

July 27, 2022

Rachel Lather, Chair, Commissioners, and Executive Officer Local Agency Formation Commission of Santa Cruz County 701 Ocean Street, Room 318-D, Santa Cruz, CA 95060

RE: Letter of Support Bear Creek Estates Wastewater Collection System Integration

Dear Executive Officer Serrano, Chair Lather and Commissioners,

Recently the County of Santa Cruz (County) announced an earmark in the 2023 Federal appropriations bills allocating \$2million the County's wastewater system in Boulder Creek. We are writing to solicit LAFCO's support in requesting the County include the San Lorenzo Valley Water District's (District) Bear Creek Estates Wastewater Collection and Treatment System (BCEWW) as part of the expansion of the County's wastewater system in Boulder Creek.

The District is requesting LAFCO support the District's efforts to urge Supervisor McPherson and the County to include the BCEWW system as part of the planned for the Boulder Creek sewer effort.

LAFCO's San Lorenzo Valley Water District Service and Sphere and Influence Review adopted November 4, 2020, by the Commission states:

Due to ongoing financial constraints, in conjunction with SLVWD's interest in transferring sewer responsibilities to another local agency, the Commission adopted a "zero" sphere of influence for the Bear Creek Estates Wastewater System in October 2019. A "zero" sphere of influence (encompassing no territory) is established for an agency when the Commission has determined that the public service functions of the agency are either nonexistent, no longer needed or should be reallocated to some other agency of government. The adoption of a "zero" sphere indicates that the Bear Creek Estates Wastewater System should ultimately be dissolved, and sewer responsibilities transferred to another local agency.

LAFCO's Staff Recommendation states:

LAFCO staff sees value in local agencies collaborating and exploring opportunities to improve the delivery of municipal services. It is still unknown whether it is feasible for the County or another local service provider to assume responsibilities within this area. Therefore, LAFCO staff recommends that the District continue to discuss possible partnerships with the County. If an agreement is made, in which all affected parties agree on the transfer of responsibilities, a change of organization may be considered at that point.

Integration of the BCEWW system with the proposed expansion of the County's Boulder Creek Sanitation service area offers a unique opportunity and perhaps the last viable solution for these

Rick Rogers

District Manager