



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

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

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**REGULAR MEETING AGENDA**

**Wednesday, January 4, 2023 at 9:00am**

(Meeting will be conducted using Zoom Webinar)

**Attend Meeting by Internet:** <https://us02web.zoom.us/j/86490864905>  
(Password 730415)

**Attend Meeting by Conference Call:** **Dial 1-669-900-6833 or 1-253-215-8782**  
(Webinar ID: 864 9086 4905)

**TELECONFERENCE MEETING PROCESS**

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

- a) Commission Quorum: Assembly Bill 361 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) Public Comments: For those wishing to make public comments remotely, please submit your comments by email to be read aloud at the meeting by LAFCO staff. Email comments must be submitted to LAFCO staff at [info@santacruzlafco.org](mailto:info@santacruzlafco.org). Comments on matters not on the agenda may be submitted prior to the time the Chair calls for Oral Communications. Comments on agenda items may be submitted prior to the time the Chair closes public comments on the agenda item.

For those wishing to speak during the online meeting, you may 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) Accommodations for Persons with Disabilities: 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 staff 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. Virtual Meeting Process**

The Commission will receive an update on the ongoing remote meeting process.

Recommended Action: No action required; Informational item only.

## **3. ADOPTION OF MINUTES**

The Commission will consider approving the minutes from the November 2, 2022 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. SPECIAL BUSINESS**

Special business items typically involve resolutions of appreciation for outgoing Commissioners or staff members and are not subject to public hearings.

### **a. Resolution of Appreciation for Commissioner Ryan Coonerty**

The Commission will consider the adoption of a resolution for Commissioner Ryan Coonerty's seven years of service on LAFCO.

Recommended Action: Adopt the draft resolution (No. 2023-01) acknowledging Commissioner Coonerty's dedicated service on LAFCO.

## **6. 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. "County Service Area 54 Dissolution" – Initiating Resolution**

The Commission will consider initiating the mandatory dissolution of CSA 54 in accordance with Government Code Section 56036. This action is not subject to the California Environmental Quality Act at this time.

Recommended Action: Adopt the draft resolution (No. 2023-02) initiating the dissolution of County Service Area 54 as an inactive special district.

**b. “Pajaro Valley Health Care District Sphere of Influence Designation”**

The Commission will consider the adoption of a sphere boundary for the new district. If approved, a Notice of Exemption will be recorded to fulfill the requirements under the California Environmental Quality Act.

Recommended Action: Adopt the draft resolution (No. 2023-03) approving the sphere of influence designation for the Pajaro Valley Health Care District.

**7. OTHER BUSINESS**

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

**a. LAFCO Staffing Support**

The Commission will consider approving various opportunities for additional staffing support.

Recommended Actions:

- 1) Adopt the contractual agreement with Marin LAFCO for shared services opportunities on an as-needed basis;
- 2) Adopt the contractual agreement with Piret Harmon for water consulting services on an as-needed basis;
- 3) Authorize staff to enter into a contractual agreement with County of Santa Cruz for administrative support on an as-needed basis;
- 4) Direct staff to continue the recruitment process in search of a LAFCO Analyst; and
- 5) Allow temporary permission for the Executive Officer to work remotely during the remainder of Fiscal Year 2022-23.

**b. Virtual Meetings Update**

The Commission will receive an update on the new guidelines towards virtual meetings for local agencies under Assembly Bill 2449.

Recommended Action: Direct staff to implement in-person meetings starting on March 1, 2023.

**c. Appoint New Chair and Vice-Chair**

The Commission will consider selecting its new Chair and Vice-Chair on LAFCO.

Recommended Action: Select Chair and Vice-Chair for the 2023 calendar year.

**d. Focus Agriculture Class of 2023 – Application Request**

The Commission will consider approving a one-time tuition payment for a Commissioner to participate in the upcoming Focus Agriculture 2023 Session.

Recommended Action: Approve the \$1,000 tuition payment.

**e. Upcoming LAFCO Seat Vacancies**

The Commission will receive an update on the upcoming vacancies involving various seats on LAFCO.

Recommended Action: No action required; Informational item only.

**8. 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.

**9. 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 November and December**

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.

**10.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 agenda if approved by Commission majority. The public may address the Commission on these informational matters.

**11.ADJOURNMENT**

LAFCO's next regular meeting is scheduled for Wednesday, March 1, 2023 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: [www.fppc.ca.gov](http://www.fppc.ca.gov). Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275-3772).

#### Accommodating People with Disabilities

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

#### Late Agenda Materials

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



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

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**DRAFT MINUTES**

**LAFCO REGULAR MEETING AGENDA**

**Wednesday, November 2, 2022**

**Start Time - 9:00 a.m.**

**1. ROLL CALL**

**Chair Rachél Lather** 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. She asked staff to conduct roll call.

The following Commissioners were present:

- Chair Rachél Lather
- Vice-Chair Yvette Brooks
- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Ryan Coonerty
- Commissioner Francisco Estrada
- Commissioner Zach Friend
- Alternate Commissioner Ed Banks
- Alternate Commissioner John Hunt

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 under Assembly Bill 361, which allows local agencies to conduct virtual meetings during a State of Emergency.

## **2b. CALAFCO Annual Conference Recap**

**Executive Officer Joe Serrano** noted that the CALAFCO Annual Conference was well attended, with 47 out of the 58 LAFCOs represented at the conference. Mr. Serrano stated that over 200 people were in attendance.

## **3. ADOPTION OF MINUTES**

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

**Chair Rachél Lather** called for the approval of the draft minutes. **Commissioner Jim Anderson** motioned for approval of the September 7, 2022 Meeting Minutes and **Commissioner Ryan Coonerty** seconded the motion.

**Chair Rachél Lather** called for a roll call vote on the approval of the draft minutes. **Executive Officer Joe Serrano** conducted a roll call vote on the item.

**MOTION:** Jim Anderson

**SECOND:** Ryan Coonerty

**FOR:** Jim Anderson, Roger Anderson, Yvette Brooks, Ryan Coonerty, Francisco Estrada, Zach Friend, and Rachél Lather.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSED: 7-0**

## **4. ORAL COMMUNICATIONS**

**Chair Rachél Lather** requested public comments on this item. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission.

**Becky Steinbruner** asked how LAFCO's feasibility fire study will affect the proposed reorganization between Branciforte and Scotts Valley Fire Protection Districts and the scheduled benefit assessment study for the Branciforte Fire Station. Ms. Steinbruner also informed the Commission about the water issues in Santa Cruz County.

**Executive Officer Joe Serrano** clarified that the Branciforte Fire Protection District hired an outside consultant (SCI Consulting) to produce a benefit assessment study to determine the cost in keeping the Branciforte Fire Station open post-reorganization. LAFCO also hired an outside consultant (AP Triton) to produce a feasibility study to determine the fiscal impact to the County and the fire agencies if annexations were to occur based on current sphere boundaries. He noted that these two studies are separate projects.

**Chair Rachél Lather** noted no further comments and moved to the next agenda item.

## 5. PUBLIC HEARINGS

**Chair Rachél Lather** noted that there was one public hearing item for Commission consideration today.

### **5a. Countywide Service and Sphere Review for Road County Service Areas**

**Chair Rachél Lather** requested staff to provide a presentation on the countywide report.

**Executive Officer Joe Serrano** summarized the findings for each of the 34 county service areas (“CSAs”) evaluated in the comprehensive report. Mr. Serrano explained that based on staff’s analysis, several sphere boundaries should be amended. He noted that the CSAs lacked transparency and the majority of them experienced fiscal challenges. He also stated that CSA 39 has been inactive for two consecutive years and should be dissolved. It was recommended that the Commission approve staff’s recommendations and adopt the 2022 Countywide Service & Sphere Review.

**Chair Rachél Lather** requested public comments on this item. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission.

**Becky Steinbruner** thanked staff for the comprehensive report and suggested that LAFCO reach out to the communities living within a county service area in order for them to better understand the Commission’s findings outlined in the report.

**Chair Rachél Lather** closed public comments and called for Commission comments.

**Commissioner Roger Anderson** appreciated the thorough report and asked that future analysis cover additional areas including the connection between fire safety and county roads, potential consolidation of the existing CSAs, and more emphasis on population estimates and its correlation with the CSAs’ existing finances.

**Chair Rachél Lather** noted no further comments and asked for a motion. **Commissioner Ryan Coonerty** motioned to approve staff’s recommendations and **Commissioner Roger Anderson** seconded the motion.

**Chair Rachél Lather** called for a roll call vote on motion based on staff’s recommendation: **(1) Find the report exempt from CEQA; (2) Determine the report fulfills the requirements under Government Code Section 56425; (3) Determine the report fulfills the requirements under Government Code Section 56430; and (4) Adopt the draft resolution (LAFCO No. 2022-14) approving the 2022 Countywide Service & Sphere Review for the Road County Service Areas.**

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

**MOTION:** Ryan Coonerty  
**SECOND:** Roger Anderson  
**FOR:** Jim Anderson, Roger Anderson, Yvette Brooks, Ryan Coonerty, Francisco Estrada, Zach Friend, and Rachél Lather.  
**AGAINST:** None  
**ABSTAIN:** None



**MOTION PASSED: 7-0**

## **6. OTHER BUSINESS**

**Chair Rachél Lather** indicated that there are four business items for Commission consideration today.

### **6a. Virtual Meetings Update**

**Chair Rachél Lather** requested staff to provide a presentation on the future use of virtual settings for LAFCO meetings in the coming months.

**Executive Officer Joe Serrano** reported that the COVID-related State of Emergency is scheduled to be lifted in February 2023, which would make AB 361 no longer serviceable. Mr. Serrano noted that AB 2449 was recently approved by the Governor which would replace AB 361 but adds more conditions on how Commissioners may attend meetings remotely. As a result, LAFCO is recommending that the Commission revert back to in-person meetings by March 1, 2023.

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

**Chair Rachél Lather** called for Commission comments on the proposed virtual meeting process and asked for a motion. **Commissioner Zach Friend** motioned to approve staff's recommendations and **Commissioner Jim Anderson** seconded the motion.

**Chair Rachél Lather** 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 to the next regularly scheduled meeting (January 4, 2023) and direct staff to implement in-person meetings starting March 1, 2023.**

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

**MOTION:** Zach Friend

**SECOND:** Jim Anderson

**FOR:** Jim Anderson, Roger Anderson, Yvette Brooks, Ryan Coonerty, Francisco Estrada, Zach Friend, and Rachél Lather.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSED: 7-0**

### **6b. Multi-Year Work Program Update**

**Chair Rachél Lather** requested staff to provide a presentation on the upcoming projects under the Commission's Multi-Year Work Program.

**Executive Officer Joe Serrano** reported that the work program adopted by the Commission in November 2019 lays out the scheduled service reviews until 2024. Mr.

Serrano pointed out that six service reviews are scheduled to be completed in 2023. The work program also identifies anticipated proposals and other upcoming projects.

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

**Chair Rachél Lather** called for Commission comments on the proposed work program schedule and asked for a motion. **Commissioner Jim Anderson** motioned to approve staff's recommendations and **Vice-Chair Yvette Brooks** seconded the motion.

**Chair Rachél Lather** noted no Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Approve the scheduled service and sphere reviews for the 2023 calendar year.**

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

**MOTION:** Jim Anderson  
**SECOND:** Yvette Brooks  
**FOR:** Jim Anderson, Roger Anderson, Yvette Brooks, Ryan Coonerty, Francisco Estrada, Zach Friend, and Rachél Lather.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSED: 7-0**

#### **6c. LAFCO Meeting Schedule (2023 Calendar Year)**

**Chair Rachél Lather** requested staff to provide a presentation on the meeting schedule for the upcoming calendar year.

**Executive Officer Joe Serrano** proposed a meeting schedule of nine regular meetings which would be held on the first Wednesday of each month with a start time of 9:00am. He clarified that there will be no regular meetings scheduled for the months of February, July and December.

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

**Chair Rachél Lather** called for Commission comments on the proposed schedule and asked for a motion. **Commissioner Jim Anderson** motioned to approve staff's recommendations and **Commissioner Roger Anderson** seconded the motion.

**Chair Rachél Lather** noted no Commission discussion and called for a roll call vote on motion based on staff's recommendation: **Adopt the meeting schedule for the 2023 calendar year.**

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

**MOTION:** Jim Anderson  
**SECOND:** Roger Anderson  
**FOR:** Jim Anderson, Roger Anderson, Yvette Brooks, Ryan Coonerty, Francisco Estrada, Zach Friend, and Rachél Lather.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSED: 7-0**

#### **6d. Comprehensive Quarterly Report – First Quarter (FY 2022-23)**

**Chair Rachél Lather** requested staff to provide a presentation on the completed projects and tasks during the months of July, August and September.

**Executive Officer Joe Serrano** reported that September was the end of the first quarter. Mr. Serrano noted that during this timeframe LAFCO received 100% of the anticipated revenues. The majority of funding comes from the allocation from cities, special districts, and the County. He noted that LAFCO incurred approximately 20% of the projected costs for this fiscal year. He also summarized the four active applications, the completion of three separate service reviews, and the meetings held during the first quarter.

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

**Chair Rachél Lather** called for Commission comments on the update.

**Chair Rachél Lather** 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 Rachél Lather** inquired whether there was any written correspondence submitted to LAFCO.

**Executive Officer Joe Serrano** noted that LAFCO received written correspondence. Mr. Serrano summarized the correspondence submitted by Focus Ag regarding staff's certificate of achievement, Becky Steinbruner regarding her inquiry about conflict of interest, Special District Risk Management Authority regarding LAFCO's Special Acknowledgement Award, and the State Controller's Office regarding inactive districts.

**Chair Rachél Lather** moved to the next item since no Commission action was required.

## 8. PRESS ARTICLES

**Chair Rachél Lather** 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 Rachél Lather** requested public comments on this item. **Executive Officer Joe Serrano** indicated that there was no request to address the Commission.

**Chair Rachél Lather** moved to the next item since no Commission action was required.

## 9. COMMISSIONERS' BUSINESS

**Chair Rachél Lather** inquired whether any Commissioner would like to share any information.

**Commissioner Zach Friend** extended his appreciation to Commissioner Ryan Coonerty for his dedicated service with LAFCO. Mr. Friend indicated that this will be Mr. Coonerty's last meeting as a Commissioner since he is resigning from the County Board of Supervisors at the end of the month. Other Commissioners extended their appreciation as well. **Executive Officer Joe Serrano** noted that a Resolution of Appreciation will be presented to Mr. Coonerty during the January 4th LAFCO Meeting.

**Chair Rachél Lather** moved to the next item since no Commission action was required.

## 10. ADJOURNMENT

**Chair Rachél Lather** adjourned the Regular Commission Meeting at 10:09 a.m. to the next regular LAFCO meeting scheduled for Wednesday, January 4, 2023 at 9:00 a.m.

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RACHÉL LATHER, CHAIRPERSON

Attest:

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JOE A. SERRANO, EXECUTIVE OFFICER



Santa Cruz Local Agency Formation Commission

Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Resolution of Appreciation for Commissioner Ryan Coonerty**

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**SUMMARY OF RECOMMENDATION**

After seven years of dedicated service with Santa Cruz LAFCO, Ryan Coonerty will be stepping down as the Regular County Member. The Commission will recognize Mr. Coonerty's past achievements and stellar career.

It is recommended that the Commission adopt a Resolution of Appreciation for outgoing Commissioner Ryan Coonerty (Resolution No. 2023-01).

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**EXECUTIVE OFFICER'S REPORT**


Commissioner Ryan Coonerty served on LAFCO from March 4, 2015 to January 2, 2023. In addition, Mr. Coonerty has been a pillar in local government by serving as a board member on both the Santa Cruz City Council and the Santa Cruz County Board of Supervisors for a combined total of sixteen years. The Commission will act on a resolution honoring his distinguished service to LAFCO, the City of Santa Cruz, the County of Santa Cruz, and the State of California.

Respectfully Submitted,

A blue ink signature of Joe A. Serrano is written over the text "Respectfully Submitted,". The signature is stylized and cursive.

Joe A. Serrano  
Executive Officer

Attachment: Resolution of Appreciation (No. 2023-01)



LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CRUZ COUNTY

*Resolution 2023-01 in Appreciation of Commissioner*

**Ryan Coonerty**

*For Dedicated and Outstanding Service*

*Whereas*, Ryan Coonerty has served with distinction as the County representative on the Local Agency Formation Commission (LAFCO) for approximately seven years as both the Regular and Alternate Member from March 4, 2015 to January 2, 2023; and

*Whereas*, Mr. Coonerty was first elected to the Santa Cruz County Board of Supervisors in June 2014 and was re-elected for a second time in June 2018. He has served as both the Chair and Vice-Chair of the Board of Supervisors during his tenure. Mr. Coonerty represented the Third District, which includes 7th Avenue in Live Oak through the City of Santa Cruz and up the North Coast, including the communities of Davenport and Bonny Doon. Mr. Coonerty previously served on the Santa Cruz City Council for eight years while serving as their mayor twice. He also served as a key leader in other areas including being the Chair of the Central California Alliance for Health, host of “An Honorable Profession” podcast, co-founder of NextSpace Coworking + Innovation, lecturer on law and government at UC Santa Cruz, and co-author of the Rise of the Naked Economy – How to Benefit from the Changing Workplace; and

*Whereas*, Mr. Coonerty has worked diligently to advance the interest of LAFCO and the ideology of encouraging orderly growth, preserving agricultural lands and improving municipal service provisions throughout Santa Cruz County. He has made significant contributions to the goals of the Commission as a highly respected champion of good government with over 75 boundary changes and LAFCO actions processed during his tenure; and

*Whereas*, Mr. Coonerty has shown leadership at the local level by supporting significant, and sometimes challenging projects, including but not limited to the dissolution of inactive districts, the consolidation of fire districts, the adoption of countywide service reviews, and expansion of sphere boundaries to adequately identify the most logical service providers; and

*Whereas*, Mr. Coonerty has also shown leadership at the regional level by being heavily involved in supporting affordable workforce housing, leading the expansion of the public safety program Community Partnership for Accountability, Connection and Treatment (PACT), and spearheading a successful proposal for the County to stop doing business with big banks that pled guilty to felonies.

*Now, therefore, be it resolved*, the Local Agency Formation Commission of Santa Cruz County does hereby express its gratitude and appreciation to Ryan Coonerty for his dedication to extraordinary contributions to LAFCO, to the people of the Santa Cruz County, the City of Santa Cruz, and to the State of California.

*Passed and adopted* by the Local Agency Formation Commission of Santa Cruz County this 4th day of January 2023.

Chair, Rachél Lather

Vice Chair, Yvette Brooks

Jim Anderson

Roger Anderson

Ed Banks

Zach Friend

John Hunt

Manu Koenig

Donna Lind

Joe Serrano  
Executive Officer



Santa Cruz Local Agency Formation Commission

Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **“County Service Area 54 Dissolution” – Initiating Resolution**

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### **SUMMARY OF RECOMMENDATION**

State law requires the State Controller’s Office to create an annual list of inactive special districts based on the information in the special district’s Financial Transactions Report. The State Controller’s Office is also required to notify LAFCOs when an inactive special district within their county is identified. CSA 54 was identified as an inactive district in the recently published list. Pursuant to Government Code Section 56879, and within 90 days of receiving notice, the Commission is required to initiate the dissolution of an inactive special district by resolution unless the Commission determines that the district does not meet the statutory criteria. Santa Cruz LAFCO received the notice in November 2022.

It is recommended that the Commission adopt the draft Resolution (No. 2023-02) initiating the dissolution of County Service Area 54 as an inactive district.

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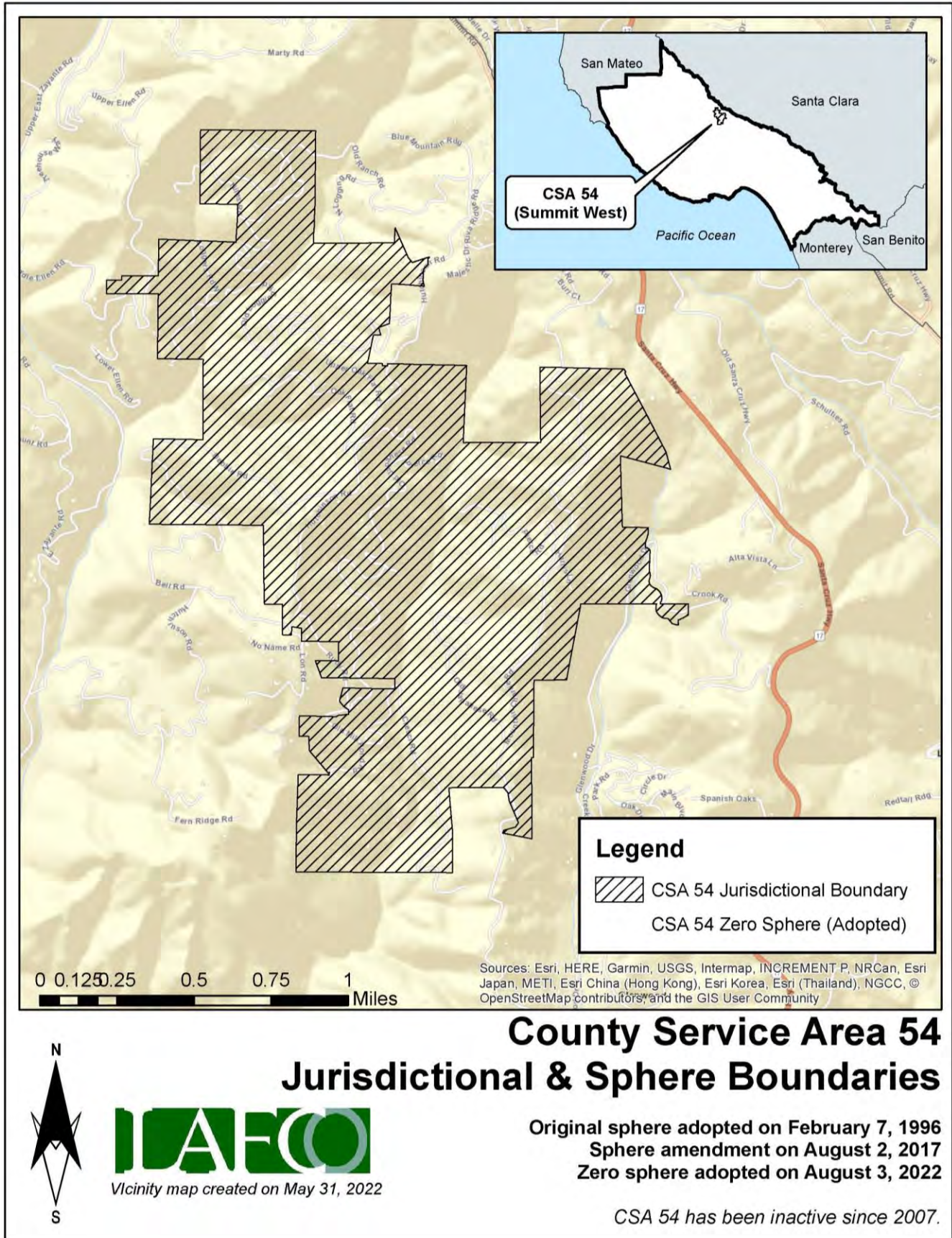
### **EXECUTIVE OFFICER’S REPORT**

The Commission received a Notice of Inactive Special District in Santa Cruz County (refer to **Attachment 1**) from the California State Controller’s Office on November 7, 2022. This notice indicated that County Service Area 54 (Summit West) is deemed “inactive.” An inactive designation requires LAFCO to either initiate the dissolution or challenge the inactive designation. LAFCO staff coordinated with County Public Works to confirm that CSA 54 met the inactive criteria. This effort was in response to the Commission’s adopted service and sphere review for CSA 54, which was adopted in August 2022. The findings in the adopted service review indicated that CSA 54 met the requirements for an inactive district and should be dissolved.

At its August 3rd Regular Meeting, the Commission adopted a zero sphere of influence for CSA 54. **Exhibit A** on page 2 shows CSA 54’s existing boundaries. A zero sphere (encompassing no territory) is designated to a district 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 municipal government. This sphere designation is the preliminary step towards dissolution. A zero sphere determination for CSA 54 was warranted for three reasons: (1) CSA 54 has remained inactive for 15 years, (2) Summit Mutual Water Company provides water to the community which makes CSA 54 obsolete, and (3) CSA 54 meets the statutory criteria of an inactive.



## Exhibit A – Vicinity Map





### **State Law (Inactive Districts)**

In 2017, the Little Hoover Commission produced a report entitled, "Special Districts: Improving Oversight & Transparency", which recommended legislative approval to streamline the LAFCO dissolution process for inactive districts. Legislation adopted in 2017 created an expedited process for LAFCOs to dissolve inactive districts that meet certain criteria defined under Government Code Section 56042 which describes an inactive special district as having:

1. No financial transactions in the previous fiscal year;
2. No assets and liabilities; and
3. No outstanding debts, contracts, liens, or claims.

If the State Controller's Office deems a special district inactive and notifies LAFCO, the Commission is required to initiate dissolution within 90 days of receiving the notice. If adopted, LAFCO is then required to hold another public hearing to officially dissolve the inactive district.

### **County Service Area 54 (Summit West)**

CSA 54 was formed on February 7, 1996 to provide water services to the Summit West community located in the Santa Cruz Mountains south of Summit Road and west of Highway 17. In May 2001, the County Board of Supervisors authorized the transfer of CSA 54's water system to the private entity known as the Summit West Mutual Water Company. Since October 2007, County Public Works has indicated that no work has been done, no benefit assessments have been collected, and there have been no plans to provide services under CSA 54. The Commission adopted a service and sphere review in 2022<sup>1</sup> which found that:

- CSA 54 has no revenues, expenditures, or a fund balance;
- Santa Cruz County does not prepare a budget for CSA 54;
- There is no action on the part of Santa Cruz County or the residents to start funding services for CSA 54; and
- CSA 54 should be dissolved due to inactivity.

### **Environmental Review**

LAFCO is the lead agency under CEQA for CSA 54's dissolution. A project is defined in CEQA Guidelines Section 21065, in part, as "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." The dissolution of a district that provides no services would have no direct or reasonably foreseeable indirect impact on the environment and is therefore not considered to be a project. A Notice of Exemption will be recorded after the Commission officially dissolves CSA 54 later this year.

---

<sup>1</sup> 2022 Countywide Water Report: <https://santacruzlafoo.org/wp-content/uploads/2022/09/Countywide-Water-MSR-Adopted-Version.pdf>

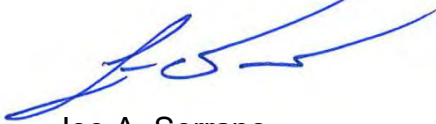
### **Public Hearing Notice**

Pursuant to Government Code Section 56879(c), the Commission's action associated with this dissolution must occur following a public hearing. While notification is not required when initiating a mandatory dissolution, LAFCO provided notice of the hearing by means of publishing in the Sentinel Newspaper on December 13, 2022, as shown in **Attachment 2**.

### **Conclusion**

Water services to the Summit West community was taken over by the Summit Mutual Water Company in 2007. Since then, CSA 54 has been inactive for fifteen years. LAFCO's adopted service and sphere review for CSA 54 supports the State Controller's Office finding that CSA 54 meets the requirements for an inactive district and should be dissolved. Staff is recommending that the Commission adopt the attached resolution initiating the mandatory dissolution (refer to **Attachment 4**). The Commission is then required to officially dissolve CSA 54 within 90 days of adopting the attached resolution. Staff has scheduled the dissolution consideration for the March 1st Regular LAFCO Meeting.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

### **Attachments:**

1. State Controller's Notice of Inactive Special District
2. Public Hearing Notice
3. Draft Resolution No. 2023-02

cc: Matt Machado, County Public Works Department



**BETTY T. YEE**  
California State Controller

RECEIVED

NOV 7 2022

Santa Cruz LAFCO

November 1, 2022

Joe Serrano  
Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA, 95060

**SUBJECT: Notification of Inactive Special Districts in County**

Dear Joe Serrano:

Chapter 334, Statutes of 2017, also known as Senate Bill (SB) 448, added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. It requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Report (FTR), to publish the list of inactive special districts on its website annually, and to notify the local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" must:

- Meet the definition set forth in GC section 56036;
- Have no financial transactions in the previous fiscal year; and
- Have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

Pursuant to GC 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive special districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. Additionally, the Commission is required to notify SCO if it determines that district does not meet the dissolution criteria in GC 56042. Once the dissolution process is complete, please inform SCO using the contact information on page 2.

Enclosed is a copy of the list of inactive California special districts. The list is determined by financial data in each special district's fiscal year 2020-21 FTR. The list of inactive California special districts may also be found at: [https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html).

Joe Serrano  
November 1, 2022  
Page 2

If you have any questions or need to notify us of a special district's status, please contact Derek Miller by telephone at (916) 322-5579, or by email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip Pangilinan", written in a cursive style.

PHILLIP PANGILINAN  
Manager  
Local Government Reporting Section

Enclosure



# California State Controller's Office

## List of Inactive Districts per Chapter 334, Statutes of 2017 (SB 448)

Source: Special Districts Financial Transactions Reports, Fiscal Year 2020-21

#	District Name	City	County
1	Willow Springs Water District	Plymouth	Amador
2	County Service Area No. 6 (Calaveras)	San Andreas	Calaveras
3	County Service Area No. 3 (Colusa)	Colusa	Colusa
4	Kern Valley Resource Conservation District	Bakersfield	Kern
5	Canby Community Services District	Canby	Modoc
6	County Service Area No. 32 (Santa Barbara)	Santa Barbara	Santa Barbara
7	County Service Area No. 54 (Santa Cruz)	Santa Cruz	Santa Cruz
8	Fall River Valley Irrigation District	Redding	Shasta
9	Reclamation District No. 2034	San Ramon	Solano
10	Reclamation District No. 2043	Fairfield	Solano
11	Reclamation District No. 2134	Roseville	Solano
12	Meridian Cemetery District	Yuba City	Sutter
13	County Service Area No. 56 (Yuba)	Marysville	Yuba
14	County Service Area No. 57 (Yuba)	Marysville	Yuba
15	County Service Area No. 58 (Yuba)	Marysville	Yuba
16	River Highlands Community Service District	Marysville	Yuba
17	Royal Pines County Service Area (Yuba)	Marysville	Yuba

Proof of Service by Mail

I declare: I am a citizen of the United States, over the age of 18 years, and not a party to this action. My business address is State Controller's Office, 3301 C Street, Suite 740, Sacramento, California 95816.

On the date set forth below, I served the following entitled document:

Notification of Inactive Special Districts in County

by placing a true copy thereof in a sealed envelope addressed to the person(s) named below at the address(es) shown and by placing said envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

*Name:* Joe Serrano  
Santa Cruz Local Agency Formation Commission

*Address:* Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 01, 2022, at Sacramento, California.

*Signature:* Derek Miller

*Printed Name:* Derek Miller



## NOTICE OF PUBLIC HEARING LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, January 4, 2023, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- **“County Service Area 54 Dissolution” (Project No. DDI 22-17):** The Commission will consider initiating the mandatory dissolution of CSA 54 in accordance with Government Code Section 56879. CSA 54 encompasses the Summit West community located in the Santa Cruz Mountains south of Summit Road and west of Highway 17. The Commission will hold an additional public hearing within 90 days following the adoption of the initiating resolution to consider the dissolution of CSA 54 as an inactive district.
- **“Pajaro Valley Health Care District Sphere Designation” (Project No. SA 22-18):** The Commission will consider the adoption of a sphere of influence for the new district in accordance with Senate Bill 418 and Government Code Section 56425. The district’s jurisdictional boundary primarily follows the boundaries of the Pajaro Valley Unified School District with certain exclusions and involves territories within the counties of Monterey and Santa Cruz. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.

Due to COVID-19 State of Emergency currently in place, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor’s Executive Orders and Assembly Bill 361, which suspend certain requirements of the Ralph M. Brown Act. Members of the public are encouraged to participate remotely. Instructions to participate remotely are available in the Agenda and Agenda Packet: <https://santacruzlafco.org/meetings/>

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 [www.santacruzlafco.org](http://www.santacruzlafco.org). 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.

Joe A. Serrano  
Executive Officer  
Date: December 13, 2022

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
RESOLUTION NO. 2023-02

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
INITIATING THE DISSOLUTION OF COUNTY SERVICE AREA 54  
(LAFCO PROJECT NO. DDI 22-17)

\*\*\*\*\*

WHEREAS, on August 3, 2022, the Local Agency Formation Commission of Santa Cruz County ("LAFCO" or "Commission") adopted a countywide service and sphere review for the nine water agencies in Santa Cruz County, including County Service Area 54 – Summit West ("CSA 54"); and

WHEREAS, the adopted countywide service and sphere review determined that CSA 54 provides no services, has no budget, no funding, no expenditures and no fund balance; and

WHEREAS, on August 3, 2022, the Commission adopted a zero sphere of influence for CSA 54, indicating that the district should be dissolved in the foreseeable future, as shown in Exhibit A; and

WHEREAS, in accordance with Government Code Section 58879 (Senate Bill 448) the State Controller's Office has sent LAFCO a Notification of Inactive District confirming that CSA 54 has had no financial transactions in the previous years, has no assets and liabilities, and has no outstanding debts, judgments, litigation, contracts, liens or claims; and

WHEREAS, the County of Santa Cruz has confirmed the finding of the State Controller that CSA 54 is inactive and should be dissolved; and

WHEREAS, the Commission advertised the notice of public hearing in a newspaper on December 13, 2022, which set a public hearing to consider the initiating resolution to dissolve CSA 54 at its January 4, 2023 Regular LAFCO Meeting; and

WHEREAS, pursuant to Government Code Section 56879, LAFCO held a public hearing on January 4, 2023, considered the request, received public comment and adopted a resolution of application initiating the dissolution of CSA 54 for being inactive; and

WHEREAS, the Commission heard and considered all oral and written testimony for and against the proposal including, but not limited to, the LAFCO staff report including the staff recommendation.



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

Section 1. The foregoing recitals are true and correct.

Section 2. Compliance with Government Code Section 56879 has been met by completing the dissolution of CSA 54 because the State Controller's Office has identified CSA 54 as an inactive district. Within 90 days of receiving such determination, LAFCO is required to initiate dissolution of inactive special districts by resolution. The State Controller's notification was received on November 7, 2022, as shown in Exhibit B.

Section 3. Compliance with the California Environmental Quality Act (CEQA) will be met by a categorical exemption pursuant to State CEQA Guidelines Section 15320, Class 20(b), "Changes in organization of local agencies," because the dissolution does not change the geographical area in which previously existing powers are exercised. The Commission, as a lead agency, will record a Notice of Exemption after approval of the dissolution during a public hearing.

Section 4. Pending the issuance and recordation of a Certificate of Completion, CSA 54 shall not: (1) appropriate, encumber, expend, or otherwise obligate, any revenue of CSA 54, or (2) hire any staff or contractors.

Section 5. Upon the effective date of the dissolution (i.e., recordation of the Certificate of Completion), CSA 54 shall be dissolved, its existence shall be terminated, and all of its powers shall cease.

Section 6. The Commission shall initiate the dissolution of CSA 54 in accordance with Government Code Section 56879 and will officially consider the dissolution of CSA 54 within 90 days of approving this resolution.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 4th day of January 2023.

AYES:

NOES:

ABSTAIN:

---

RACHÉL LATHER, CHAIRPERSON

Attest:

Approved as to form:

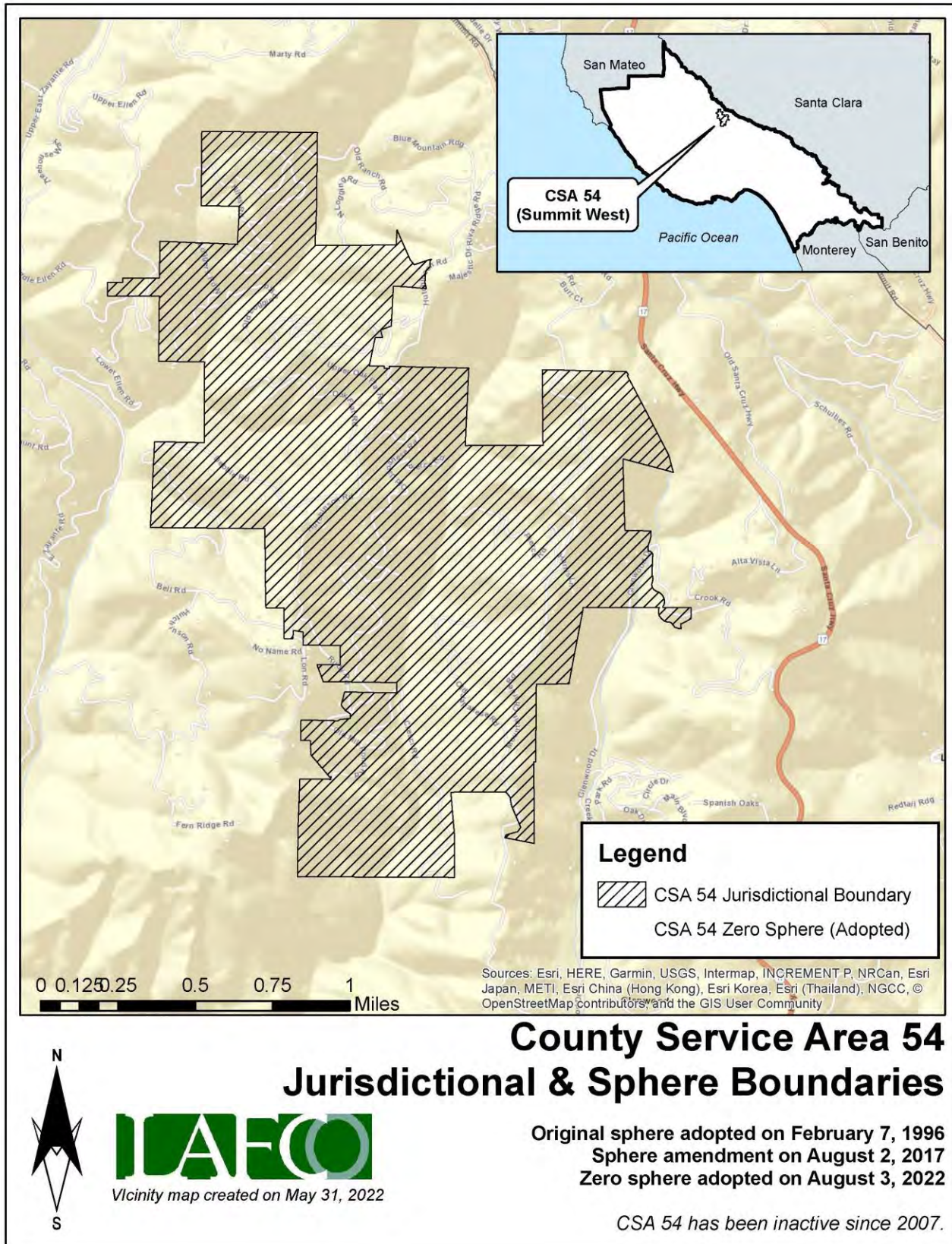
---

Joe A. Serrano  
Executive Officer

---

Joshua Nelson  
LAFCO Counsel

# EXHIBIT A



# EXHIBIT B



**BETTY T. YEE**  
California State Controller

RECEIVED

NOV 7 2022

Santa Cruz LAFCO

November 1, 2022

Joe Serrano  
Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA, 95060

**SUBJECT: Notification of Inactive Special Districts in County**

Dear Joe Serrano:

Chapter 334, Statutes of 2017, also known as Senate Bill (SB) 448, added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. It requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Report (FTR), to publish the list of inactive special districts on its website annually, and to notify the local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" must:

- Meet the definition set forth in GC section 56036;
- Have no financial transactions in the previous fiscal year; and
- Have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

Pursuant to GC 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive special districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. Additionally, the Commission is required to notify SCO if it determines that district does not meet the dissolution criteria in GC 56042. Once the dissolution process is complete, please inform SCO using the contact information on page 2.

Enclosed is a copy of the list of inactive California special districts. The list is determined by financial data in each special district's fiscal year 2020-21 FTR. The list of inactive California special districts may also be found at: [https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html).

Local Government Programs and Services Division  
MAILING ADDRESS: P.O. Box 942850, Sacramento, CA 94250  
3301 C Street, Suite 700, Sacramento, CA 95816



Joe Serrano  
November 1, 2022  
Page 2

If you have any questions or need to notify us of a special district's status, please contact Derek Miller by telephone at (916) 322-5579, or by email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip Pangilinan".

PHILLIP PANGILINAN  
Manager  
Local Government Reporting Section

Enclosure

**California State Controller's Office**  
**List of Inactive Districts per Chapter 334, Statutes of 2017 (SB 448)**  
**Source: Special Districts Financial Transactions Reports, Fiscal Year 2020-21**

#	District Name	City	County
1	Willow Springs Water District	Plymouth	Amador
2	County Service Area No. 6 (Calaveras)	San Andreas	Calaveras
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15	County Service Area No. 58 (Yuba)	Marysville	Yuba
16	River Highlands Community Service District	Marysville	Yuba
17	Royal Pines County Service Area (Yuba)	Marysville	Yuba

Proof of Service by Mail

I declare: I am a citizen of the United States, over the age of 18 years, and not a party to this action. My business address is State Controller's Office, 3301 C Street, Suite 740, Sacramento, California 95816.

On the date set forth below, I served the following entitled document:

Notification of Inactive Special Districts in County

by placing a true copy thereof in a sealed envelope addressed to the person(s) named below at the address(es) shown and by placing said envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

*Name:* Joe Serrano  
Santa Cruz Local Agency Formation Commission

*Address:* Santa Cruz LAFCO  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on November 01, 2022, at Sacramento, California.

*Signature:* Derek Miller

*Printed Name:* Derek Miller



---

Santa Cruz Local Agency Formation Commission

Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **"Pajaro Valley Health Care District Sphere of Influence Designation"**

---

### **SUMMARY OF RECOMMENDATION**

State law requires LAFCO to develop and determine a sphere of influence boundary for the newly formed Pajaro Valley Health Care District within one year of the district's date of formation. The healthcare district was formed on February 4, 2022 following the Governor's approval of Senate Bill 418. A sphere of influence means a plan for the probably physical boundaries and service area of a local government agency (Government Code Section 56076).

It is recommended that the Commission adopt the draft resolution (No. 2023-03) approving the sphere of influence designation for the Pajaro Valley Health Care District.

---

### **EXECUTIVE OFFICER'S REPORT**

Senate Bill 418 was signed into law on February 4, 2022, resulting in the formation of the Pajaro Valley Health Care District<sup>1</sup>. The District was formed to provide adequate governmental oversight to the Watsonville Community Hospital, which filed for Chapter 11 bankruptcy on December 21, 2021. A subsequent bill, Senate Bill 969, was also signed into law on July 1, 2022 to clearly outline LAFCO's purview over the newly formed district<sup>2</sup>.

Senate Bill 969 requires LAFCO to develop and determine a sphere of influence for the district within one year of the district's date of formation and conduct a municipal service review regarding the health care provision in the district by December 31, 2025 and by December 31 every five years thereafter. The bill also requires the District to annually report to LAFCO regarding health care provision in the district in 2023 and 2024. This information will be helpful in completing LAFCO's future service review in 2025. For purposes of today's meeting, staff will focus on the proposed sphere designation.

### **Sphere Determinations**

In accordance with Government Code Section 56425, the Commission is required to consider and prepare a written statement of its determination of a sphere boundary based on five different factors. Below is LAFCO staff's analysis of each factor.

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

The Pajaro Valley Health Care District is primarily located in unincorporated territory in two counties (Monterey and Santa Cruz). The District's jurisdictional boundary also

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<sup>1</sup> Senate Bill 418: [https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202120220SB418](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB418)

<sup>2</sup> Senate Bill 969: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202120220SB969](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB969)

encompasses the City of Watsonville. The City and the two counties have full authority on the present and planned land uses. At present, the land use designation within the District's service area varies from agricultural to urban residential.

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

The Pajaro Valley Health Care District was formed due to the essential services and facilities offered by the Watsonville Community Hospital. Due to various ownership turnover and lack of proper governance, the District was formed through special legislation to prevent the hospital from going bankrupt resulting in the closure of the vital medical facility. The hospital was successfully purchased in September 2022.

**3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide, including the funding of capital, debt, service, and operations.**

Pursuant to state law, which formed the Pajaro Valley Health Care District, LAFCO is required to conduct a municipal service review regarding the health care provision by December 31, 2025. This extensive report will examine the current and future services, financial performance, and operations to ensure that the District is fulfilling its statutory requirements and providing the best level of service possible.

**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.**

The Watsonville Community Hospital is a 106-bed facility that provides acute care and emergency services to residents in the Pajaro Valley, which spans across southern Santa Cruz and northern Monterey counties. The hospital currently employs over 600 people including 200 physicians. The hospital also has a contract with Kaiser Permanente to provide hospital services for Kaiser patients. The hospital serves significant numbers of low income, underinsured, and patients of color. As such, 43% of the hospital's gross revenue comes from the Medi-Cal program for low-income Californians, and 30% comes from the Medicare program that serves aged and disabled Californians.

**5) For an update of a sphere of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.**

The Pajaro Valley Health Care District does not provide sewer, municipal and industrial water, or structural fire protection services. The District's primary purpose is to provide proper governmental oversight to the Watsonville Community Hospital, which offers essential medical services to the general public.

**Proposed Sphere Boundary**

The District's jurisdictional boundary is situated in the Counties of Monterey and Santa Cruz and follows the boundary of the Pajaro Valley Unified School District, with the exception of certain areas described in Senate Bill 418. **Attachment 1** provides a vicinity map of the District's jurisdictional boundary.



Pursuant to state law, and the Commission's adopted sphere policy, there are several types of sphere boundaries that the Commission may adopt:

- a) **Coterminous Sphere:** A sphere of influence may be coterminous, or identical, with the agency's current jurisdictional boundary;
- b) **Larger-than-Jurisdiction Sphere:** A sphere of influence may be larger than the agency's current jurisdictional boundary. This designation identifies areas that should be annexed into the agency in the foreseeable future.
- c) **Smaller-than-Jurisdiction Sphere:** A sphere of influence may be smaller than the agency's current jurisdictional boundary. This designation identifies areas that should be detached from the agency in the foreseeable future.
- d) **Zero Sphere:** A sphere of influence may be removed entirely if the Commission determines that the service responsibilities and functions of the agency should be reassigned to another local government, and that the agency assigned a "zero sphere of influence" should be dissolved.

Since LAFCO has not conducted a service review, staff is recommending that the Commission adopt a coterminous sphere, as shown in **Attachment 2**. The Commission may consider modifying the sphere boundary when discussing the findings and recommendations identified in the December 2025 service and sphere review. However, adopting a coterminous sphere at this time will fulfill the requirements under Senate Bill 969.

### **Environmental Review**

LAFCO staff has conducted an environmental review for the proposed sphere designation in accordance with the California Environmental Quality Act (CEQA). Staff has determined that the proposed sphere boundary 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 5061[b][3]). A Notice of Exemption, as shown in **Attachment 3**, will be recorded after Commission action.

### **Public Hearing Notice**

Pursuant to Government Code Section 56879(c), the Commission's action associated with this sphere designation must occur following a public hearing. To meet the legal notice requirements, LAFCO provided notice of the hearing by means of publishing in the Sentinel Newspaper on December 13, 2022, as shown in **Attachment 4**.

### **Conclusion**

The formation of the Pajaro Valley Health Care District in February, and subsequent purchase of the hospital in September, has allowed the Watsonville Community Hospital to continue operation with adequate governmental oversight. Special legislation required LAFCO to designate a sphere boundary for the newly formed district. Staff is recommending that the Commission adopt the draft resolution (refer to **Attachment 5**), approving the establishment of a coterminous sphere of influence for the Pajaro Valley Health Care District.

Respectfully Submitted,

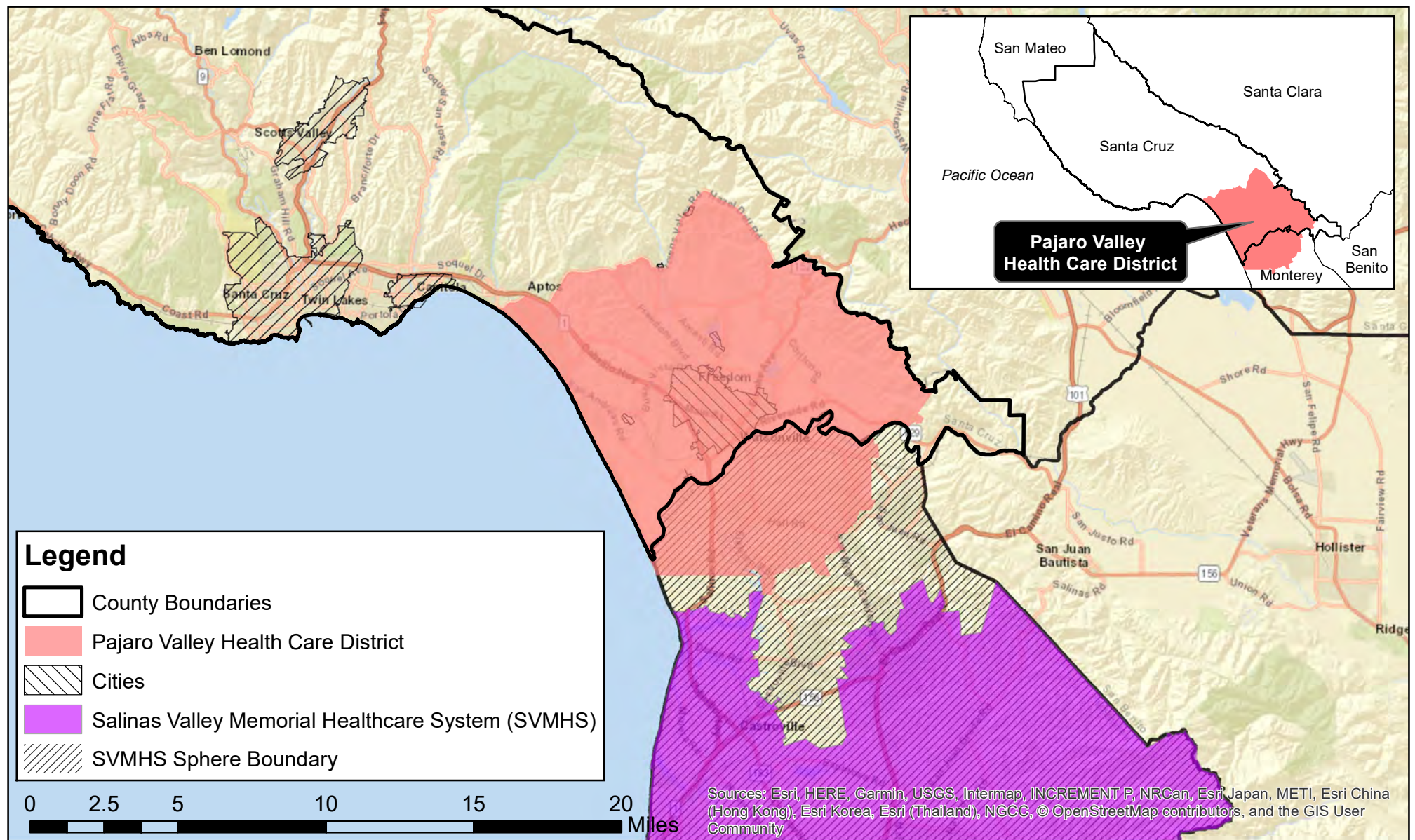


Joe A. Serrano  
Executive Officer

Attachments:

1. Vicinity Map
2. Proposed Sphere Boundary Map
3. Environmental Determination – Categorical Exemption
4. Public Hearing Notice
5. Draft Resolution No. 2023-03

cc: Santa Cruz County Administrative Office  
Pajaro Valley Health Care District  
Monterey LAFCO



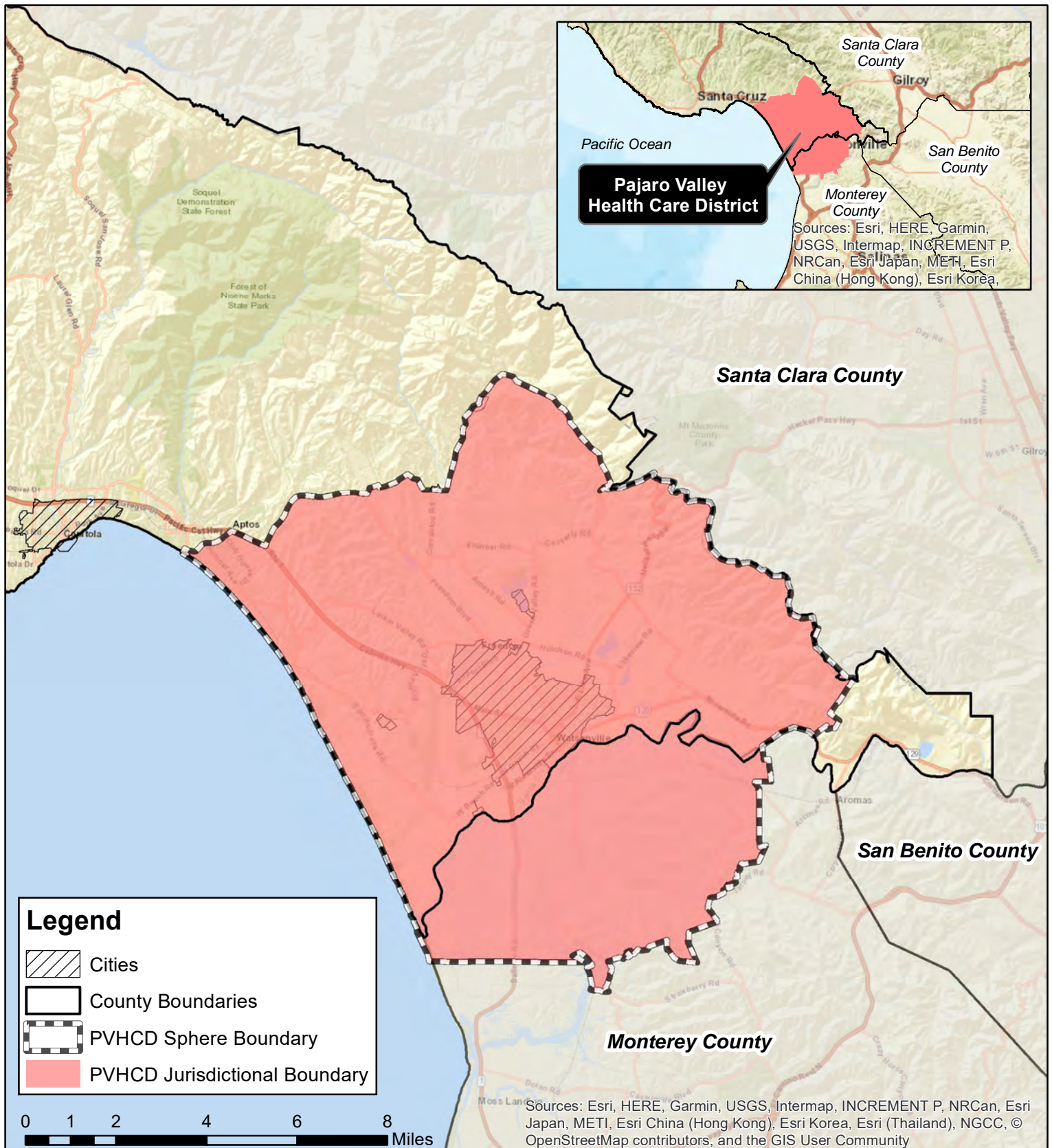
# Pajaro Valley Health Care District

The healthcare district was created through special legislation (SB 418) on February 4, 2022.

This map shows the jurisdictional limits of the new healthcare district, which is located in two counties (Santa Cruz and Monterey).

At present, the district does not have a sphere boundary. LAFCO will take action on a sphere designation in accordance with SB 969.





# Pajaro Valley Health Care District Jurisdictional and Sphere Boundaries

Original sphere adopted on January 4, 2023  
(in accordance with Senate Bill 969)



Map created by Santa Cruz LAFCO on 11-17-22

## 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

To: ☒ Clerk of the Board  
County of Santa Cruz  
701 Ocean Street, Room 500  
Santa Cruz CA 95060

Project Title: **"Pajaro Valley Health Care District Sphere of Influence Designation"**

Project Location: The Pajaro Valley Health Care District is primarily located in unincorporated territory **in two counties (Monterey and Santa Cruz). The District's jurisdictional boundary also encompasses the City of Watsonville..** A vicinity map depicting the **water agencies'** jurisdictional and sphere boundaries is attached (refer to Attachment A).

Project Location City: Watsonville Project Location County: Counties of Monterey and Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: Senate Bill 418 was signed into law on February 4, 2022, resulting in the formation of the Pajaro Valley Health Care District. The District was formed to provide adequate governmental oversight to the Watsonville Community Hospital, which filed for Chapter 11 bankruptcy on December 21, 2021. A subsequent bill, Senate Bill 969, was also signed **into law on July 1, 2022 to clearly outline LAFCO's purview over the newly formed district. Senate Bill 969** requires LAFCO to develop and determine a sphere of influence for the district within one year of the **district's date of formation and conduct a municipal service review regarding the health care provision in** the district by December 31, 2025 and by December 31 every five years thereafter. This project will establish a coterminous sphere boundary for the newly formed healthcare district.

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 January 4, 2023.

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

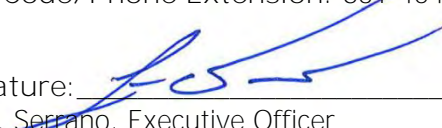
Exempt Status: (check one)

- ☐ 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  
☒ 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: January 5, 2023

☒ Signed by Lead Agency



## NOTICE OF PUBLIC HEARING LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, January 4, 2023, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- **“County Service Area 54 Dissolution” (Project No. DDI 22-17):** The Commission will consider initiating the mandatory dissolution of CSA 54 in accordance with Government Code Section 56879. CSA 54 encompasses the Summit West community located in the Santa Cruz Mountains south of Summit Road and west of Highway 17. The Commission will hold an additional public hearing within 90 days following the adoption of the initiating resolution to consider the dissolution of CSA 54 as an inactive district.
- **“Pajaro Valley Health Care District Sphere Designation” (Project No. SA 22-18):** The Commission will consider the adoption of a sphere of influence for the new district in accordance with Senate Bill 418 and Government Code Section 56425. The district’s jurisdictional boundary primarily follows the boundaries of the Pajaro Valley Unified School District with certain exclusions and involves territories within the counties of Monterey and Santa Cruz. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.

Due to COVID-19 State of Emergency currently in place, this meeting will be conducted as a teleconference pursuant to the provisions of the Governor’s Executive Orders and Assembly Bill 361, which suspend certain requirements of the Ralph M. Brown Act. Members of the public are encouraged to participate remotely. Instructions to participate remotely are available in the Agenda and Agenda Packet: <https://santacruzlafco.org/meetings/>

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 [www.santacruzlafco.org](http://www.santacruzlafco.org). 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.

Joe A. Serrano  
Executive Officer  
Date: December 13, 2022

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
RESOLUTION NO. 2023-03

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION APPROVING  
THE SPHERE OF INFLUENCE ESTABLISHMENT FOR THE  
PAJARO VALLEY HEALTH CARE DISTRICT  
(LAFCO PROJECT NO. SA 22-18)

\*\*\*\*\*

WHEREAS, on February 4, 2022, the Governor signed into law Senate Bill 418 which created the Pajaro Valley Health Care District ("PVHCD" or "District") to oversee the governance and operations of the Watsonville Community Hospital; and

WHEREAS, on July 1, 2022, the Governor signed into law Senate Bill 969 which clarified LAFCO's authorizing purview over the District in accordance with the Cortese-Knox-Hertzberg Act; and

WHEREAS, Senate Bill 969 requires the Local Agency Formation Commission of Santa Cruz County ("LAFCO" or "Commission") to establish a sphere of influence for PVHCD within one year of its formation date and conduct a service review for PVHCD by December 31, 2025, and by December 31 every 5 years thereafter; and

WHEREAS, the Commission advertised the notice of public hearing in a newspaper on December 13, 2022, which set a public hearing to consider the proposed sphere establishment at its January 4, 2023 Regular LAFCO Meeting; and

WHEREAS, the Commission held a public hearing on January 4, 2023, and at the hearing, the Commission heard and received all oral and written protests, objections, and evidence that were presented; and

WHEREAS, the proposed sphere designation for the District 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 agencies. There is no possibility that the activity may have a significant impact on the environment. A Notice of Exemption will be recorded after the Commission approves the sphere designation; and

WHEREAS, the Commission hereby approves the Sphere of Influence Determinations for the District, as shown on Exhibit 1.



NOW, THEREFORE, the Local Agency Formation Commission of Santa Cruz County does HEREBY RESOLVE, DETERMINE, AND ORDER as follows: the Commission hereby establishes a Coterminous Sphere to reflect the current service delivery area for the Pajaro Valley Health Care District, as shown as Exhibit 2.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 4th day of January 2023.

AYES:

NOES:

ABSTAIN:

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RACHÉL LATHER, CHAIRPERSON

Attest:

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Joe A. Serrano  
Executive Officer

Approved as to form:

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Joshua Nelson  
LAFCO Counsel



**EXHIBIT 1**  
**PAJARO VALLEY HEALTH CARE DISTRICT**  
**2022 SERVICE REVIEW DETERMINATIONS**

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

The Pajaro Valley Health Care District is primarily located in unincorporated territory in two counties (Monterey and Santa Cruz). The District's jurisdictional boundary also encompasses the City of Watsonville. The City and the two counties have full authority on the present and planned land uses. At present, the land use designation within the District's service area varies from agricultural to urban residential.

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

The Pajaro Valley Health Care District was formed due to the essential services and facilities offered by the Watsonville Community Hospital. Due to various ownership turnover and lack of proper governance, the District was formed through special legislation to prevent the hospital from going bankrupt resulting in the closure of the vital medical facility. The hospital was successfully purchased by the District in September 2022.

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

Pursuant to state law, which formed the Pajaro Valley Health Care District, LAFCO is required to conduct a municipal service review regarding the health care provision by December 31, 2025. This extensive report will examine the current and future services, financial performance, and operations to ensure that the District is fulfilling its statutory requirements and providing the best level of service possible.

**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.**

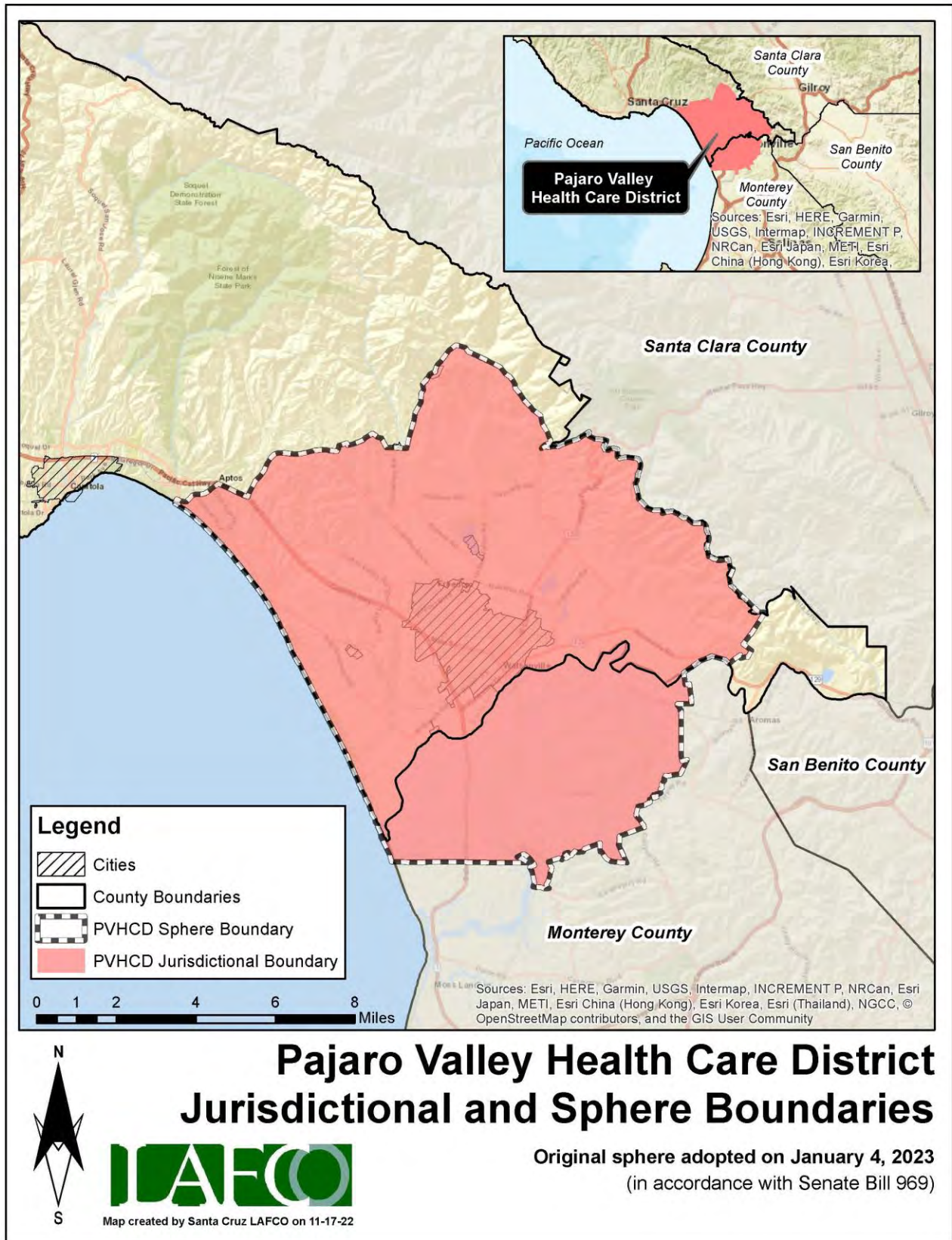
The Watsonville Community Hospital is a 106-bed facility that provides acute care and emergency services to residents in the Pajaro Valley, which spans across southern Santa Cruz and northern Monterey counties. The hospital currently employs over 600 people including 200 physicians. The hospital also has a contract with Kaiser Permanente to provide hospital services for Kaiser patients. The hospital serves significant numbers of low income, underinsured, and patients of color. As such, 43% of the hospital's gross revenue comes from the Medi-Cal program for low-income Californians, and 30% comes from the Medicare program that serves aged and disabled Californians.

**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.**

The Pajaro Valley Health Care District does not provide sewer, municipal and industrial water, or structural fire protection services. The District's primary purpose is to provide proper governmental oversight to the Watsonville Community Hospital, which offers essential medical services to the general public.

**EXHIBIT 2**  
**PAJARO VALLEY HEALTH CARE DISTRICT**  
**SPHERE OF INFLUENCE MAP**

LAFCO establishes a coterminous sphere (same as jurisdictional boundary).





Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **LAFCO Staffing Support**

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### **SUMMARY OF RECOMMENDATION**

The Cortese-Knox-Hertzberg Act delegates LAFCOs with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies through various actions, including but not limited to, processing boundary changes and developing service and sphere reviews. In some cases, LAFCO requires additional assistance from outside consultants for specific projects on a temporary basis or even a staff increase for permanent support. This report will summarize the proposed actions for additional staffing assistance.

It is recommended that the Commission consider the following actions:

- 1) Adopt the contractual agreement with Marin LAFCO for shared services opportunities on an as-needed basis;
- 2) Adopt the contractual agreement with Piret Harmon for water consulting services on an as-needed basis;
- 3) Authorize staff to enter into a contractual agreement with County of Santa Cruz for administrative support on an as-needed basis;
- 4) Direct staff to continue the recruitment process in search of a LAFCO Analyst; and
- 5) Allow temporary permission for the Executive Officer to work remotely during the remainder of Fiscal Year 2022-23.

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### **EXECUTIVE OFFICER'S REPORT:**

LAFCO has been operating with one full-time employee since September 2021 following the departure of the Commission Clerk. During this time, staff was able to perform without any setbacks in completing the Commission's scheduled service reviews, processing various boundary changes, and managing other identified goals during the 2022 calendar year. However, the Commission has tasked staff to implement contingencies in case the Executive Officer is out of the office for an extended period of time. Additionally, there may be future projects that would benefit from further administrative support. That is why staff is recommending the approval of four contractual agreements and the hiring of an Analyst that will help with internal operations in the short and long-run.

### **Shared Services (Marin LAFCO)**

Government Code Section 56430(a)(5) requires LAFCO to determine the status of, and opportunities for, shared services and facilities when conducting a service review for a city or special district. Encouraging strategic partnerships among local agencies is, and continues to be, a core goal for LAFCO. It is staff's position that LAFCO should also consider collaborating with neighboring LAFCOs for shared services opportunities. One way to maximize existing resources and champion a new joint venture is by developing a contractual agreement with neighboring LAFCOs for administrative services. This agreement would be similar to a retainer with a law firm when legal services are needed during specific projects/tasks.

The proposed agreement with Marin LAFCO, as shown in **Attachment 1**, will address situations where additional administrative assistance is needed. If approved, the agreement may be extended to include other LAFCOs such as Monterey, Santa Clara or San Mateo Counties, any may even become a model for other LAFCOs statewide to consider. Marin LAFCO unanimously adopted this agreement during their December 8th Regular Commission Meeting. It is important to note that this agreement does not require any LAFCO to provide services but rather offer the opportunity to utilize existing resources from the identified LAFCO if such resources are available upon request. For example, Marin LAFCO may reach out to Santa Cruz LAFCO for assistance in creating GIS maps. Staff will provide support if, and only if, time and resources are available and the request does not negatively affect other projects and priorities. Therefore, staff is recommending that the Commission approve the contractual agreement with Marin LAFCO.

### **Water Consulting Services (Piret Harmon, Sole Proprietor)**

Last August, the Commission adopted the 2022 Countywide Water Service & Sphere Review. A number of recommendations and actions were identified in this comprehensive report, including the modification of certain sphere boundaries and the proposed coordination with private water companies to ensure they are in compliance with AB 54 and other state laws. Additionally, the report noted the possible dissolution of two water agencies: County Service Area 54 and the Reclamation District No. 2049. Due to the extensive work that may be subject to the upcoming dissolutions and coordination with the small water companies, staff is recommending that the Commission hire Piret Harmon for her expertise in water-related operations and reorganizations. As you may recall, Ms. Harmon was the former General Manager for the Scotts Valley Water District before her retirement in December 2022. The proposed agreement with Piret Harmon would last until March 2024 and includes language that the total cost for her services will not exceed \$20,000 at the end of any calendar year, as shown in **Attachment 2**.

### **Temporary Administrative Support (County of Santa Cruz)**

As previously mentioned, LAFCO is currently operating with one full-time employee. Temporary administrative support may be needed in the near future, such as mailing public notices for a large boundary change (i.e. fire reorganizations), conducting hybrid meetings, archiving LAFCO files, and other specific projects. Such temporary support may not warrant the hiring of a part-time or full-time employee. That is why staff is currently working with the County to develop a contractual agreement that will allow LAFCO to utilize the County's staffing resources and receive administrative support on an as-needed basis. It is recommended that the Commission direct staff to enter into a contractual agreement with the County once the document has been finalized. Staff anticipates the agreement to go into effect by mid-2023.

### Recruitment for Additional Full-Time Staff Member

LAFCO is expecting a heavy workload in 2023 with four active applications, five anticipated applications, six scheduled service reviews, and one countywide feasibility study already in progress. In addition, the Executive Officer plans to take paternity leave in late-January/early-February. Staff met with the Personnel Committee this past November to discuss the 2023 projects and the benefits of hiring a new employee. The Committee agreed to search for a LAFCO Analyst and a recruitment flyer was posted on LAFCO's website, as shown in **Attachment 3**. It is recommended that the Commission direct staff to continue the recruitment process until a qualified candidate is found.

### Temporary Remote Work (Executive Officer)

As previously mentioned, the Executive Officer is expected to take some time off in early-2023 to acclimate into parenthood. Staff is requesting the option of working remotely until the end of Fiscal Year 2022-2023 (June 30, 2023). This will offer staff flexibility while also ensuring that productivity is not negatively affected during this timeframe. Staff will continue to conduct/attend any necessary in-person meetings, including but not limited to Commission meetings. Staff will also conduct in-person meetings at the office if requested by the public or any other local agency. **Attachment 4** shows the proposed sign that will be outside the LAFCO office if the request is approved. The sign will be removed by June 30, 2023, if not sooner, and will be replaced with the original sign depicting normal office hours.

### Conclusion

Staff has proven that LAFCO's productivity over the past year has increased even though the number of staffing was reduced to only one full-time employee. While staff is confident that day-to-day operations, processing boundary changes, and upcoming service reviews will continue to be completed in a timely manner, certain projects may benefit from additional support. Staff also believes that the increase in support will not have a negative impact to LAFCO's finances. **Attachment 5** shows how adjustments to LAFCO's existing funding sources will cover projected expenses for the upcoming budget. A full analysis of the draft and final budget will be presented to the Commission in April and June 2023, respectively.

In summary, staff is recommending that the Commission approve the two attached agreements with Marin LAFCO and Piret Harmon, direct staff to work with the County to develop a contractual agreement for administrative services when needed, support staff in its effort to hire a new Analyst, and approve staff's request to work remotely until June 30, 2023. The table below summarizes the additional staffing opportunities:

**Table A: Additional Staffing Support**

Service Provider	Purpose/ Objective	Estimated Cost
Marin LAFCO	Administrative Services	Hourly Rate (as needed basis)
Piret Harmon	Water Consulting Services	No more than \$20,000/year
Santa Cruz County	Administrative Services	Hourly Rate (as needed basis)
LAFCO Analyst	Full-Time Employee	Salary Range: \$55k to \$85k (based on qualifications)



Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. Contractual Agreement for Administrative Services (Marin LAFCO)
2. Contractual Agreement for Water Consulting Services (Piret Harmon)
3. Analyst Recruitment Flyer (Job Opening: LAFCO Analyst)
4. LAFCO Office Sign (Temporary Office Hours)
5. FY 23-24 LAFCO Budget (Cost Projections)

cc: Piret Harmon, Water Consultant  
Jason Fried, Marin LAFCO

## **MULTI-LAFCO SHARED RESOURCES AGREEMENT**

By and Among

**LOCAL AGENCY FORMATION COMMISSION  
OF MARIN COUNTY,**

And

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

[Dated as of January 4, 2023]

**DRAFT VERSION**

## ARTICLE 1. PARTIES AND EFFECTIVE DATE

**1.1 Parties.** This Multi-LAFCO Shared Resources Agreement (“Agreement”) is entered into by and among the Local Agency Formation Commission of Marin County (“Marin LAFCO”) and the Local Agency Formation Commission of Santa Cruz County (“Santa Cruz LAFCO”). The LAFCOs are sometimes referred to herein as an “Interested LAFCO” and collectively as the “Supporting LAFCOs” or “LAFCOs.” This Agreement is dated as of January \_\_, 2023, for references purposes only and will become effective until the “Effective Date” defined in Section 1.2 below. A local agency formation commission may be referred to as a “LAFCO.”

**1.2 Effective Date.** This Agreement will become effective on the date (“Effective Date”) signed by the Supporting LAFCOs. Signatures may be made by the Interested LAFCO’s Chair or Executive Officer.

## ARTICLE 2. RECITALS

**2.1 Santa Cruz LAFCO Background.** At present, Santa Cruz LAFCO has one employee (Executive Officer). In the event that the Executive Officer requires a leave of absence, due to medical or personal reasons (ex. vacation or paternity/maternity leave), it may be beneficial to have administrative services covered during their extended time away from the office. Rather than hiring temporary assistance, coupled with the fact that a learning curve about LAFCO would most likely be required, it may be beneficial to implement a shared services/resources agreement with neighboring LAFCOs for temporary administrative/operational assistance. For these reasons, Santa Cruz LAFCO reached out to neighboring LAFCOs to solicit interest in sharing resources.

**2.2 Marin LAFCO Background.** At present, Marin LAFCO has three employees (Executive Officer, Deputy Executive Officer, and Clerk/Jr. Analyst). Additionally, Marin LAFCO. In certain instances, Marin LAFCO may not be able to provide mapping support promptly in which causes delays for Marin LAFCO. Rather than waiting for the third party providers to provide the requested mapping services, it may be beneficial to implement a shared services/resources agreement with a neighboring LAFCO for mapping support. Santa Cruz LAFCO has expressed interest in providing mapping services on an as-needed basis and Marin LAFCO has also indicated that they can provide administrative services.

**2.3 Other LAFCOs.** At present, other Coastal Region LAFCOs are equipped with multiple staff members and do not need administrative assistance at this time. However, they may have the opportunity to join the Agreement in the future as set forth below.

**NOW, THEREFORE,** in consideration for the mutual covenants set forth herein, the receipt and adequacy of which is hereby acknowledged, the Interested LAFCOs agree as follows:

## ARTICLE 3. TERMS

### 3.1 Administrative Services.

**3.1.1 Clerical Support.** An Interested LAFCO may reach out to any of the Supporting LAFCO for clerical support, including but not limited to, agenda packet preparation, public noticing, protest hearing noticing, record retention, scanning archives, etc. If support reaches more than five (5) total hours in any given month, the LAFCO providing services may charge the

LAFCO receiving services based on their regular hourly rate or rate determined by the affected LAFCOs, which may include the salary and benefits of the staff member and reasonable overhead charges.

**3.1.2 Website Support.** An Interested LAFCO may reach out to any of the Supporting LAFCOs for website support, including but not limited to, uploading agenda packets, revising outdated language, correcting broken links, etc. If support reaches more than five (5) hours in any given month, the LAFCO providing services may consider charging the LAFCO receiving services based on their regular hourly rate or rate determined by the affected LAFCOs, which may include the salary and benefits of the staff member and reasonable overhead charges.

**3.1.3 Other Administrative Support.** An Interested LAFCO may reach out to any of the Supporting LAFCOs for other administrative support, including but not limited to, developing maps for services reviews and/or applications, providing assistance during a LAFCO meeting, receiving/answering voicemails/emails during leave of absence, operating the LAFCO office if out on leave, etc. If support reaches more than five (5) hours in any given month, the LAFCO providing services may consider charging the LAFCO receiving services based on their regular hourly rate or rate determined by the affected LAFCOs, which may include the salary and benefits of the staff member and reasonable overhead charges. Travel time and costs can be factored into the amount being charged as long as basic cost estimates are provided and approved by interested LAFCO prior to work being performed.

## **ARTICLE 4. GENERAL PROVISIONS**

**4.1 Duration.** This Agreement shall remain in effect until terminated by the Supporting LAFCOs or if by withdrawal, there is only a single Supporting LAFCO. Any one of the Supporting LAFCOs may withdraw from the Agreement with notice by that Interested LAFCO following the submittal of a written request to be removed in accordance with Section 4.3. Any Interested LAFCO that has withdrawn may become a party to the Agreement by executing the Agreement and providing written notice to the Supporting LAFCOs in accordance with Section 4.3.

**4.2 No Third Party Beneficiaries.** The Supporting LAFCOs expressly acknowledge that they do not intend, by their execution of this Agreement, to benefit any person or entities not signatory to this Agreement. No person or entity not a signatory to this Agreement will have any rights or causes of action against the Supporting LAFCOs, or any combination thereof, arising out of or due to the Interested LAFCOs' entry into this Agreement.

**4.3 Notice.** All notices to be given shall be in writing and may be made by personal delivery, via email, certified mail, postage prepaid or return receipt requested. Mailed notices shall be addressed to the Supporting LAFCOs at the addresses listed below, but each Interested LAFCO may change the address by written notice in accordance with this paragraph. Receipt will be deemed made as follows: notices delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated on receipt or region.

**Marin LAFCO**  
1401 Los Gatos Drive, Suite 220  
San Rafael, CA 94903

**Santa Cruz LAFCO**  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060

**4.4 Counterparts.** This Agreement may be executed in two (2) or more counterparts, each of which shall constitute an original.

**4.5 Entire Agreement.** This Agreement contains the entire Agreement of the Supporting LAFCOs with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements, either written or oral, express or implied.

**4.6 Further Acts.** The Parties agree to execute such additional documents and to take such further actions as are reasonably necessary to accomplish the objectives and intent of this Agreement.

**4.7 Addition of LAFCOs.** LAFCOs may become parties to this Agreement by executing this Agreement and with the written request of an existing Interested LAFCO and the written consent of the other Interested LAFCOs. The Executive Officer of each Interested LAFCO may request or consent to the addition of a new Interested LAFCO.

**4.8 Authorization to Execute.** The signatories to this Agreement warrant that they have been lawfully authorized by their respective Supporting LAFCOs to execute this Agreement on their behalf. Upon request, the Supporting LAFCOs shall deliver all applicable bylaws, resolutions, or other documents evidencing the signatories' legal authority to execute this Agreement on behalf of the respective Supporting LAFCOs.

**4.9 Severability.** If any provision or clause of this Agreement or any application of it to any person, firm, organization, partnership or corporation is held invalid, such invalidity shall not affect other provisions of this Agreement which can be given effect without the invalid provision or application. To this end, the provisions of this Agreement are declared to be severable.

**4.10 Employee Responsibility.** The employees of the Supporting LAFCOs providing services to any Interested LAFCO under this Agreement shall remain solely employees of the applicable one of the Supporting LAFCOs and shall have no claim to wages, benefits, pensions, civil service or any other rights provided by Interested LAFCO to its own employees. The Supporting LAFCOs shall secure and maintain workers' compensation insurance that will cover its own employees who may provide services under this Agreement. Each of the Supporting LAFCOs will indemnify and hold each other harmless from and against claims by their employees injured while performing services under this Agreement.

The Supporting LAFCOs expressly agree that none of them have, nor are assuming, any liability for the payment of wages or any other compensation or benefits to the others' employees performing services pursuant to this Agreement, nor shall any Interested LAFCO be liable for compensation to the employees of the other Supporting LAFCOs for injury or sickness arising out of performance of services pursuant to this Agreement. All such liabilities are the exclusive responsibility of the party employing such employees. Each of the Supporting LAFCOs will indemnify and hold each other harmless from and against claims by their employees.

**4.11 Indemnification.** Each of the Supporting LAFCOs shall defend, indemnify and hold the other Supporting LAFCOs and their officers, agents and employees harmless from any claim or action arising out of any willful misconduct or negligence in the performance of this



Agreement. This section is not intended to and does not abrogate or otherwise limit any immunity with which any of the Supporting LAFCOs may assert against any third party claim under the Government Code or otherwise.

**4.12 Insurance.** Each party shall provide and maintain insurance in the form and amounts prescribed below or provide a statement to the other parties that the entity is self-insured up to the amounts specified below:

4.12(a) Commercial General Liability Insurance / Automobile Liability Insurance. Coverage will be based on the subject LAFCO's adopted policies. At present, Marin and Santa Cruz LAFCOs do not own any vehicles and staff members get reimbursement in accordance with their respective policies.

4.12(b) Workers' Compensation. In at least the minimum statutory limits. With respect to Workers Compensation coverage, the Parties shall provide Workers' Compensation Coverage for its employees for all injuries sustained in the normal course and scope of the performance of the services rendered pursuant to this Agreement.

4.12(c) General provisions for all insurance. All insurance shall:

- Be endorsed to include the other parties, their elected and appointed directors, officials, officers, employees, volunteers and agents, as additional insureds with respect to this Agreement and the performance of this Agreement. The coverage shall contain no special limitations on the scope of its protection to the above-designated insureds.
- Be primary with respect to any insurance or self-insurance programs of that party, its elected and appointed directors, officials, officers, employees, volunteers and agents.

"Marin LAFCO"

By: \_\_\_\_\_

Jason Fried, Executive Officer

Date: \_\_\_\_\_

"Santa Cruz LAFCO"

By: \_\_\_\_\_

Joe Serrano, Executive Officer

Date: \_\_\_\_\_



LOCAL AGENCY FORMATION COMMISSION  
OF SANTA CRUZ COUNTY

**PROFESSIONAL SERVICES AGREEMENT FOR CONSULTANT  
SERVICES BETWEEN THE LOCAL AGENCY FORMATION  
COMMISSION OF SANTA CRUZ COUNTY AND  
PIRET HARMON**

This Agreement ("Agreement") is made effective March 2, 2023, by and between the Local Agency Formation Commission of Santa Cruz County ("LAFCO") and Piret Harmon, Sole Proprietor ("Contractor") to provide consulting services for assisting LAFCO staff in the review of water and water-related services as part of any change of organization and/or reorganization proposals, special studies and projects, and municipal service reviews as requested by the Executive Officer.

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Act, Government Code section 56000 et seq., LAFCO is an independent body; and

WHEREAS, LAFCO needs assistance with the upcoming water-related projects; and

WHEREAS, Contractor has experience and expertise necessary to provide such services; and

WHEREAS, at the January 4, 2023 Regular LAFCO Meeting, the Commission delegated authority to the LAFCO Executive Officer to execute an agreement with the Contractor for professional services;

THEREFORE, the parties agree as follows:

**1. Nature of Services.**

The Contractor will provide to LAFCO the services described in Exhibit A, Scope of Services, which is attached hereto and incorporated herein by this reference. Contractor shall perform the services in accordance with the Approved Fee Schedule as described in Exhibit B, which is attached hereto and incorporated herein by this reference.

## **2. Term of Agreement.**

The term of this Agreement shall commence at 12:00 a.m. on March 2, 2023 and shall terminate at 11:59 p.m. on March 1, 2025 unless extended in writing by mutual agreement of the parties or terminated earlier in accordance with Section 4 ("Termination") below.

## **3. Compensation.**

A. Contractor will be compensated for services in accordance with the Fee Schedule included in Exhibit B for an amount not to exceed \$20,000 at the end of any calendar year. Contractor will be reimbursed for travel expenses in accordance with the Fee Schedule in Exhibit B.

B. Contractor will provide LAFCO with task-specific invoices based on estimated costs in Contractor's proposal, which shall be accompanied by a detailed summary of activities undertaken over the course of completing the task.

C. Deliverables shall be in accordance with the Scope of Services provided in Exhibit A, which has been discussed between the parties prior to the effective date of this Agreement, or as otherwise determined by mutual written agreement of the parties. If the deliverables with assigned deadlines in Exhibit A or as otherwise mutually agreed or if they do not comply with the requirements in the Scope of Services, it is understood, acknowledged and agreed that LAFCO will suffer damage. As fixed and liquidated damages, LAFCO shall withhold from Contractor the payment of the sum of \$200 per calendar day for each and every calendar day of delay beyond the date that such deliverables are due in accordance with Exhibit A, or as otherwise mutually agreed. For purposes of this section, the total cost for each of the tasks shall be consistent with the rate schedule in Exhibit B.

## **4. Termination.**

A. Termination Without Cause. Either party may terminate this Agreement without cause by giving the other party thirty (30) days written notice.

B. Termination for Cause. LAFCO may terminate this Agreement for cause upon written notice to Contractor. For purposes of this Agreement, cause includes, but is not limited to, any of the following: (1) material breach of this Agreement by Contractor, (b) violation by Contractor of any applicable laws, (c) assignment by Contractor of this Agreement without the written consent of LAFCO pursuant to Section 13, or (d) failure to provide services in a satisfactory manner. Such notice shall specify the reason for termination and shall indicate the effective date of such termination.

C. In the event of termination, Contractor will deliver to LAFCO copies of all reports and other work performed by Contractor under this Agreement whether complete or incomplete, and upon receipt thereof, Contractor will be compensated based on the completion of services provided, as solely and reasonably determined by LAFCO.

## **5. Project Managers; Substitution**

A. Piret Harmon will perform the services under this Agreement and will work directly with LAFCO staff.

B. LAFCO designates the LAFCO Executive Officer as its Project Manager for the purpose of managing the services performed under this Agreement.

C. Contractor may not substitute anyone other than Piret Harmon to serve as Project Manager without the written permission of the LAFCO Executive Officer or her authorized representative. Any such substitution shall be with a person or firm of commensurate experience and knowledge necessary for the tasks to be undertaken.

## **6. Conflicts of Interest.**

In accepting this Agreement, Contractor covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

Contractor further covenants that, in the performance of this Agreement, it will not employ any contractor or person having such an interest.

## **7. Indemnification/Insurance.**

Contractor's indemnification and insurance obligations with respect to this Agreement are set forth in Exhibit C, attached hereto and incorporated herein by this reference.

## **8. Compliance with all Laws.**

Contractor shall, during the term of this contract, comply with all applicable federal, state, and local rules, regulations, and laws.

## **9. Maintenance of Records.**

Contractor shall maintain financial records adequate to show that LAFCO funds paid under the contract were used for purposes consistent with the terms of the contract. These records shall be maintained during the term of this contract and for a period of three (3) years from termination of this contract or until all claims, if any, have been resolved, whichever period is longer, or longer if otherwise required under other provisions of this contract.

## **10. Nondiscrimination.**

Contractor will comply with all applicable Federal, State, and local laws and regulations including Santa Cruz County's equal opportunity requirements. Such laws include but are not limited to the following: Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; The Rehabilitation Act of 1973 (Sections 503 and 504); California Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101 and 1102.

Contractor will not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training including apprenticeship, hiring, employment, utilization, promotion, layoff, rates of pay or other forms of compensation. Nor will Contractor discriminate in provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

#### **11. Notices.**

All notices required by this Agreement will be deemed given when in writing and delivered personally or deposited in the United States mail, postage prepaid, return receipt requested, addressed to the other party at the address set forth below or at such other address as the party may designate in writing in accordance with this section:

To Contractor: Piret Harmon  
15315 D Street  
Sacramento, CA 95819

To LAFCO: LAFCO Executive Officer  
701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060

#### **12. Governing Law.**

This Agreement has been executed and delivered in, and will be construed and enforced in accordance with, the laws of the State of California. Venue shall be in Santa Cruz County.

#### **13. Assignment.**

Contractor has been selected to perform services under this Agreement based upon the qualifications and experience of Contractor's personnel. Contractor may not assign this Agreement or the rights and obligations hereunder without the specific written consent of LAFCO. Any attempted assignment or subcontract without prior written consent will be null and void and will be cause, in LAFCO's sole and absolute discretion, for immediate termination of the Agreement.

#### **14. Relationships of Parties; Independent Contractor.**

Contractor will perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of LAFCO. None of the provisions of this Agreement is intended to create, nor shall be deemed or construed to create, any relationship between the parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this Agreement.



The parties are not, and will not be construed to be in a relationship of joint venture, partnership or employer-employee. Neither party has the authority to make any statements, representations or commitments of any kind on behalf of the other party, or to use the name of the other party in any publications or advertisements, except with the written consent of the other party or as is explicitly provided herein. Contractor will be solely responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors, if any.

#### **15. Entire Agreement.**

This document represents the entire Agreement between the parties with respect to the subject matter hereof. All prior negotiations and written and/or oral agreements between the parties with respect to the subject matter of this Agreement are merged into this Agreement.

#### **16. Amendments.**

This Agreement may be amended only by an instrument signed by the parties.

#### **17. Counterparts.**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

#### **18. Severability.**

If any provision of this Agreement is found by a court of competent jurisdiction to be void, invalid or unenforceable, the same will either be reformed to comply with applicable law or stricken if not so conformable, so as not to affect the validity or enforceability of this Agreement.

#### **19. Waiver.**

No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party must be in writing, and shall apply to the specific instance expressly stated.

#### **20. Ownership of Materials and Confidentiality.**

A. Documents & Data; Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for LAFCO to copy, use, modify, reuse, or sublicense any and all copyrights, designs, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings or data magnetically or otherwise recorded on computer diskettes, which are prepared or caused to be prepared by Contractor under this Agreement ("Documents & Data"). Contractor shall require all sub consultants to agree in writing that LAFCO is granted a non-exclusive and perpetual license for any Documents &

Data the sub consultant prepares under this Agreement. Contractor represents and warrants that Contractor has the legal right to license any and all Documents & Data. Contractor makes no such representation and warranty in regard to Documents & Data which were prepared by design professionals other than Contractor or provided to Contractor by LAFCO. LAFCO shall not be limited in any way in its use of the Documents & Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at LAFCO's sole risk.

B. Confidentiality. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other Documents & Data either created by or provided to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor. Such materials shall not, without the prior written consent of Contractor, be used by Contractor for any purposes other than the performance of the Agreement. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Agreement. Nothing furnished to Contractor which is otherwise known to Contractor or is generally known, or has become known, to the related industry shall be deemed confidential. Contractor shall not use LAFCO's name or insignia, photographs of the Services, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of LAFCO.

C. Confidential Information. LAFCO shall refrain from releasing Contractor's proprietary information ("Proprietary Information") unless LAFCO's legal counsel determines that the release of the Proprietary Information is required by the California Public Records Act or other applicable state or federal law, or order of a court of competent jurisdiction, in which case LAFCO shall notify Contractor of its intention to release Proprietary Information. Contractor shall have five (5) working days after receipt of the Release Notice to give LAFCO written notice of Contractor's objection to LAFCO's release of Proprietary Information. Contractor shall indemnify, defend and hold harmless LAFCO, and its officers, directors, employees, and agents from and against all liability, loss, cost or expense (including attorney's fees) arising out of a legal action brought to compel the release of Proprietary Information. LAFCO shall not release the Proprietary Information after receipt of the Objection Notice unless either: (1) Contractor fails to fully indemnify, defend (with LAFCO's choice of legal counsel), and hold LAFCO harmless from any legal action brought to compel such release; and/or (2) a final and non-appealable order by a court of competent jurisdiction requires that LAFCO release such information.

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement as of the last date indicated below:

“Commission”

By: \_\_\_\_\_

Joe Serrano, Executive Officer

Date: \_\_\_\_\_

“Contractor”

By: \_\_\_\_\_

Piret Harmon, Contractor

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_

Joshua Nelson, General Counsel

Date: \_\_\_\_\_

**Exhibits to this Agreement:**

Exhibit A – Scope of Services

Exhibit B – Fee Schedule

Exhibit C – Indemnification and Insurance

## EXHIBIT A: SCOPE OF SERVICES

The Contractor will provide all of the following services:

1. Attend and represent the Commission at water-related meetings, when warranted;
2. Regularly advise the Executive Officer on the availability, need, and adequacy of water-related services as part of the Commission's regulatory and planning duties;
3. Assist the Commission in the review of water-related services as part of change of organization and reorganization proposals, municipal service reviews, and/or special studies/projects;
4. Participate in periodic meetings as requested by LAFCO's Executive Officer; and
5. Be available, as needed, to attend and present to the Commission and related committees.

The Contractor is expected to be available 10-20 hours per month to provide the services listed above. The Consultant shall not work more than 200 hours in one calendar year (approximately 16.67 hours per month) without the express written authorization of LAFCO's Executive Officer.

## **EXHIBIT B: FEE SCHEDULE**

The Contractor will work on an hourly fee basis of \$100 per hour, with a not to exceed budget of \$20,000 in a calendar year without prior written authorization from LAFCO's Executive Officer. The Contractor will record their time in 15-minute increments.

The Contractor will be reimbursed for travel expenses when such travel is requested by LAFCO Executive Officer. The mileage will be billed at the current IRS rates, other expenses at actual costs.

The actual costs will be billed monthly with invoices accompanied by description of the work performed.



## **EXHIBIT C: INSURANCE REQUIREMENTS FOR STANDARD SERVICE CONTRACTS**

### **Indemnity**

During the term of this contract, the Contractor shall indemnify, defend, and hold harmless the Local Agency Formation Commission of Santa Cruz County (hereinafter "LAFCO"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the active negligence or willful misconduct of personnel employed by LAFCO. It is the intent of the parties to this Agreement to provide the broadest possible coverage for LAFCO. The Contractor shall reimburse LAFCO for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless the LAFCO under this Agreement.

### **Insurance**

Without limiting the Contractor's indemnification of LAFCO, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

#### **A. Evidence of Coverage**

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the LAFCO Executive Officer, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by LAFCO Executive Officer. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

#### **B. Qualifying Insurers**

All coverages, except surety, shall be issued by companies which hold a current policyholder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the LAFCO Executive Officer.

#### **C. Notice of Cancellation**

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to the LAFCO Executive Officer.

#### D. Insurance Required

##### 1. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than \$500,000 per person, \$500,000 per occurrence, \$100,000 property damage applicable to all owned, non-owned and hired vehicles.

##### 2. Workers' Compensation and Employer's Liability Insurance

a. Statutory California Workers' Compensation coverage including broad form all-states coverage.

b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

##### 3. Professional Liability Insurance

For negligent acts, errors or omissions which may arise from Consultant's operations under this Agreement, whether such operations be by the Consultant or by its employees, subcontractors, or subconsultants which provides not less than two million dollars (\$2,000,000) coverage on a claims-made annual aggregate basis, or a combined single-limit per occurrence basis.

#### E. Special Provisions

The following provisions shall apply to this Agreement:

1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor and any approval of said insurance by the LAFCO Executive Officer or insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.

2. LAFCO acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by the Contractor under this Agreement. Any self-insurance shall be approved in writing by LAFCO upon satisfactory evidence of financial capacity. Contractor's obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.

3. Should any of the work under this Agreement be sublet, the Contractor shall require each of its subcontractors of any tier to carry the aforementioned coverages, or Contractor may insure subcontractors under its own policies.

4. LAFCO reserves the right to withhold payments to the Contractor in the event of material noncompliance with the insurance requirements outlined above.

F. Fidelity Bonds (Required only if contractor will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, Contractor will furnish County with evidence that all officials, employees, and agents handling or having access to funds received or disbursed under this Agreement, or authorized to sign or countersign checks, are covered by a BLANKET FIDELITY BOND in an amount of AT LEAST fifteen percent (15%) of the maximum financial obligation of the County cited herein. If such bond is canceled or reduced, Contractor will notify County immediately, and County may withhold further payment to Contractor until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of County.

# Local Agency Formation Commission of Santa Cruz County

*Are you interested in local government?*

*Are you passionate about public service?*

Santa Cruz LAFCO invites you to apply for the  
position of:

## *LAFCO Analyst*

*Santa Cruz LAFCO provides oversight over local governments to make Santa Cruz County a great place to live and work by balancing the preservation of agriculture and open space with the provision of sustainable municipal services and ensuring the orderly growth of local agencies including cities, special districts, and county service areas.*

**Apply Today:**

701 Ocean Street, Room 318-D,  
Santa Cruz CA 95060

[www.santacruzlafco.org](http://www.santacruzlafco.org)

(831) 454-2055



**Application Deadline: Until Position Is Filled**

## WHAT IS LAFCO?

The Local Agency Formation Commission, better known as LAFCO, was established in each county by State law. Santa Cruz LAFCO operates independently from the Cities, the County, and the State government to regulate the boundaries and service areas of the 4 cities, 23 independent districts, and 55 dependent districts in Santa Cruz County. The Commission, an 11-member board representing local agencies throughout the county, provides guidance to LAFCO staff in conducting service reviews, spheres of influence updates, and other studies to analyze options for improving the delivery of municipal services, such as water, sewer, and fire protection.

## THE POSITION

The LAFCO Analyst (Appointee) works full-time under the immediate direction of the Executive Officer and performs a full range of analytical, technical, and administrative staff support services for Santa Cruz LAFCO. Applicants would be expected to exercise considerable initiative and judgment in performing regular ongoing duties of the position. Assignments may be functional or may include serving as project manager for assigned duties.

### Class Characteristics

This appointee provides the full range of secretarial and office administrative services to the Commission members and Executive Officer. Responsibilities may include meeting material preparation, attendance at meetings, and post-meeting procedures, frequent contact with Commissioners, elected officials, County department staff, and representatives of various public, business, and community agencies, oversight of the office's physical and digital organization including the routine maintenance of a website, and responsibility for various lines of communication.

In addition, under immediate supervision, the appointee will be trained in the analysis of local governmental services; including assessing availability; capacity; and performance relative to current and projected needs. This includes, but is not limited to, preparing studies required of Santa Cruz LAFCO under State law that culminate in making recommendations to the Commission on potential governmental reorganizations, boundary changes, and other related matters along with review and process of applications. Training will be provided and, as experience is gained, assignments will gradually become more complex and varied.

### Typical Tasks include but not limited to:

- Conduct research, data collection, and related analysis in evaluating local agencies and their governmental services in the preparation of municipal service reviews and related regional planning;
- Contribute to the preparation of special studies, involving inter-jurisdictional and inter-departmental coordination;



- Perform basic to intermediate qualitative and quantitative analysis in tracking demographics, service capacities, and financial resources;
- Remediation of public documents that go on the LAFCO website;
- Perform routine work in various phases of processing applicant proposals for boundary changes, outside service extensions, and reorganizations of local government agencies;
- Research, analyze, and prepare agenda items for presentation to the Commission;
- Consult with staff and representatives of other governmental agencies on programs, projects, or specialized assigned activities;
- Organize and make presentations before the Commission and other local governmental agencies and community groups;
- Utilize a variety of computer software programs to prepare reports, maps, diagrams, graphs, and other material related to duties;
- Receive and screen visitors for the office; provide general information to the public on request;
- Organize and schedule public hearings, committee meetings, and other group meetings; arrange for meeting location and notification to participants; prepare materials and follow-up on actions after such meetings; will prepare minutes of such meetings;
- Prepare a variety of draft and final documents, contracts, correspondence, policies, procedures, informational handouts, press releases, and other documentation for editing and/or signature by the Executive Officer and Commission;
- Complete and process a wide variety of technical and complex documents related to the work of the Commission; review finished materials for completeness, accuracy, format, and spelling and grammar usage;
- Organize and maintain various confidential, administrative, reference, and follow-up files; develop and oversee the maintenance of a records management program for the Commission; maintain or oversee the maintenance of the LAFCO website;
- Meet critical filing deadlines for conformance with legislative mandates and fulfillment of the Commission's work plan; and
- Gather and manage information regarding Commission operations, administrative problems, policies, and procedures; contact other organizations for information, make recommendations, and implement policy and procedural changes after approval.

## THE QUALIFICATIONS

Any combination of education and experience that would provide the knowledge and skills listed. Typically, graduation from a four-year college or university with major coursework in business or public administration, public policy, or a field related to the work or at least four years of work experience involving administrative, budgetary, or organizational analysis and/or involving the provision of administrative staff support in areas such as budgeting, report preparation, and technical analysis. Advanced coursework in an appropriate field is desirable as is other experience which provided a basic knowledge of public agency organization and functions.

### **The ideal candidate will have the following general competencies:**

- Role and function of Santa Cruz LAFCO;
- Role and function of local government; specifically counties, cities, and special districts;
- Public administrative and planning principles and practices;
- Project management, analytical processes, and report preparation techniques;
- Computer applications related to work, including Microsoft Office programs and Adobe Acrobat; and
- Techniques for dealing effectively with a variety of individuals from various socio-economic, ethnic and cultural backgrounds, in person and over the telephone

### **The ideal candidate will have the following abilities:**

- Provide critical thinking and objective reporting;
- Direct and conduct special studies, projects, and public meetings;
- Prepare clear and concise reports, correspondence, and other written materials;
- Organize and manage projects and programs efficiently;
- Establish and maintain effective working relationships with others;
- Exercise sound independent judgment in performing assignments;
- Maintain accurate records and files; and
- Maintain a very high level of attention to detail assessing lengthy documents, meeting packets, and applications

### **The ideal candidate will have the following desirable qualities:**

- Professional and positive attitude;
- Self-starter who can be resourceful to solve problems;
- Knowledgeable about municipal planning and LAFCO law;
- Experienced working with boards or commissions; and
- Experience working within the Brown Act and Public Records Act

### **SALARY & BENEFITS**

The incumbent serves as an employee of Santa Cruz LAFCO. Salary is determined by Santa Cruz LAFCO. Staff is generally hired at the first step and through annual reviews become eligible to advance if approved. Consideration will be given to those who have additional experience. **Depending upon experience, the appointee will be hired as LAFCO Analyst (\$55,000 - \$85,000).**

For purposes of defining benefits, Santa Cruz LAFCO will provide the appointee with health (medical, dental, vision, and life insurance) and pension from the California Public Employees' Retirement System ("CALPERS"). The appointee will also receive vacation, holiday, sick time, and personal leave consistent with the accruals and allowances as mentioned in the Commission's adopted policies.

### **WORKING CONDITIONS**

Approximately 95% of the duties of this position are performed in an indoor office environment and may require that an incumbent sit/stand at a desk for prolonged periods; twist to reach equipment surrounding desk; perform simple grasping and fine manipulation; see and hear with sufficient acuity to successfully perform all aspects of the job; use a telephone and write or use a keyboard to communicate through written means; lift and move up to 25 pounds. Approximately 5% of the position involves traveling with or without others to project sites, other agencies, and outside conferences and/or meetings.

### **TO APPLY**

The position is open until filled. Those who have submitted all needed materials and meet the minimum requirements may be invited for an interview. If interested, please submit a resume, cover letter, and answers to the supplemental questions (see page 5) to [joe@santacruzlafco.org](mailto:joe@santacruzlafco.org).

In the subject line of the email please state, "LAFCO Analyst Application." You may also mail your application to the LAFCO Office: 701 Ocean Street, Room 318-D, Santa Cruz CA 95060.

## **SUPPLEMENTAL QUESTIONS**

As part of your resume and cover letter, please include responses to the following questions:

- 1) Describe an analysis you have undertaken and the process you used to formulate your conclusion or recommendation.
- 2) Describe your professional experience developing, writing, and designing educational and/or outreach materials, such as newsletters, annual reports, brochures, and white papers. Additionally, please include any professional experience working with websites and/or mapping systems?
- 3) Describe your experience and proficiency levels with technologies that may be utilized within a public entity. This may include Microsoft Office Suite, data and public records request management software, agenda and meeting management programs, and any experience with updating websites.
- 4) What makes you the ideal candidate for this LAFCO position?



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

701 Ocean Street, Room 318-D  
Santa Cruz, CA 95060

**CONTACT INFORMATION**

Phone: (831) 454-2055

Email: [joe@santacruzlafco.org](mailto:joe@santacruzlafco.org)

Website: [www.santacruzlafco.org](http://www.santacruzlafco.org)

**BUSINESS HOURS**

Monday through Friday

8:00am – 5:00pm

*(Office Visits by Appointment Only Until 6/30/23)*

**STAFF**

Joe Serrano, Executive Officer

[joe@santacruzlafco.org](mailto:joe@santacruzlafco.org)

	FY 22-23 (Adopted)	FY 23-24 (Proposed)	Notes
<b>REVENUE</b>			
Interest	\$ 1,500.00	\$ 1,500.00	
Contributions from Other Govt Agencies	\$ 419,265.00	\$ 419,265.00	
LAFCO Processing Fees	\$ -	\$ -	
Medical Charges-Employee	\$ -	\$ -	
Re-budget from Fund Balance	\$ 247,985.00	\$ 257,985.00	\$10,000 increase; funds from reserves
<b>TOTAL REVENUES</b>	<b>\$ 668,750.00</b>	<b>\$ 678,750.00</b>	
<b>EXPENDITURE</b>			
Regular Pay	\$ 200,000	\$ 250,000	\$50,000 increase; cover Analyst salary
Sick Leave	\$ -	\$ -	
Holiday Pay	\$ 10,000	\$ 10,000	
Social Security	\$ 15,000	\$ 15,000	
PERS	\$ 91,000	\$ 101,000	\$10,000 increase; cover anticipated cost
Insurances	\$ 40,000	\$ 40,000	
Unemployment	\$ 450	\$ 450	
Workers Comp	\$ 500	\$ 500	
<b>Salaries Sub-total</b>	<b>\$ 356,950</b>	<b>\$ 416,950</b>	
Telecom	\$ 1,200.00	\$ 1,200	
Office Equipment	\$ 200.00	\$ 200	
Memberships	\$ 7,500.00	\$ 7,500	
Hardware	\$ 200.00	\$ 200	
Duplicating	\$ 800.00	\$ 800	
PC Software	\$ 600.00	\$ 600	
Postage	\$ 1,000.00	\$ 1,000	
Subscriptions	\$ 500.00	\$ 500	
Supplies	\$ 800.00	\$ 800	
Accounting	\$ 1,500.00	\$ 1,500	
Attorney	\$ 150,000.00	\$ 150,000	
Data Process GIS	\$ 12,000.00	\$ 12,000	
Director Fees	\$ 6,000.00	\$ 6,000	
<b>Professional Services</b>	<b>\$ 100,000.00</b>	<b>\$ 50,000</b>	\$60,000 decrease; earmark \$20k for fire consultant, \$20k for water consultant, and remaining \$10k for other(s)
Legal Notices	\$ 6,000.00	\$ 6,000	
Rents	\$ 9,000.00	\$ 9,000	
Misc. Expenses	\$ 5,000.00	\$ 5,000	
Air Fare	\$ 1,500.00	\$ 1,500	
Auto Rental	\$ 200.00	\$ 200	
Training	\$ 1,000.00	\$ 1,000	
Lodging	\$ 3,000.00	\$ 3,000	
Meals	\$ 500.00	\$ 500	
Mileage	\$ 1,000.00	\$ 1,000	
Travel-Other	\$ 300.00	\$ 300	
Registrations	\$ 2,000.00	\$ 2,000	
<b>Supplies Sub-total</b>	<b>\$ 311,800.00</b>	<b>\$ 261,800</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$ 668,750.00</b>	<b>\$ 678,750</b>	
<b>TOTAL RESERVES</b>			
Restricted	\$ 247,985.00	\$ 257,985.00	
Unrestricted	\$ 69,960.39	\$ 108,844.18	
<b>Total Reserves</b>	<b>\$ 317,945.39</b>	<b>\$ 366,829.18</b>	

Footnote: Info for discussion purposes only; figures are subject to change; FY 23-24 reserves based on projections





Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Virtual Meetings Update**

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### **SUMMARY OF RECOMMENDATION**

The Governor issued a series of executive orders in connection with the ongoing COVID-19 pandemic, which included a waiver of all physical-presence requirements under the Brown Act. These orders expired on September 30, 2021. Assembly Bill 361, which took effect as an urgency measure on September 16, 2021, allowed local agencies to continue conducting remote meetings during a State of Emergency or until January 1, 2024 (whichever comes first). AB 361 is scheduled to discontinue once the State of Emergency is lifted in February 2023. The Governor also signed into law Assembly Bill 2449, which provides public agencies with long-term permissions to hold remote meetings under specific conditions following the sunset of AB 361.

It is recommended that the Commission direct staff to implement in-person meetings starting on March 1, 2023.

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### **EXECUTIVE OFFICER'S REPORT:**

In response to the pandemic, the California Legislature previously passed AB 361 to streamline the requirements for teleconference (also referred to as “virtual” or “remote”) meetings under the Brown Act during a State of Emergency. The Governor is scheduled to lift the State of Emergency on February 28, 2023, making AB 361 no longer serviceable. AB 2449 will replace AB 361 and reiterates the standard Brown Act teleconference rules, re-codifies the rules set out in AB 361 for times of declared emergency, and also provides for lenient teleconferencing rules when a member of the legislative body needs to attend remotely due to an emergency event or work-related justification. A full review of AB 2449 was discussed during LAFCO’s November 2, 2022 Regular Meeting<sup>1</sup>.

### **Future LAFCO Meeting Structure**

Under the new teleconference rules, Commissioners may only attend remotely if feeling ill or unable to attend due to a work-related trip. However, these restrictions do not affect LAFCO’s legal counsel or members of the public. That is why staff is exploring the implementation of a hybrid model to allow legal counsel and members of the public to attend virtually – allowing them the option on how to participate in future LAFCO meetings. This approach will be similar to the hybrid model the County of Santa Cruz will implement for Board of Supervisor meetings once the State of Emergency is lifted. If the hybrid model is implemented, the Commission will still be required to attend in-person unless they meet the conditions set forth in AB 2449.

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<sup>1</sup> AB 2449 Review: [https://santacruzlafco.org/wp-content/uploads/2022/10/6a.0-Virtual-Mtg-Update-SR\\_Hyperlink.pdf](https://santacruzlafco.org/wp-content/uploads/2022/10/6a.0-Virtual-Mtg-Update-SR_Hyperlink.pdf)

### **Latest COVID News**

The Santa Cruz County Health Services Agency published a press release on November 30, 2022 indicating that there is a surge in cases of influenza, respiratory syncytial virus (RSV) and COVID-19 (**Attachment 1**). Santa Cruz County public health officials are urging individuals with asymptomatic or mild cases, or other non-serious illnesses, to avoid unnecessary trips to already burdened hospital emergency departments, and to get vaccinated or boosted if they have not already done so. As of December 1, 2022, there are 232 new cases in Santa Cruz County, which is a 27% decrease from previous week (November 24 = 300 new cases)<sup>2</sup>. Allowing the general public the option to attend remotely or in-person will help minimize the spread of the virus and other illnesses.

### **CONCLUSION**

Due to the new requirements under AB 2449 and the scheduled ending of the COVID-related State of Emergency, staff is recommending that the Commission revert back to in-person meetings starting March 1, 2023. Staff will also coordinate with the County to implement a hybrid model and allow members of the public, including legal counsel, the option to attend remotely. The Commission will be notified if and when the hybrid model is implemented.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachment: County Health Services Agency Press Release (dated 11/30/22)

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<sup>2</sup> COVID Data: <https://www.nytimes.com/interactive/2020/us/california-coronavirus-cases.html>



Public Health

# County of Santa Cruz

## HEALTH SERVICES AGENCY

POST OFFICE BOX 962, 1080 Emeline Ave., SANTA CRUZ, CA 95061-0962

TELEPHONE: (831) 454-4000 FAX: (831) 454-4488 TDD: Call 711

## Press Release

**For Release: Immediately****Contact:** Corinne Hyland**Date:** November 30, 2022**Phone:** (831) 566-4370

### **SANTA CRUZ COUNTY PUBLIC HEALTH URGE INDIVIDUALS WITH MILD RESPIRATORY INFECTION, OTHER NON-SERIOUS ILLNESSES TO AVOID TRIPS TO HOSPITAL EMERGENCY DEPARTMENTS**

**(Santa Cruz County, CA)** Since we are seeing a surge in cases of influenza, respiratory syncytial virus (RSV) and COVID-19, Santa Cruz County public health officials are urging individuals with asymptomatic or mild cases, or other non-serious illnesses, to avoid unnecessary trips to already burdened hospital emergency departments, and to get vaccinated or boosted if they have not already done so.

Local hospitals have recently experienced an influx of patients seeking emergency department care for relatively mild respiratory infections. Most individuals who contract these illnesses do not need to visit the hospital's emergency department and can effectively recover from their illness at home, or by seeking primary care treatment and/or speaking with their primary care provider

People with severe symptoms such as significant difficulty breathing, intense chest pain, severe weakness, or an elevated temperature that persists for days are among those who should consider seeking emergency medical care for their condition. Young children who are showing signs of shortness of breath should also seek emergency care. Individuals should not visit the emergency department if the symptoms of their illness are mild to moderate – including a cough, sore throat, runny nose, or body aches, and should instead consult an outpatient primary care provider. Many providers have 24-hour nurse advice lines. This information can be found on the back of your insurance card or in your online health portal.

Unnecessary visits to hospital emergency departments place great strain on hospitals and the frontline healthcare workers who continue to bravely battle this surge in respiratory illness. Such visits can also cause a delay in care for patients experiencing a true medical crisis and contribute to the depletion of finite resources including medical staff, testing kits, personal protective equipment, and therapeutic treatments. Emergency Departments should not be used solely for the purpose of testing, and should never be used to

obtain a return to work or school note. We ask that our local employers, schools and daycares do not require these notes, but rather rely on self-attestation of resolution of symptoms.

“The best defense against serious illness and hospitalization from COVID-19 or influenza is to get vaccinated and boosted. If you have not gotten vaccinated or boosted and are eligible, please do so now. Do it for yourself, your family, and your community, including the health care workers we depend on to be there when we truly need emergency care,” said Dr. David Ghilarducci, Santa Cruz County Deputy Health Officer.

Vaccines offer strong protection against serious illness from COVID-19 and influenza. For local information on COVID-19, influenza and RSV, including on where to get vaccinated or tested go to [www.santacruzhealth.org](http://www.santacruzhealth.org) or call (831) 454-4242 between 8 a.m. and 5 p.m., Monday through Friday.

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Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Selection of New LAFCO Chair and Vice-Chair**

### SUMMARY OF RECOMMENDATION

The Commission selects a new Chair and Vice-Chair at the first meeting of each year. It is recommended that the Commission discuss and appoint a new LAFCO Chair and Vice-Chair for the 2023 calendar year.

### EXECUTIVE OFFICER'S REPORT:

In accordance with the Commission's Meeting Policy, at its first regular meeting in January of each year, the Commission shall choose two of its regular members to function as the Chair and Vice-Chair. The new officers will serve the balance of the calendar year or until the election of their successors occur in the event of a vacancy. Once selected, the new officers will begin their appointments at the March 1st LAFCO Meeting. There is currently no rule of succession or rotation. Historically, the acting Vice-Chair has been elected to be the new Chair. Past officers for the last eight years are listed below.

**Table 1: Chair and Vice-Chair Appointments (2015 – 2022)**

Calendar Year	Chair	Vice-Chair
2015	Zach Friend (County)	Roger Anderson (Public)
2016	Roger Anderson (Public)	Tom LaHue (District)
2017	Tom LaHue (District)	John Leopold (County)
2018	John Leopold (County)	Jim Anderson (District)
2019	Jim Anderson (District)	Roger Anderson (Public)
2020	Roger Anderson (Public)	Justin Cummings (City)
2021	Justin Cummings (City)	Rachél Lather (District)
2022	Rachél Lather (District)	Yvette Brooks (City)

The Commission's roster, with their respective term limits, is attached to this staff report. Staff recommends that the Commission discuss and select a Chair and Vice-Chair for this new calendar year.

Respectfully Submitted,

Joe A. Serrano  
Executive Officer

Attachment: Current Commission Roster

## LAFCO TERMS OF OFFICE

Representation (Seat)	Term Limit (Ending Date)	Commissioner (Current)
<b>Regular Members</b>		
1. County Seat	May 2023	Vacant
2. County Seat	May 2024	Zach Friend (BOS District 2)
3. City Seat	May 2026	Yvette Brooks (Capitola)
4. City Seat	May 2023	Vacant (Watsonville)
5. District Seat	May 2025	Jim Anderson (Felton Fire)
6. District Seat	May 2023	Rachél Lather (Soquel Creek Water)
7. Public Seat	May 2024	Roger Anderson
<b>Alternate Members</b>		
8. County Seat	May 2024	Manu Koenig (BOS District 1)
9. City Seat	May 2023	Donna Lind (Scotts Valley)
10. District Seat	May 2025	Ed Banks (Pajaro Valley Public Cemetery)
11. Public Seat	May 2024	John Hunt

### Footnotes:

- a) City Representation** - The city rotation goes with the city and not with the person. The City of Watsonville will stay as a regular member until May of 2023. The City of Capitola's four-year regular term lasts until May 2026. The City of Scotts Valley will be an alternate until May 2023 when it becomes a regular member until May 2027. The City of Santa Cruz will become an alternate member May 2023. The appointing body for city members is the Mayor's Selection Committee – not an individual city council.
- b) District Representation** - Special district members are elected by the special district selection committee, which is made up of one voting member from each Independent Special District Board.
- c) County Representation** – The county members are appointed each January by the Board of Supervisors and may change each year at that time.
- d) Public Representation** – The public members are appointed by the Commission when a vacancy occurs.





Santa Cruz Local Agency Formation Commission

Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Focus Agriculture Class of 2020 - Application Request**

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### **SUMMARY OF RECOMMENDATION**

Focus Agriculture is a nine-session educational program that emphasizes on the broad spectrum of agriculture in Santa Cruz County. LAFCO staff believes this leadership program will increase LAFCO's public relations with other local leaders, highlight agricultural issues and concerns being faced throughout the county, and offer an opportunity to improve local awareness of LAFCO's role.

Staff is recommending that the Commission approve the \$1,000 tuition payment for Commissioner Brooks to participate in the upcoming Focus Agriculture Session.

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### **EXECUTIVE OFFICER'S REPORT**

Focus Agriculture is a component of Agri-Culture, a non-profit organization with 11 endowed funds, various educational programs, and advocate of farmworker housing assistance. Focus Agriculture is an opportunity for community leaders to participate in a nine-session educational program acquiring additional knowledge about agriculture. The once-a-month day-long seminars will begin in March and will include farm tours and hands-on experience. Topics will include production and labor, regional diversity of commodities produced, and government relations and politics. Attached is a complete overview of the 2023 session.

Only 20 participants are chosen each year to participate. The deadline to submit an application is Wednesday, January 11. If selected, there is a one-time cost of \$1,000 as a tuition fee. The Commission currently has \$1,000 earmarked for "Training" in the FY 2022-23 Budget. Commissioner Manu Koenig and Executive Officer Joe Serrano were part of the most recent graduating class. LAFCO staff believes that further participation in this leadership program will benefit the entire Commission. Therefore, staff is recommending that the Commission approve the tuition payment for Commissioner Brooks to participate in this leadership program.

Respectfully Submitted,

A blue ink signature of Joe A. Serrano, written in a cursive style.

Joe A. Serrano  
Executive Officer

Attachment: Focus Agriculture Application Packet

# FOCUS AGRICULTURE

*Agri-Culture's "First-in-the-Nation" Educational Program*  
2023 Applications now being accepted

Focus Agriculture is an opportunity for 20 community leaders to participate in a nine-session intensive program acquiring knowledge about a broad spectrum of local agriculture. These day-long seminars cover such topics as: *Production and Labor; Government Relations and Politics; Environment and Technology; Ethnic Groups in Agriculture; Regional Diversity of Commodities Produced; Marketing and Foreign Competition; and Farm Tours and Hands-On Experience*

**Focus Agriculture Tuition - \$1,000**  
**Refund for 100% Attendance - \$250**

Twenty participants will be chosen for Class 32. Sessions will be held one day each month unless otherwise scheduled commencing Friday, March 10, 2023.

**Early admission applications are due Wednesday, December 14, 2022\***

**Final applications are due Wednesday, January 11, 2023**

*\*Applications received by Dec. 14<sup>th</sup> will be considered for early admission.*

*All other applications will be reviewed after January 11<sup>th</sup>.*

Applications are also available at the Agri-Culture office

141 Monte Vista Ave., Watsonville

(831) 722-6622

[agri-culture@sbcglobal.net](mailto:agri-culture@sbcglobal.net)

[www.agri-culture.us](http://www.agri-culture.us)



*Sponsored by Agri-Culture, a non-profit organization dedicated to educating the public about agriculture in Santa Cruz County and the Pajaro Valley*

# Frequently Asked Questions About Focus Agriculture

## 1. What are the benefits of participating in Agri-Culture's Focus Ag class?

Focus Agriculture is a first-in-the-nation, national award winning program. It allows community leaders to have a two-way conversation with people involved in agriculture. The program is structured so that participants gain in-depth knowledge of the many commodities, issues and people involved in local agriculture here in Santa Cruz County and the Pajaro Valley.

## 2. Who is in the class?

The program is designed so that community leaders from the different fields within the county participate. These include elected officials, appointed representatives, non-profits, news media, local business, environmental groups, educators, etc.

## 3. Who does the training?

Each segment of the sessions are presented by knowledgeable individuals on the day's particular subject. In most cases, it is local individuals who are directly involved in the specific subject. As an example, a grower may speak on the effect of land use planning and a governmental agency may explain urban growth demands. An environmental advocate may talk about water quality. The program is proud to always present both sides of issues. Agricultural issues change and the program changes as well. We rely on the participant evaluations of each session to make the program better.

## 4. Where do these leadership classes meet?

Classes are held throughout Santa Cruz County and the Pajaro Valley to give participants a first hand experience of the different geographic and microclimates that exist in this unique area.

## 5. How long are the leadership programs, and when do they start?

The program consists of nine one-day-per-month sessions. It begins in March and ends in November.

## 6. Must I attend every class day, and are there extra-curricular requirements?

The program is very strict on attendance. None of the presenters are paid for their time. We receive more applications than we select so it's important that the participants attend. There are no extracurricular requirements as part of the program. It is hoped that after a person has graduated from Focus Agriculture, he/she will become more aware and involved in agricultural issues.

## 7. What is the application deadline?

The deadline for applications for the program varies each year but it is normally the middle of January.

## 8. What is the cost of Focus Ag class?

Focus Agriculture costs approximately \$2,500 per participant. The participant is only responsible for \$1,000 of the tuition of which \$250 will be returned upon perfect attendance.

## 9. What are our expectations of our participants?

In addition to fully participating in the classes, we expect participants to share what they have learned with friends, colleagues and others in the community. As a result, the program's impacts are greatly multiplied.



"Communicating Agriculture"

## FOCUS AGRICULTURE

### CLASS 32

2023

Presented by  
**AGRI-CULTURE**

Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Mailing address (if different from above) \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Zip: \_\_\_\_\_

Employer: \_\_\_\_\_

Position: \_\_\_\_\_

Phone Work: \_\_\_\_\_

Cell: \_\_\_\_\_

E-mail address: \_\_\_\_\_

*(All communications and information regarding the class will be sent via e-mail so please provide the email address most appropriate for your immediate attention)*

Length of service with current employer \_\_\_\_\_ No. of years in Santa Cruz Co. \_\_\_\_\_

***Please answer the following questions in full. You may attach a resume or additional materials to fully respond; however, each of these questions must be answered on the application form:***

1) Please describe your job responsibilities.

2) List your educational background, including awards and training programs.

3) List major business and professional activities in which you have participated within the past three years, including offices held.

- 4) In your opinion, what are two major issues affecting agriculture in the greater Santa Cruz County and the Pajaro Valley?
  
- 5) How will Focus Agriculture help you in your profession and/or as a member of the community?
  
- 6) How would you share the knowledge obtained through the program with the larger community?
  
- 7) How did you hear about Focus Agriculture?
  
- 8) **References:** List three people who may be contacted to provide information about your qualifications as a Focus Agriculture participant:

Full Name and Title	Address	Phone Number
A.		
B.		
C.		

***I understand that if I am chosen for the program, a \$1,000 fee will be charged for my participation. \$250 WILL BE REFUNDED AT THE END OF THE PROGRAM IF I ACHIEVE 100% ATTENDANCE FOR ALL SESSIONS. If I miss two sessions, I may be removed from the program.***

***Signature:** \_\_\_\_\_*

***DEADLINE: Applications must be received (by mail or email) by Wednesday, January 11, 2023 to receive consideration.***

**Mail to:** Agri-Culture, Inc., 141 Monte Vista Ave., Watsonville, CA 95076  
**Email to:** [agri-culture@sbcglobal.net](mailto:agri-culture@sbcglobal.net)

*Agri-Culture is a private, nonprofit organization incorporated in accordance with section 501(c)(3) of the Internal Revenue Code. Our tax identification number is 77-0212413.*

# FOCUS AGRICULTURE

# 2023 SCHEDULE

## SESSION DATES

Friday, March 10, 2023

Friday, April 7, 2023

Friday, May 5, 2023

Friday, June 2, 2023

Wednesday, June 28, 2023

Friday, July 28, 2023\*  
(Day on the Farm)

\*Or a date in August mutually agreed by both parties

Wednesday, August 23, 2023

Wednesday, September 20, 2023

Friday, October 13, 2023

**Participants are required to attend all sessions.**





Santa Cruz Local Agency Formation Commission

Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Upcoming LAFCO Seat Vacancies**

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**SUMMARY OF RECOMMENDATION**

Santa Cruz LAFCO has representatives from the county, cities, independent special districts, and the general public. Pursuant to Government Code Section 56334, the term of office of each member shall be four years. Certain seats will become vacant during the 2023 calendar year. 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.

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**EXECUTIVE OFFICER'S REPORT:**

Staff has identified four seats on LAFCO which are subject to vacancies in the 2023 calendar year: (1) County Regular Member, (2) District Regular Member, (3) City Regular Member, and (4) City Alternate Member. Below is an overview in the appointment process for each seat.

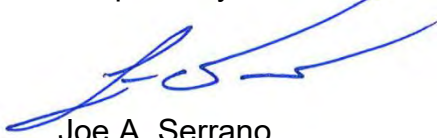
- **County Regular Member Seat** – Commissioner Ryan Coonerty has retired after 16-years of dedicated service in local government. His replacement on LAFCO will be determined by the Board of Supervisors in January 2023 and will be seated on LAFCO during the March 1, 2023 Commission Meeting.
- **District Regular Member Seat** – Commissioner Rachél Lather's term limit ends on the first Monday in May 2023. The Independent Special Districts Selection Committee will elect a district representative by March 2023 and the elected person will be seated on LAFCO during the May 3, 2023 Commission Meeting.
- **City Regular Member Seat** – Commissioner Francisco Estrada decided not to run for reelection on the Watsonville City Council and his tenure with the city ended in November 2022. However, Watsonville's term on LAFCO does not end until May 2023 (the seat is tied to the city not the person). The City Selection Committee has decided to appoint another Watsonville city council member to finish the term. Mr. Estrada's replacement is scheduled to be seated on LAFCO during the March 1, 2023 Commission Meeting. Based on the historical city rotation process, as shown in **Attachment 1**, Watsonville will rotate off LAFCO in May 2023 and the new regular member will be Donna Lind from the City of Scotts Valley.

- **City Alternate Member Seat** – At present, the City of Scotts Valley is seated on LAFCO as the alternate member. Scotts Valley will transition from an alternate member to a regular member in May 2023. As a result, the City of Santa Cruz will become LAFCO's new alternate member. The City Selection Committee will appoint someone from the Santa Cruz City Council by April 2023 and the selected person will officially be seated on LAFCO during the May 3, 2023 Commission Meeting.

#### **NEXT STEPS**

LAFCO staff will coordinate with the respective selection committees to ensure that the vacancies are addressed in a timely fashion. In the interim, no Commission action is required at this time.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachment: Historical City Rotation on LAFCO

PAST CITY ROTATION ON LAFCO (1995 to 2023)				
YEAR	CAPITOLA	SANTA CRUZ	SCOTTS VALLEY	WATSONVILLE
1995	Alternate Member	Regular Member	Off Commission	Regular Member
1996	Alternate Member	Regular Member	Off Commission	Regular Member
1997	Alternate Member	Regular Member	Off Commission	Regular Member
1998	Regular Member	Off Commission	Alternate Member	Regular Member
1999	Regular Member	Alternate Member	Regular Member	Off Commission
2000	Regular Member	Alternate Member	Regular Member	Off Commission
2001	Regular Member	Alternate Member	Regular Member	Off Commission
2002	Off Commission	Regular Member	Regular Member	Alternate Member
2003	Alternate Member	Regular Member	Off Commission	Regular Member
2004	Alternate Member	Regular Member	Off Commission	Regular Member
2005	Alternate Member	Regular Member	Off Commission	Regular Member
2006	Regular Member	Off Commission	Alternate Member	Regular Member
2007	Regular Member	Alternate Member	Regular Member	Off Commission
2008	Regular Member	Alternate Member	Regular Member	Off Commission
2009	Regular Member	Alternate Member	Regular Member	Off Commission
2010	Off Commission	Regular Member	Regular Member	Alternate Member
2011	Alternate Member	Regular Member	Off Commission	Regular Member
2012	Alternate Member	Regular Member	Off Commission	Regular Member
2013	Alternate Member	Regular Member	Off Commission	Regular Member
2014	Regular Member	Off Commission	Alternate Member	Regular Member
2015	Regular Member	Alternate Member	Regular Member	Off Commission
2016	Regular Member	Alternate Member	Regular Member	Off Commission
2017	Regular Member	Alternate Member	Regular Member	Off Commission
2018	Off Commission	Regular Member	Regular Member	Alternate Member
2019	Alternate Member	Regular Member	Off Commission	Regular Member
2020	Alternate Member	Regular Member	Off Commission	Regular Member
2021	Alternate Member	Regular Member	Off Commission	Regular Member
2022	Regular Member	Off Commission	Alternate Member	Regular Member
<b>2023</b>	<b>Regular Member</b>	<b>Alternate Member</b>	<b>Regular Member</b>	<b>Off Commission</b>

*Note: All terms end on the first Monday in May. See Government Code Section 56334 for additional information.*



Santa Cruz Local Agency Formation Commission

Date: January 4, 2023  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Press Articles during the Months of November and December**

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**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.

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**EXECUTIVE OFFICER'S REPORT**

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

**Article #1: "PV Water calls for bids to construct College Lake project"**: The article, dated November 23, notes that the Pajaro Valley Water Management Agency directed staff to solicit bids to construct facilities that will use the lake water as an alternative to groundwater for agricultural irrigation. This project will help balance the groundwater basin, prevent further seawater intrusion, implement a better bypass outlet for fish migration, and ensure water supply for farmlands once the Reclamation District No. 2049 is ultimately dissolved.

**Article #2: "Land Trust conserves 178-acre farmland"**: The article, dated November 23, indicates that the Land Trust of Santa Cruz County secured a conservation easement for the Tynan Ranch, which encompasses 178 acres and located outside the City of Watsonville. A grant from the California Department of Conservation's Sustainable Agricultural Lands Conservation Program provided the funding for the Land Trust to take ownership of the easement in October.

**Article #3: "Rosemary Menard's 'Getting to Yes' Strategy in Santa Cruz"**: The article, dated December 5, focuses on Santa Cruz City's Water Director Rosemary Menard. Ms. Menard was the recipient of the 2022 Water Finance & Management Award for her distinguished career in water and local government with over 40 years of experience.

**Article #4: "Branciforte Fire sees leadership shakeup amid merger talks"**: The article, dated December 5, notes that two board members have resigned from the Branciforte Fire Protection District. The main topic in the article focused on one board member who does not live in the district but used their business' address to vote in the county. The article did not refer to the Fire Protection District Law of 1987, which is the principal act for all fire districts. The Act indicates that board members must be residents of the district and registered voters.


**Article #5: “State fire district law plays role in Branciforte Fire district election”:**

The article, dated December 9, is a follow-up to the December 5th article which now reflects the board member eligibility requirements outlined in the principal act. The article refers to the appointment process discussed during the December 15th BFPD Board Meeting.

**Article #6: “Santa Cruz County Board of Supervisors: Coonerty, Caput get warm send off as terms expire”:**

The article, dated December 13, highlights the final board of supervisors meeting for Ryan Coonerty and Greg Caput as their term limits both expire in January 2023. The general public, staff members, colleagues, state representatives, and other individuals extended their appreciation to the supervisors for their work ethic and public service.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. “PV Water calls for bids to construct College Lake project”
2. “Land Trust conserves 178-acre farmland”
3. “Rosemary Menard’s ‘Getting to Yes’ Strategy in Santa Cruz”
4. “Branciforte Fire sees leadership shakeup amid merger talks”
5. “State fire district law plays role in Branciforte Fire district election”
6. “Santa Cruz County Board of Supervisors: Coonerty, Caput get warm send off...”

[pajaronian.com](http://pajaronian.com)

## PV Water calls for bids to construct College Lake project

*By: Staff Report*

1–2 minutes

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**WATSONVILLE**—The Pajaro Valley Water Management Agency Board of Directors authorized staff to advertise for bids to construct the College Lake Integrated Resources Management Project.

PVWMA officials say the project will provide much-needed water to the critically overdrafted basin of the Pajaro Valley by supplying 1,800 to 2,300 acre-feet per year of water to growers in the Pajaro Valley, equal to 586 to 749 million gallons per year.

Currently, the Valley is overdrafting the groundwater basin approximately 12,000 acre-feet per year.

An acre-foot is equal to 325,851 gallons, or one foot of water covering an acre of land.

The project is aimed at helping to balance the groundwater basin and prevent further seawater intrusion by developing College Lake as a water storage and supply source.

In addition to providing water, the College Lake Project will include fish bypass flows and fish passage for South-central California coast steelhead migration.

For information, visit [pvwater.org/college-lake-project](http://pvwater.org/college-lake-project).





[pajaronian.com](http://pajaronian.com)

## Land Trust conserves 178-acre farmland

*By: Staff Report*

~3 minutes

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**WATSONVILLE**—The Land Trust of Santa Cruz County recently announced that it secured a conservation easement for the 178-acre Tynan Ranch, located one-half mile from the current urban growth line of the City of Watsonville off of Lakeview Road.

Tynan Ranch has been in production for over a century and is 100% certified organic, according to the Land Trust. The conservation easement will help protect this prime farmland from the pressures of future development and keep it in production for the foreseeable future, the organization noted.

A grant from the [California Department of Conservation's Sustainable Agricultural Lands Conservation Program](#) provided the funding for the Land Trust to take ownership of the easement in October.

In 2019, [The Conservation Fund](#) purchased Tynan Ranch on behalf of the Land Trust, subsequently selling the property to [Dirt Capital Partners](#) and the People's Land Fund with a long-term option agreement for the Land Trust to purchase the conservation easement. In addition to the purchase, Dirt Capital Partners, the People's Land Fund, and Kitchen Table Advisors (a third partner in this project) collaborated on a plan to transfer ownership of Tynan Ranch to a group of immigrant farmers.

Conservation easements between landowners and conservation organizations keep land in private hands and productive use, while permanently protecting it from development.

“Tynan Ranch has long been a priority for the Land Trust due to its prime soils, proximity to the City of Watsonville, and habitat values surrounding Lake Tynan,” said Barry Baker, Director of Land Protection for the Land Trust Santa Cruz County. “We value our relationships with the local farming community, The Conservation Fund, and the Department of Conservation who made this project possible.”

Tynan Ranch and Tynan Lake provides refuge to wildlife traveling across Pajaro Valley, including several species of ducks, herons, sparrows, raptors, and other birds associated with freshwater marsh and riparian vegetation.

“We cannot risk losing any more valuable, productive farmland like Tynan Ranch in Santa Cruz County,” said Steve Hobbs, California state director at The Conservation Fund. “Supporting the Land Trust’s unique and ambitious goals for agricultural conservation across the county has been a huge honor and we hope this is just the beginning.”

Tynan Ranch supports year-round organic production of cane berries, leafy greens and vegetables.



## Rosemary Menard's 'Getting to Yes' Strategy in Santa Cruz

Andrew Farr

13–17 minutes



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### ***Rosemary Menard, Water Director for the City of Santa Cruz, California, is the 2022 Water Finance & Management Award Winner***

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As we know, utility work is multifaceted. Just as every water utility needs a dedicated team of operators, lab technicians and field crews, it also doesn't hurt to have a leader like Rosemary Menard who specializes in a different end of the business – interfacing with the local government and community to put projects in a position for success.

It's a skill perhaps even more critical in drought-stricken California, where Menard has served as water director for the City of Santa Cruz since 2014. In this position, she has helped guide the Santa Cruz Water Department through multiple droughts, wildfires, repair and replacement of aging infrastructure, a pending treatment plant upgrade, meter replacements and a plan to supplement the city's water supply and prepare for the ongoing effects of climate change.

In both 2016 and 2021, Menard led the implementation of Long-

Range Financial Plans for capital reinvestment to address many of the above items on the agenda. Each plan included five-year water rate increase schedules and Menard was unanimous in getting city council support. The department has also implemented new fees to offset mandatory water use curtailments in Santa Cruz due to the drought.

They are just a few examples of Menard's "getting to yes" approach that she preaches when noting the public policy rigors that can often hamper needed projects and initiatives for utilities.

"I've always focused on how to design the process in such a way that you don't get the answer you don't want," she says.

A veteran of the water infrastructure sector, Menard has more than 40 years of experience, with more than 30 of those years as a water utility executive in three states.

She's not someone who comes from a background in engineering or law. Indeed, Menard's specialty is in public policy and interfacing with city council, local government and the community to drive project and rate approvals with public support. She was even briefly appointed interim city manager in Santa Cruz in 2021 while the city council conducted a search for a permanent manager, and Menard was able to step into the role and provide effective leadership.

For her distinguished career in water and leadership on a variety of fronts, Menard is this year's *Water Finance & Management* Award winner.

## **Early Career**

Menard grew up in the San Francisco Bay area but went to college at the University of Washington in Seattle. After putting herself through college, she worked at a biochemistry lab which led her to policy-focused work around recombinant DNA technology. The policy-related areas of the research piqued her interest and, by the early 1980s, she decided to attend the Graduate School of Public Affairs at the University of Washington (now called Evans School of Public Policy & Governance), entering a program that focused on public policy related to science and technology.

To support herself, Menard landed a job interning for a Seattle city councilmember. That councilmember happened to be the chair of the council's utilities and transportation committee, and as part of her job, Menard was assigned to review the budget proposal for Seattle Water Department (now Seattle Public Utilities).

After some time reviewing the budget, capital improvement program and coordinating with Seattle Water staff, she was encouraged to apply for a job as the utility's budget coordinator.



Menard with Santa Cruz Deputy Director of Engineering Heidi Luckenbach (left).

“Thank God, I didn’t get it,” she recalls jokingly. “It was not a good fit for the kind of person I am and the kind of work I was interested in.” But after being informed she didn’t get the job, the director of the customer service department at Seattle Water called 15 minutes later and encouraged her to apply for a position as supervisor of its recently created water conservation department, which she landed. Menard says the position appealed to her because she was able to approach conservation as a resource and not just a public relations program, giving her the opportunity to bring the technical, policy and planning aspects together, setting the stage for her approach to water and utility management throughout her career.

“That was the beginning of a theme of my career, which has been focusing not so much on the day-to-day operations of the utility, but more on the planning, strategic and long-term challenges that we need to be ready for,” she says.





At Seattle Water, Menard would go on to serve in several leadership roles including as environmental planning manager, water quality director – for which she dealt with federal regulatory issues and compliance – and as director of water resources and water quality.

“One thing about Rosemary is that she was a supreme communicator even back in those days,” says Scott Haskins, a longtime industry consultant who spent more than 30 years at Seattle Public Utilities, notably as deputy director. Haskins first hired Menard as an intern with Seattle Water and recalls her unique approach to the position at a time when utilities were a bit more under the radar and not very publicly visible.

“She was kind of the opposite,” Haskins says. “She welcomed the diversity of the public engagement process and wanted to help advance the industry, the region she was participating in and set real policy direction. She would relish public meetings, which I think was a little ahead of her time.”

Following Seattle Water, Menard took a job in 1995 at the City of Portland Water Bureau. There, she served in senior leadership positions for 11 years culminating in her role as director of operations and maintenance. One initiative she led was creating a business and industry-supported groundwater protection program for the utility’s 100 million gallons per day (mgd) backup groundwater source near the Columbia River.

In 2007, she accepted the position of director of the Washoe County Department of Water Resources in Reno, Nevada. There, Menard further expanded her expertise into groundwater management, water rights issues and mitigating the impacts of municipal pumping on domestic wells. She also helped lead efforts to consolidate the Washoe County Department of Water Resources with the Truckee Meadows Water Authority and the South Truckee Meadows General Improvement District. The consolidation was done as a way to improve management of water resources,

improve efficiency and reduce costs.

## Santa Cruz

Menard was hired in 2014 as water director for the City of Santa Cruz. Upon her arrival, which came in the middle of the 2011-2017 California drought, the city was moving on from a proposed 2.5 mgd seawater reverse osmosis desalination plant that lacked public support. The proposal was a joint effort with the nearby Soquel Creek Water District to increase supply control seawater intrusion. Plans for the project were shelved, and under Menard's leadership, the city is instead pursuing a comprehensive water supply augmentation strategy.

Santa Cruz County is unique in that it is one of a few counties in California that does not receive any water from outside the county. Its supply is sourced locally from surface water in rivers and creeks, primarily the San Lorenzo River, as well as from groundwater pumped from aquifers. These groundwater basins are replenished by rainwater. It also has water storage provided by the Loch Lomond Reservoir, which can hold about a year's worth of water usage by the city and its neighbors.

With Menard at the helm, Santa Cruz has reduced demand by 30 percent and is working toward incremental implementation of supply augmentation initiatives in the coming years that will: Give the city more flexibility to move and store water from existing sources; develop groundwater storage near Capitola to the east and Scotts Valley to the north; build new infrastructure to establish two-way transport to storage areas; and set new water sharing agreements with adjacent agencies.

In addition to its water supply and resilience goals, Santa Cruz has also undertaken a number of projects to update critical infrastructure and put in place a plan to fund it.

In 2016, Menard led the implementation a Long-Range Financial Plan for a capital reinvestment program that included a five-year water rate increase schedule. The plan supported capital funding for \$150 million in rehabilitation and replacement projects. The plan was updated in 2021 on another five-year rate increase schedule, providing an additional \$271 million in project funding. Menard received unanimous city council support for the increases.

The department implemented a rate stabilization fee to close a revenue gap caused by reduced water use by nonresidential



customers during FY 2020-21 as a result of the COVID-19 pandemic. The department has also installed a drought cost recovery fee to offset mandatory water use curtailments during droughts.

One of the notable infrastructure projects the city is working on is the modernization of its Graham Hill Water Treatment Plant that was commissioned in 1960 and hasn't undergone any major updates since the 1980s.

The city also implemented a meter replacement program in response to under-reporting drive-by meters that were resulting in revenue loss and increased maintenance costs. The city hired Jacobs to perform a feasibility study, which quantified the total benefits to Santa Cruz will exceed the cost of AMI by more than \$10 million. The city chose to go with Badger Meter to supply the new AMI system including its Orion cellular LTE endpoints that use existing cellular infrastructure to achieve two-way communication of meter reading data. The benefits over the life of the project include: \$6.5 million in avoided labor costs; \$3 million in improved meter registration; \$1 million in reduced overtime, seasonal labor and vehicle costs; and improved customer service, leak detection and rate setting analysis.

## Public Support



One of Santa Cruz's public awareness campaigns includes window decals on the offices of the water department that convey the value of water.

Menard talks about the importance of outside-in thinking – that is, putting herself in the position of the community and the average water user who may have only some or even no interest in their water use. One way the city has brought attention to this is through public awareness campaigns including window decals displayed on the offices of the water department that convey the value of water.

She says bringing the community along and making the effort to be transparent about how essential water is to everyday life helps contribute to credibility and organizational success.

“The leadership’s role in all of that, I think, is to recognize that as much as we all get geeked out on all this technical stuff, we really can’t do anything unless we have the community’s support,” she says. You can’t do anything else until you can get the yes.”

Another part of Menard’s philosophy, she says, is a constant effort to understand why utilities struggle so much to get things done, whether its rate increases, a big project, or people simply having confidence in their water.

“We think that because we know what the right things are to do, that people ought to have confidence in us,” she says. “But we’ve gone through cycles where confidence in government has not always been so strong.

“We have a lot of really great technical work that is done in [this industry] that is thoughtful and visionary,” she says. “But I always found something was missing, and it was the ‘getting to yes’ part. And what are the characteristics of that? It’s political support, community support and it’s about people having enough understanding and knowledge of your work that they’re willing to support you and not get in your way.”

One of the reasons Menard has been able to excel in moving projects forward is the trust she’s earned from city council, says State Sen. John Laird of California’s Senate District 17, a frequent collaborator to Menard during her time in Santa Cruz on a range of policy issues. Laird represents California’s District 17 containing Santa Cruz and San Luis Obispo counties in their entirety, as well as portions of Monterey and Santa Clara counties.

“She had to do a public process on future water supply after the very contentious process over the desalination plant was stopped,” says Sen. Laird, who also served as mayor of Santa Cruz for two terms in the 1980s. “There were times at the beginning when some of the advocates were blasting her. But after a while, my sense

was, they trusted her. Her skill level of reaching out to people with different opinions and working with them really showed during that period.

“You are dealing with big dissensions a lot of times. She has done well in that environment, because she, on a fact-based basis, will really try to get people to understand that you have to have a water future here.”

As for what’s next for Menard, she says she still gets inspired by the energy, optimism and the shared appreciation she and her colleagues have of supplying safe drinking water to the community.

“Those are things that generate the kind of perseverance, tenacity and willingness to go through the hard times to do what needs to be done,” she says. “These are things that are really critical and we have it in spades in this business.

“What water people do – drinking water people in particular, but all water people – they do something that matters every single day.”



Andrew Farr is the managing editor of *Water Finance & Management*, published by Benjamin Media in the Brecksville, Ohio. He has covered the water sector in North America for 10 years and also covers the North American trenchless construction industry for sister publication *Trenchless Technology*.

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## Branciforte Fire sees leadership shakeup amid merger talks

*Jessica A. York*

5–6 minutes

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HAPPY VALLEY — Deep into consolidation talks with a neighboring fire agency, the Branciforte Fire Protection District is seeking to fill one — if not two — board leadership vacancies.

Board Director Dick Landon, with two years remaining on his term, resigned last month from the five-member volunteer board. The move came amid months of contentious debate over the future of the fire district, which employs a small leadership staff but primarily relies on a volunteer firefighting force. After several years of outsourcing its administrative roles to Scotts Valley Fire Protection District, the financially strapped Branciforte Fire's leaders last year launched a serious effort to plot out [a more permanent reorganization](#) with the larger paid department.

Director Pete Vannerus, who was first elected in 2006, characterized his departure to the Sentinel Monday as a forced resignation. Landon, who was first appointed to the board in 2013, told the Sentinel that he had resigned Nov. 7 “maybe a little too quickly” in protest over Vannerus’ departure.

Board Chairman Pat O’Connell announced resignations from Landon and Vannerus at the start of the board’s Nov. 17 meeting, thanking both men for their long years of service. In particular, O’Connell called out Vannerus’ numerous stints as board chairman, commending how he “worked very hard during some difficult years.”

Reached Monday for comment, however, O’Connell said he was

reluctant to go into the details — about Vannerus' departure in particular — citing unspecified legal concerns. The board's actual vacancy count remained undetermined this week because while Landon submitted a formal resignation letter to the board, Vannerus only had resigned verbally. O'Connell said he expected Vannerus' letter of resignation in the next couple of days.

"The No. 1 reason is because, this is what (O'Connell) said, legal said that I don't live in the district," Vannerus said, by way of explanation for his resignation.

Santa Cruz County Clerk Tricia Webber verified to the Sentinel that Vannerus was registered to vote, and had been registered to vote for some time, within the Branciforte Fire Protection District. As the top county elections official, though, Webber said her role does not specifically entail investigation or enforcement, beyond verifying that a candidate has signed their name under penalty of perjury. She said she typically refers officials back to their own legal departments in such matters.

"According to the elections code, a voter is the person who determines [what their domicile is](#)," Webber said. "There are definitely nontraditional domiciles, such as cross streets. Quite a few registered voters are registered at a cross street or a landmark such as the Town Clock. And, the law also allows people to register to vote at their business address. We don't question that."

### **Defining 'domicile'**

Vannerus elaborated that while he owns a home in Monterey, he has always listed his "domicile" as at the address of his family's business, Santa Vita RV Park, at 1611 Branciforte Dr. That is the same address where Vannerus said he does all of his voting. Another issue, Vannerus said, arose after he publically disclosed that his family business was the second-highest ratepayer for the district's 2016 Measure T benefit assessment, which funds district equipment purchases and unfunded emergencies.

“The district now has a problem with that,” Vannerus said.

As consolidation talks between the Branciforte and Scotts Valley fire protection districts continue, a major remaining decision point has narrowed to the future of Branciforte Fire’s 2711 Branciforte Dr. station. In October, Branciforte Fire board directors voted to hire a consulting firm to conduct a benefit assessment study — a process that would reveal at what rate individual Happy Valley property owners would need to tax themselves in order to keep their fire station open after a district consolidation. Vannerus said he had tried to recuse himself from the benefits assessment district vote, due to his perceived conflict, but, when told he would need to vote, opposed the study.

Vannerus, along with board newcomer Fareed Rayyis, ran unopposed for reelection in November’s general election and would be due to begin their latest four-year terms this month. The board expects to fill Landon and/or Vannerus’ positions, through the 2023 general election, by appointment, district officials said. The district is soliciting applications for a board director seat by Dec. 16. Information about the position, which requires applicants to reside within the district, is available online at [branciforte-fire.com](http://branciforte-fire.com).

“This is a real critical time in the district’s history,” O’Connell said.

“We’re moving forward with the process and so hopefully we get people who are familiar with what we’ve been doing and what we’re going through. We hope to get good qualified people within the district who know what’s going on.”

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## State fire district law plays role in Branciforte Fire district election

*Jessica A. York*

3–4 minutes

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HAPPY VALLEY — As the November general election’s results are finalized across Santa Cruz County, a government boundary oversight official is explaining why one longtime and recently reelected fire district board member is [no longer eligible for his role](#).

After providing a verbal notice last month, Branciforte Fire Protection District Board Director Pete Vannerus submitted his formal written resignation from the panel Wednesday, according to Santa Cruz Local Agency Formation Commission Executive Officer Joe Serrano. LAFCO has stepped in to provide technical support for Branciforte Fire while it works to consolidate with neighboring Scotts Valley Fire Protection District.

Vannerus, who has continuously served on the fire board since his election in 2006, is registered to vote at his family’s business — characterized as his “domicile” — within the district’s boundaries, he told the Sentinel. However, he owns a home outside the district, in Monterey, he said. Vannerus said he was forced to resign when this issue came to light. His informal departure was quickly followed with a resignation by fellow board director Dick Landon, who said he was protesting his peer’s removal.

Other local elected offices allow for looser eligibility standards — including use of either residence or business location, if that location is defined as a domicile, according to Santa Cruz County Clerk Trisha Webber. Fire districts, however, have a more restrictive standard, said Serrano.



Serrano pointed to the state's [Fire Protection District Law of 1987](#), the “principal act” for all fire protection districts. Branciforte Fire board members must be both residents of the district as well as registered voters — not one or the other but both, according to the law.

“While the elections code allows for voting domicile for board members of cities and special districts, it is my understanding that it does not supersede the criteria outlined in the principal acts and therefore fire districts board members, including BFPD, must be in compliance at all times,” Serrano wrote in an email to the Sentinel.

In lieu of an election, Vannerus and board newcomer Fareed Rayyis were automatically appointed to their volunteer four-year seats when no opponents declared their candidacy for the board. The board will need to appoint replacements to fill Vannerus’ and Landon’s seats through the next board election, in November 2024. Serrano said the fire district’s Thursday board meeting will include a staff report outlining the appointment process to address the seat vacancies, as well as defining eligibility requirements found in the principal act.

## **IF YOU GO**

What: Branciforte Fire Protection District meeting.

When: 6 p.m., Thursday.

Where: Virtually, by Zoom or conference call. Details here: [branciforte-fire.com](https://branciforte-fire.com).

At issue: Board member eligibility requirements and appointment process to address vacancies.

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## Santa Cruz County Board of Supervisors: Coonerty, Caput get warm send-off as terms expire

*PK Hattis*

4–5 minutes

SANTA CRUZ — The mood was sentimental in the Santa Cruz County Board Chambers Tuesday, as outgoing Supervisors Ryan Coonerty and Greg Caput bid fond farewells at their final meeting representing the 3rd and 4th districts, respectively.

Coonerty spoke first with tears in his eyes as he looked into the audience where friends and family listened intently.

“Public life moves very quickly, except during oral communications,” Coonerty quipped to lighten the mood.



Ryan Coonerty. (Shmuel Thaler — Santa Cruz Sentinel)

Coonerty comes from a family of storytellers and, naturally, he said he rebelled in his own way by primarily using objective data points when making important decisions for the county. But as his work comes to a close, he said he has a newfound appreciation for storytelling and the important role it plays in public life.

“We have good data in this community, but we have a great story. We don’t tell those stories enough,” Coonerty said. “I’m grateful to the voters for letting me be a character in their story for a little bit and I can’t wait to hear the next chapter from our new leaders.”

Coonerty was first elected as a supervisor in 2014 and was reelected in 2018. He had the unique opportunity to keep the seat in the family – literally – as he replaced his father, Neal Coonerty, who had served in the role since 2006. Before that, he was a Santa Cruz City Council member from 2004 to 2012 and was the city's mayor in 2007 and 2010.

Caput also has deep ties to the community he wound up representing. He was born and raised in Watsonville and is an alumnus of Watsonville High School and Cabrillo College.



Greg Caput

He began his public service at the city level by winning a four-year term on the Watsonville City Council in 2006. He then assumed the 3rd District county office in 2011 and has held the position for three consecutive terms or a total of 12 years.

Caput, famous among his colleagues and the public for his

storytelling abilities, began with a tale about an especially contentious town hall meeting he hosted a number of years ago. While driving home afterward, his young son who attended the meeting, asked him plainly if he defined himself as a politician or a public servant.

“I told him a little later that I hope I’m a public servant because that’s what we’re supposed to do and it’s a term that really means a lot,” Caput said.

Caput credited his enduring religious faith and commitment to getting things done with a heavy dose of humility as guiding principles for his time in office.

“I hope I’ve been an average supervisor up here,” Caput said.

“Average is pretty good when I’m sitting next to the quality representation that we have for all of Santa Cruz.”

### **Parting words**

But Caput and Coonerty weren’t the only ones who showed up with prepared remarks.

All of their colleagues along with dozens of members from the public stepped to the mic to thank them for their service.

“It’s been 18 years of this on city council and as a county supervisor – really a phenomenal commitment to public service that has been dearly needed in this community,” said 5th District Supervisor Bruce McPherson.

McPherson lauded Coonerty for his work on the county’s Thrive by Three fund and the local nurse-family partnership program. Several Bonny Doon residents also showed up to thank him for his efforts in helping their community recover in the aftermath of the CZU Lightning Complex fire.

Caput was praised for his work surrounding issues at the Pajaro River and his knack for connecting with his constituents in an authentic and personable way.

“I just admire your laser focus on community,” said 2nd District Supervisor Zach Friend. “You bring a civility that is needed, ... a true gentleman. You’ve brought a lot to this board and this community.”

Justin Cummings will replace Coonerty in District 3 and Felipe Hernandez will replace Caput in District 4. They will be sworn in Jan. 2.