capacity to assume the internal operations without affecting the current level of service and also asked if there are any plans in place to guide the District forward. **Executive Officer Joe Serrano** noted that the District only has three full-time firefighters currently staffed and only 1 firefighter is on duty on any given shift. Mr. Serrano stated that the District has relied heavily in the past on volunteers and mutual aid agreements with neighboring districts. Approximately 40% of calls within the Branciforte community are responded first by outside fire districts, primarily the Scotts Valley Fire Protection District. LAFCO staff continues to encourage the District to develop a strategic plan outlining how internal and external operations will be managed and executed.

3. ADOPTION OF MINUTES

Chair Justin Cummings requested public comments on the draft minutes. **Executive Officer Joe Serrano** noted no public comments were received. **Chair Justin Cummings** closed public comments.

Chair Justin Cummings called for the approval of the draft minutes. **Commissioner Roger Anderson** motioned for approval of the August 4th Meeting Minutes and **Commissioner Jim Anderson** seconded the motion.

Chair Justin Cummings called for a roll call vote on the approval of the draft minutes with no changes. **Commission Clerk Chris Carpenter** conducted a roll call vote on the item.

MOTION: Roger Anderson

SECOND: Jim Anderson

FOR: Roger Anderson, Jim Anderson, Yvette Brooks, Justin Cummings, and Zach Friend.

AGAINST: None

ABSTAIN: Manu Koenig

MOTION PASSED: 5-0-1

4. ORAL COMMUNICATIONS

Chair Justin Cummings requested public comments on any non-agenda items. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission. **Chair Justin Cummings** closed public comments.

5. PUBLIC HEARINGS

Chair Justin Cummings indicated that there were no public hearing items for Commission consideration today.

6. OTHER BUSINESS

Chair Justin Cummings indicated that there are three business items for Commission consideration today.

6a. List of Extraterritorial Service Agreements

Chair Justin Cummings requested staff to provide a presentation on the extraterritorial service agreements (ESAs) currently active throughout Santa Cruz County.

Executive Officer Joe Serrano noted that there are 41 active ESAs. Mr. Serrano highlighted the number of ESAs associated with the affected agency: Central Water District has 1 ESA, City of Santa Cruz has 5 ESAs, City of Scotts Valley has 9 ESAs, City of Watsonville has 17 ESAs, County Service Area 26 has 1 ESA, Davenport County Sanitation District has 1 ESA, Scotts Valley Water District has 2 ESAs, and Soquel Creek Water District has 5 ESAs. Mr. Serrano stated that approximately 66% of all active ESAs involved the delivery of water. He explained that ESAs are meant to be temporary and a precursor to annexation. However, some of these ESAs have been in place for decades. He recommends that the Commission direct staff to send letters to the affected agencies requesting them to develop an annexation plan by March 31, 2022.

Chair Justin Cummings requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission. **Chair Justin Cummings** closed public comments.

Chair Justin Cummings called for Commission comments on the ESA List.

Commissioner John Hunt acknowledged staff's effort in developing detailed maps to help understand the location of each ESA in relation to the affected agencies' boundaries.

Commissioner Jim Anderson noted that some residents prefer not being part of the affected agency due to the potential increase in property taxes and asked staff if that was true. **Executive Officer Joe Serrano** clarified that property taxes do not increase when a boundary change, such as annexation, is proposed or finalized. He explained that existing special taxes or benefits assessments may be extended, if desired by the affected agency, but property taxes do not change.

Commissioner Roger Anderson asked if there are any methods to cancel an existing ESA or transition it into an annexation effort. **Executive Officer Joe Serrano** noted that cancellation may occur if conditioned in an adopted resolution when an ESA is approved.

Mr. Serrano emphasized that since 2019 this Commission now requires resolutions for all proposals, including ESA requests. However, prior to 2019, there were no adopted resolutions regarding ESAs, preventing LAFCO from placing terms and conditions to the approved ESAs. This is the reason why staff believes it is necessary to send out letters to the affected agencies requesting them to develop annexation plans.

Commission Roger Anderson asked about the proposed developments in the CEMEX plant area currently receiving water from the Davenport County Sanitation District. **Executive Officer Joe Serrano** indicated that the County began exploring the idea of developing the area a few years ago. Staff is unaware of any recent discussions.

Commission Jim Anderson asked who would be responsible for the annexation fees. **Executive Officer Joe Serrano** explained that LAFCO's filing fees are based on acreage and the applicant would be responsible for those fees. Mr. Serrano noted that the affected agencies should be the applicant in this situation and they should consider the filing fees as a factor when developing the proposed annexation plans.

Chair Justin Cummings called for the approval to send out letters to the affected agencies. **Commissioner Manu Koenig** motioned for the approval based on staff's recommendation and **Commissioner Jim Anderson** seconded the motion.

Chair Justin Cummings noted no further Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Direct staff to send letters to the local agencies that currently have extraterritorial service agreements in place and request that the affected agency develop an annexation plan by March 31, 2022 or provide a response explaining why annexation cannot occur at this time.**

Commission Clerk Chris Carpenter conducted a roll call vote on the item.

MOTION: Manu Koenig
SECOND: Jim Anderson
FOR: Roger Anderson, Jim Anderson, Justin Cummings, Yvette Brooks, Zach Friend, and Manu Koenig
AGAINST: None
ABSTAIN: None

MOTION PASSED: 6-0

6b. CALAFCO Conference Update

Chair Justin Cummings requested staff to provide a presentation on CALAFCO's upcoming annual conference.

Executive Officer Joe Serrano indicated that the annual conference may be cancelled due to the rise in COVID cases throughout the State. Mr. Serrano stated that the two Commissioners who were interested in attending will no longer be going to the conference. He noted that staff will also refrain from going to the conference this year, if it is still held. Since no representatives from Santa Cruz LAFCO will be attending, staff asked if the Commission would like to keep the October meeting date for October 13 or revert back to the original date of October 6.

Chair Justin Cummings requested public comments on the update. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission. **Chair Justin Cummings** closed public comments.

Chair Justin Cummings called for Commission comments on the update.

Commissioner Roger Anderson asked about any attempts from CALAFCO to convert the conference to a virtual setting or some type of hybrid approach. **Executive Officer Joe Serrano** pointed out that converting the conference to a hybrid or fully-virtual setting one month prior to the conference would cost CALAFCO a significant amount of money. Only 100 people have registered for the conference, which is historically low at this time of the year. Mr. Serrano explained that CALAFCO is already facing a fiscal constraint due to the low turnout and any additional costs would not be possible or beneficial since the conference is on the verge of cancellation.

Chair Justin Cummings called for the approval to staff's recommendations. **Commissioner Roger Anderson** motioned for the approval based on staff's recommendation and **Commissioner Jim Anderson** seconded the motion.

Chair Justin Cummings noted no further Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Reaffirm the next regularly scheduled Commission Meeting to be held on Wednesday, October 13, 2021.**

Commission Clerk Chris Carpenter conducted a roll call vote on the item.

MOTION: Roger Anderson
SECOND: Jim Anderson
FOR: Roger Anderson, Jim Anderson, Justin Cummings, Yvette Brooks, Zach Friend, and Manu Koenig
AGAINST: None
ABSTAIN: None

MOTION PASSED: 6-0

6c. Educational Workshop Update

Chair Justin Cummings requested staff to provide a presentation on the recently held virtual workshop for the independent special districts in Santa Cruz County.

Executive Officer Joe Serrano noted that the educational workshop was held on August 11 and co-hosted by LAFCO and the California Special Districts Association (CSDA). Mr. Serrano pointed out that 70 district board members and employees registered for the event, representing 18 of the 22 independent special districts located in Santa Cruz County. After the workshop, staff received positive feedback as well as requests to host more workshops by District representatives. He noted that staff is currently working with CSDA to explore the idea of future sessions.

Chair Justin Cummings requested public comments on the update. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission. **Chair Justin Cummings** closed public comments.

Chair Justin Cummings called for Commission comments on the update.

Chair Justin Cummings noted no additional comments or questions from the Commission and moved to the next item since no Commission action was required.

7. WRITTEN CORRESPONDENCE

Chair Justin Cummings inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** indicated that there were none received. **Chair Justin Cummings** moved to the next item since no Commission action was required.

8. PRESS ARTICLES

Chair Justin Cummings requested staff to provide a presentation on the press articles. **Executive Officer Joe Serrano** indicated that this item highlights LAFCO-related articles recently circulated in local newspapers. **Chair Justin Cummings** moved to the next item since no Commission action was required.

9. COMMISSIONERS' BUSINESS

Chair Justin Cummings inquired whether any Commissioner would like to share any information. There were no comments. **Chair Justin Cummings** moved to the next item since no Commission action was required.

10. LEGAL COUNSEL'S REPORT

Executive Officer Joe Serrano indicated that there was nothing to report. **Chair Justin Cummings** moved to the next item since no Commission action was required.

11. ADJOURNMENT

Chair Justin Cummings adjourned the Regular Commission Meeting at 9:47 a.m. to the next regular LAFCO meeting scheduled for Wednesday, October 13, 2021 at 9:00 a.m.


JUSTIN CUMMINGS, CHAIRPERSON

Attest:


JOE A. SERRANO, EXECUTIVE OFFICER