



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

ADOPTED MINUTES

LAFCO REGULAR MEETING AGENDA

Wednesday, February 9, 2022

Start Time - 9:01 a.m.

1. ROLL CALL

Vice-Chair Yvette Brooks called the meeting of the Local Agency Formation Commission of Santa Cruz County (LAFCO) to order at 9:01 a.m. and welcomed everyone in attendance. She asked staff to conduct roll call.

The following Commissioners were present:

- Vice-Chair Yvette Brooks
- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Ryan Coonerty
- Commissioner Justin Cummings
- Alternate Commissioner Ed Banks
- Alternate Commissioner Manu Koenig

The following LAFCO staff members were present:

- Executive Officer Joe Serrano
- Legal Counsel, Joshua Nelson

2. EXECUTIVE OFFICER'S MESSAGE

2a. Virtual meeting Process

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 in accordance with the Governor's Executive Orders and the newly enacted law under Assembly Bill 361, which allows local agencies to conduct virtual meetings during a state of an emergency. He noted that the Commission may consider reverting back to in-person meetings during the next LAFCO Meeting in March.

2b. CSDA-LAFCO Workshop Update

Executive Officer Joe Serrano indicated that the educational workshop, tailored to independent special districts, was a success. Mr. Serrano noted that 17 out of the 22 districts in Santa Cruz County attended the workshop. LAFCO staff will consider hosting future workshops for the districts as well as the cities and the general public in the near future.

2c. Welcome Recently Appointed County Representatives

Executive Officer Joe Serrano informed the Commission that Commissioners Coonerty, Friend, and Koenig were re-appointed as the County representatives on LAFCO. Mr. Serrano reiterated that the County Board of Supervisors appoints two voting members and one alternate member on LAFCO at the beginning of each year.

3. ADOPTION OF MINUTES

Vice-Chair Yvette Brooks requested public comments on the draft minutes. **Executive Officer Joe Serrano** noted no public comments were received. **Vice-Chair Yvette Brooks** closed public comments.

Vice-Chair Yvette Brooks called for the approval of the draft minutes. **Commissioner Roger Anderson** motioned for approval of the January 5th Meeting Minutes and **Commissioner Jim Anderson** seconded the motion.

Vice-Chair Yvette Brooks called for a roll call vote on the approval of the draft minutes with no changes. **Executive Officer Joe Serrano** conducted a roll call vote on the item.

MOTION: Roger Anderson

SECOND: Jim Anderson

FOR: Jim Anderson, Roger Anderson, Ed Banks, Yvette Brooks, Ryan Coonerty, Justin Cummings, and Manu Koenig.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

4. ORAL COMMUNICATIONS

Vice-Chair Yvette Brooks requested public comments on any non-agenda items. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission. **Vice-Chair Yvette Brooks** closed public comments and moved on to the next agenda item.

5. PUBLIC HEARINGS

Vice-Chair Yvette Brooks indicated that there was one public hearing item for Commission consideration today.

5a. "Opal Cliffs Recreation District Reorganization" (LAFCO Project No. RO 21-18)

Vice-Chair Yvette Brooks requested staff to provide a presentation on the proposed reorganization involving the Opal Cliffs Recreation District (OCD) and County Service Area 11 (CSA 11).

Executive Officer Joe Serrano indicated that the proposal was initiated by the Opal Cliffs Recreation District's Board of Directors through the unanimous approval of a resolution. The District has requested that LAFCO dissolve the recreation district and concurrently annex the dissolved area into County Service Area 11, also known as County Parks. Mr. Serrano noted that the reorganization is based on LAFCO's findings from the 2021 Countywide Park & Recreation Service and Sphere Review. He also noted that based on LAFCO's analysis, 11 parcels within OCD overlap with the City of Capitola. If approved, the annexation will exclude those 11 parcels because the City already offers recreational services to those parcels under its own park and recreation department. The proposal fulfilled the requirements under LAFCO law and the Commission's adopted policies. Staff recommended that the Commission adopt the draft resolution approving the proposed reorganization.

Vice-Chair Yvette Brooks requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission.

Vice-Chair Yvette Brooks closed public comments and opened the floor for Commission discussion.

Commissioner Manu Koenig thanked the County and LAFCO for championing this effort to improve the level of service to the Opal Cliffs Park. Mr. Koenig motioned to approve staff's recommendation. **Commissioner Justin Cummings** seconded the motion.

Vice-Chair Yvette Brooks noted no further Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Adopt the draft resolution (No. 2022-02) approving the reorganization involving the Opal Cliffs Recreation District and County Service Area 11 (County Parks).**

Executive Officer Joe Serrano conducted a roll call vote on the item.

MOTION: Manu Koenig
SECOND: Justin Cummings
FOR: Jim Anderson, Roger Anderson, Ed Banks, Yvette Brooks, Ryan Coonerty, Justin Cummings, and Manu Koenig.
AGAINST: None
ABSTAIN: None

MOTION PASSED: 7-0

6. OTHER BUSINESS

Vice-Chair Yvette Brooks indicated that there are six business items for Commission consideration today.

6a. Continuation of Remote Meetings

Vice-Chair Yvette Brooks requested staff to provide a presentation on the requirements to continue remote meetings under Assembly Bill 361.

Executive Officer Joe Serrano noted that the Commission adopted a resolution in November 2021 to continue remote meetings in accordance with the guidelines under AB 361, which acts as a temporary waiver of the Brown Act's in-person attendance requirements. Mr. Serrano explained that in order to continue to qualify for AB 361's waiver of in-person meeting requirements, the Commission is required to renew the findings outlined in the resolution adopted back in November. He indicated that the statewide mask mandate may be lifted by February 16, however, it is unknown whether local requirements will remain in place. Due to the uncertainty, staff recommended that the Commission ratify the existing resolution (No. 2021-19) to continue the use of remote meetings for the next LAFCO Meeting which is scheduled for March 2, 2022.

Vice-Chair Yvette Brooks requested public comments on this item. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission.

Vice-Chair Yvette Brooks closed public comments.

Vice-Chair Yvette Brooks called for Commission comments on the remote meeting requirements. **Vice-Chair Yvette Brooks** noted no Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Ratify the existing resolution (No. 2021-19) approving the continuation of remote meetings under AB 361.**

Executive Officer Joe Serrano conducted a roll call vote on the item.

MOTION: Ryan Coonerty
SECOND: Manu Koenig
FOR: Jim Anderson, Roger Anderson, Ed Banks, Yvette Brooks, Ryan Coonerty, Justin Cummings, and Manu Koenig.
AGAINST: None
ABSTAIN: None

MOTION PASSED: 7-0

6b. Employee Performance Evaluation

Vice-Chair Yvette Brooks requested staff to provide a presentation on the recent performance evaluation of LAFCO's Executive Officer.

Executive Officer Joe Serrano explained that in accordance with the Commission's adopted policies, the Commission conducts an annual performance evaluation and

considers changing staff's salary if warranted. Mr. Serrano noted that based on the Commission's closed session discussion in January and the recommendations made by LAFCO's Personnel Committee, staff is subject to a salary adjustment. Staff recommended that the Commission adopt the draft resolution approving the salary change based on staff's performance during the 2021 calendar year.

Vice-Chair Yvette Brooks requested public comments on the update. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission.

Becky Steinbruner, member of the public, thanked LAFCO's Executive Officer for their detailed evaluations found within the recent service reviews and staff reports.

Executive Officer Joe Serrano indicated that there were no further requests to address the Commission. **Vice-Chair Yvette Brooks** closed public comments and opened the floor for Commission discussion.

Vice-Chair Yvette Brooks noted no Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Adopt the draft resolution (No. 2022-03) approving the salary adjustment for LAFCO's Executive Officer.**

Executive Officer Joe Serrano conducted a roll call vote on the item.

MOTION: Manu Koenig

SECOND: Jim Anderson

FOR: Jim Anderson, Roger Anderson, Ed Banks, Yvette Brooks, Ryan Coonerty, Justin Cummings, and Manu Koenig.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

6c. Legislative Update

Vice-Chair Yvette Brooks requested staff to provide a presentation on the status of the 2022 Legislative Session.

Executive Officer Joe Serrano noted that there are a number of bills that directly or indirectly affect LAFCOs. Those bills are summarized in the staff report. Mr. Serrano informed the Commission that staff has been monitoring one specific bill, Senate Bill 418. SB 418 would create the first and only healthcare district in Santa Cruz County. He noted that the purpose of the bill is to provide local government oversight to the Watsonville Community Hospital.

Vice-Chair Yvette Brooks requested public comments on the update. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission.

Becky Steinbruner, member of the public, inquired about the legislative process in creating a healthcare district in Santa Cruz County without LAFCO action.

Executive Officer Joe Serrano clarified that typically the formation of special districts, including healthcare districts, require LAFCO approval. However, due to the bankruptcy case involving the Watsonville Community Hospital, there was time urgency to ensure that the hospital remained open for public access. Mr. Serrano noted that the formation of a healthcare district may have taken at least a year to complete under the LAFCO process.

Executive Officer Joe Serrano indicated that there were no further requests to address the Commission. **Vice-Chair Yvette Brooks** closed public comments and opened the floor for Commission discussion.

Commissioner Jim Anderson asked if the healthcare district would fall under LAFCO's purview. **Executive Officer Joe Serrano** clarified that if the healthcare district is formed, then it will be subject to the Cortese-Knox-Hertzberg Act and therefore be under LAFCO's jurisdiction in accordance with the language found in SB 418.

Commissioner Roger Anderson asked whether the required amount to purchase the Watsonville Community Hospital has been collected. **Executive Officer Joe Serrano** indicated that the Pajaro Valley Healthcare Project Group has collected approximately \$13 million, however, more is required to purchase the hospital as part of the bankruptcy case. Staff is not aware of the exact purchasing price.

Vice-Chair Yvette Brooks noted no additional comments or questions from the Commission and moved to the next item since no Commission action was required.

6d. Focus Agriculture – Class of 2020 Reconvene

Vice-Chair Yvette Brooks requested staff to provide a presentation on the upcoming Focus Ag class schedule.

Executive Officer Joe Serrano indicated that staff was originally scheduled to participate in this nine-session course in 2020 but was cancelled due to the pandemic. Mr. Serrano noted that the class will reconvene starting April 2022. He pointed out that this item does not require Commission action.

Vice-Chair Yvette Brooks requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission.

Vice-Chair Yvette Brooks closed public comments and opened the floor for Commission discussion.

Vice-Chair Yvette Brooks noted no comments or questions from the Commission and moved to the next item since no Commission action was required.

6e. CALAFCO Staff Workshop

Vice-Chair Yvette Brooks requested staff to provide a presentation on the upcoming CALAFCO Staff Workshop.

Executive Officer Joe Serrano informed the Commission that CALAFCO will be hosting a conference in March tailored to LAFCO employees, specifically Commission Clerks, Analysts, and Executive Officers. Mr. Serrano indicated that he will be a guest speaker in two breakout sessions during the three-day workshop.

Vice-Chair Yvette Brooks requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission.

Vice-Chair Yvette Brooks closed public comments and opened the floor for Commission discussion.

Vice-Chair Yvette Brooks noted no comments or questions from the Commission and moved to the next item since no Commission action was required.

6e. Comprehensive Quarterly Report – Second Quarter (FY 2021-22)

Vice-Chair Yvette Brooks requested staff to provide a presentation on the tasks completed during the second quarter of Fiscal Year 2021-22.

Executive Officer Joe Serrano noted that LAFCO currently has two active applications, including the proposed annexation of Roaring Camp into the San Lorenzo Valley Water District. Mr. Serrano indicated that a letter was sent to the applicant informing them that the application will be terminated by March 31, 2022 unless the required documents are submitted. He also informed the Commission that staff will be conducting three service reviews this year, which will analyze 41 agencies: the City of Capitola in May, the six water districts in August, and the 34 road-related county service areas in October. He also indicated that the LAFCO Budget is doing financially well. The Commission has received 100% of the anticipated revenue and has only incurred 32% of anticipated expenses.

Vice-Chair Yvette Brooks requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there were no requests to address the Commission.

Vice-Chair Yvette Brooks closed public comments and opened the floor for Commission discussion.

Vice-Chair Yvette Brooks noted no comments or questions from the Commission and moved to the next item since no Commission action was required.

7. WRITTEN CORRESPONDENCE

Vice-Chair Yvette Brooks inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** indicated that LAFCO received two correspondences: one from the Central Fire District and another from Dough Deitch, a member of the public. **Vice-Chair Yvette Brooks** moved to the next item since no Commission action was required.

8. PRESS ARTICLES

Vice-Chair Yvette Brooks 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. **Vice-Chair Yvette Brooks** moved to the next item since no Commission action was required.

9. COMMISSIONERS' BUSINESS

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

10. ADJOURNMENT

Vice-Chair Yvette Brooks adjourned the Regular Commission Meeting at 9:53 a.m. to the next regular LAFCO meeting scheduled for Wednesday, March 2, 2022 at 9:00 a.m.



RACHÉL LATHER, CHAIRPERSON

Attest:



JOE A. SERRANO, EXECUTIVE OFFICER