



**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
Email: info@santacruzlafco.org

REGULAR MEETING AGENDA

Wednesday, March 1, 2023 at 9:00am

(hybrid meeting may be attended remotely or in-person)

Attend Meeting by Internet: <https://us02web.zoom.us/j/85888035676>
(Password 770150)

Attend Meeting by Conference Call: **Dial 1-669-900-6833 or 1-253-215-8782**
(Webinar ID: 858 8803 5676)

Attend Meeting In-Person: **Board of Supervisors Chambers**
(701 Ocean Street, Room 525, Santa Cruz CA 95060)

HYBRID MEETING PROCESS

Santa Cruz LAFCO has established a hybrid meeting process in accordance with Assembly Bill 2449:

- a) Commission Quorum: State law indicates that a quorum must consist of Commissioners in person pursuant to AB 2449.
- b) Public Comments: For those wishing to make public comments remotely, identified individuals will be given up to 3 minutes to speak. Staff will inform the individual when one minute is left and when their time is up. For those attending the meeting remotely, please click on the "Raise Hand" button under the "Reactions Tab" to raise your hand. For those joining via conference call, pressing *9 will raise your hand. The 3 minute limit also applies to virtual public comments.
- 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. Hybrid Meeting Process

The Commission will receive an update on the hybrid meeting process.

Recommended Action: No action required; Informational item only.

b. Welcome Recently Appointed Commissioners

The Commission will welcome Justin Cummings, Eduardo Montesino, and Allan Timms as local representatives on LAFCO.

Recommended Action: No action required; Informational item only.

3. ADOPTION OF MINUTES

The Commission will consider approving the minutes from the January 4, 2023 Regular LAFCO Meeting.

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

4. ORAL COMMUNICATIONS

This is an opportunity for members of the public to address the Commission on items not on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on an off-agenda item(s) unless authorized by law.

5. PUBLIC HEARINGS

Public hearing items require expanded public notification per provisions in State law, directives of the Commission, or are those voluntarily placed by the Executive Officer to facilitate broader discussion.

a. "County Service Area 54 Dissolution"

The Commission will consider the mandatory dissolution of CSA 54 in accordance with Government Code Section 56036. 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. 2023-04) approving the mandatory dissolution of County Service Area 54.

b. "Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement"

The Commission will consider the approval of an extraterritorial service agreement with the Santa Cruz County Sanitation 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. 2023-05) approving the extraterritorial service agreement with the Santa Cruz County Sanitation District.

c. “Paso Cielo / Towle Annexation”

The Commission will consider the annexation of three parcels into County Service Area 20. 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. 2023-06) approving the three-parcel annexation into County Service Area 20.

6. OTHER BUSINESS

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

a. Independent Special Districts Selection Policy Update

The Commission will consider the proposed modifications to LAFCO’s “Independent Special Districts Selection Policy.”

Recommended Action: Adopt the draft resolution (No. 2023-07) approving the amendments to the policy.

b. 2023 Meeting Schedule – June Meeting Date Change

The Commission will consider changing the June 2023 meeting date to address the current board room scheduling conflict.

Recommended Action: Approve the meeting date change from June 7 to June 14.

c. Comprehensive Quarterly Report – Second Quarter (FY 2022-23)

The Commission will receive an update on active proposals, upcoming service reviews, budgetary performance, and other staff activities.

Recommended Action: No action required; Informational item only.

7. WRITTEN CORRESPONDENCE

LAFCO staff receives written correspondence and other materials on occasion that may or may not be related to a specific agenda item. Any correspondence presented to the Commission will also be made available to the general public. Any written correspondence distributed to the Commission less than 72 hours prior to the meeting will be made available for inspection at the hearing and posted on LAFCO’s website.

a. Special Districts Risk Management Authority Letters

The Commission will review three letters from SDRMA.

Recommended Action: No action required; Informational item only.

8. PRESS ARTICLES

LAFCO staff monitors newspapers, publications, and other media outlets for any news affecting local cities, districts, and communities in Santa Cruz County. Articles are presented to the Commission on a periodic basis.

a. Press Articles during the Months of January and February

The Commission will receive an update on recent LAFCO-related news occurring around the county and throughout California.

Recommended Action: No action required; Informational item only.

9. COMMISSIONERS' BUSINESS

This is an opportunity for Commissioners to comment briefly on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No discussion or action may occur or be taken, except to place the item on a future agenda if approved by Commission majority. The public may address the Commission on these informational matters.

10. CLOSED SESSION

Pursuant to State law, a closed session may be held to appoint, employ, evaluate the performance of, discipline, or dismiss a public employee. Prior to the closed session, the public is invited to address the Commission regarding the closed session items.

a. Public Employee Performance Evaluation

Pursuant to: Government Code Section 54957

Title: Executive Officer

b. Conference with Labor Negotiators

Pursuant to: Government Code Section 54957.6

Agency designated representatives: Personnel Committee

Unrepresented Employee: Executive Officer

11. ANNOUNCEMENTS FROM CLOSED SESSION

The Chair and/or Legal Counsel will indicate whether there were any reportable actions from the Closed Session.

12. ADJOURNMENT

LAFCO's next regular meeting is scheduled for Wednesday, April 5, 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. 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. 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**

Agenda
Item
No. 3

DRAFT MINUTES

LAFCO REGULAR MEETING AGENDA

Wednesday, January 4, 2023

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
- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Zach Friend
- Alternate Commissioner Ed Banks
- Alternate Commissioner John Hunt
- Alternate Commissioner Donna Lind

The following LAFCO staff members were present:

- Executive Officer Joe Serrano
- Legal Counsel, Malathy Subramanian

Executive Officer Joe Serrano announced that Alternate Commissioner Donna Lind will be a voting member during today's meeting.

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 reverting back to in-person meetings as early as March 2023 since the COVID-related State of Emergency is scheduled to be lifted in February 2023.

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 Zach Friend** motioned for approval of the November 2, 2022 Meeting Minutes and **Commissioner Roger Anderson** 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: Zach Friend
SECOND: Roger Anderson
FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.
AGAINST: None
ABSTAIN: None

MOTION PASSED: 5-0

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 noted the recent rain's impact on county roads, referred to Soquel Creek Water District's report of recycled water, and indicated that she continues to follow the reorganization effort between Branciforte and Scotts Valley Fire Protection Districts.

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

5. SPECIAL BUSINESS

Chair Rachél Lather requested staff to provide a presentation on the resolution of appreciation for outgoing Commissioner Ryan Coonerty.

Executive Officer Joe Serrano summarized Mr. Coonerty's career in local government, specifically his impact on LAFCO. Mr. Serrano extended his gratitude towards Mr. Coonerty and requested that the Commission adopt the resolution of appreciation.

Chair Rachél Lather requested public comments on this item. **Executive Officer Joe Serrano** indicated that Mr. Coonerty was present and would like to provide comments.

Ryan Coonerty thanked the Commission for allowing him to participate in LAFCO actions during his tenure. Mr. Coonerty noted the importance of LAFCO in local government and wishes the Commission and staff further success.

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

Multiple Commissioners extended their appreciation towards Mr. Coonerty as a local leader and Commissioner.

Chair Rachél Lather noted no further comments 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: **Adopt the draft resolution (No. 2023-01) acknowledging Commissioner Ryan Coonerty's dedicated service on LAFCO.**

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

MOTION: Zach Friend
SECOND: Jim Anderson
FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.
AGAINST: None
ABSTAIN: None

MOTION PASSED: 5-0

6. PUBLIC HEARINGS

Chair Rachél Lather noted that there were two public hearing items for Commission consideration today.

6a. "County Service Area 54 Dissolution" – Initiating Resolution

Chair Rachél Lather requested staff to provide a presentation on the proposed dissolution effort.

Executive Officer Joe Serrano noted that state law now requires mandatory dissolutions for any inactive special district and explained how CSA 54 has been inactive for over 15 years. Pursuant to state law, and following the letter from the State Controller's Office, LAFCO is required to adopt a resolution to initiate the mandatory dissolution process. A subsequent public hearing will then be held to officially dissolve CSA 54. Mr. Serrano is recommending approval of the draft resolution.

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

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

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

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

MOTION: Zach Friend

SECOND: Jim Anderson

FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 5-0

6b. “Pajaro Valley Health Care District Sphere of Influence Designation”

Chair Rachél Lather requested staff to provide a presentation on the proposed sphere boundary establishment.

Executive Officer Joe Serrano explained that state law requires LAFCO to adopt a sphere boundary for the newly-formed healthcare district by February 2023. Mr. Serrano indicated that the sphere boundary should be coterminous with the District’s existing jurisdictional boundary. He also noted that the sphere may be amended in the future based on LAFCO’s findings within an upcoming service review, which is scheduled to be completed by December 2025. Staff is recommending that the Commission adopt the proposed sphere boundary for the healthcare district.

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 inquired about the District’s existing jurisdictional boundary. **Executive Officer Joe Serrano** stated that the special legislation, which formed the healthcare district, relied on the Pajaro Valley Union School District boundary to determine the healthcare district’s service boundary. Mr. Serrano noted that LAFCO will analyze whether additional areas should be annexed into the district as part of the scheduled service and sphere review.

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

Commissioner Roger Anderson asked whether the proposed sphere boundary will conflict with the jurisdictional and sphere boundaries for the Salinas Valley Memorial Healthcare System in Monterey County. **Executive Officer Joe Serrano** stated that staff will be coordinating with Monterey LAFCO to ensure there is no overlap of boundaries.

Commissioner Jim Anderson asked whether members of the public have to reside within the healthcare district’s boundaries to utilize the Watsonville Community Hospital. **Executive Officer Joe Serrano** clarified that people are not required to be constituents of the healthcare district to utilize the hospital or medical facilities.

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

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

MOTION: Zach Friend

SECOND: Jim Anderson

FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 5-0

7. OTHER BUSINESS

Chair Rachél Lather noted that there was five business items for Commission consideration today.

7a. LAFCO Staffing Support

Chair Rachél Lather requested staff to provide a presentation on the proposed staffing support opportunities.

Executive Officer Joe Serrano noted that LAFCO currently has one full-time employee and has benefited from utilizing outside consultants for temporary assistance and/or specific projects, including the hiring of a fire consultant to help with LAFCO's current fire study and reorganization effort between two fire districts. Mr. Serrano is recommending that the Commission consider entering into a contractual agreement with Marin LAFCO for shared services opportunities, with Piret Harmon for water consulting services, and with the County of Santa Cruz for administrative support. These services will be on an as-needed basis. He is also recommending that the Commission direct staff to continue searching for a second full-time employee (LAFCO Analyst) and allow existing staff the option to work remotely during the remainder of Fiscal Year 2022-23.

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 requested more information about the collaboration with Marin LAFCO and Piret Harmon. **Executive Officer Joe Serrano** stated that staff reached out to all the Coastal Region LAFCOs about establishing a shared services agreement, and while several LAFCOs showed interest, Marin LAFCO was ready to move forward with adopting an agreement. Mr. Serrano also explained that Ms. Harmon's experience as the former Scotts Valley Water District General Manager would be a great benefit to LAFCO in understanding and addressing water-related issues in Santa Cruz County.

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

Commissioner Donna Lind highlighted Ms. Harmon's qualifications and agreed that LAFCO would benefit from her expertise.

Multiple Commissioners questioned staff about the financial impact to LAFCO's budget with the addition of a new consultant and the hiring of another full-time employee. **Executive Officer Joe Serrano** indicated that the upcoming LAFCO budget for fiscal year 2023-24 will earmark funds towards the consultants, the proposed full-time employee, and the other contractual agreements to ensure that LAFCO has adequate revenue to cover the anticipated expenses.

Commissioner Zach Friend 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) **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.**

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

MOTION: Zach Friend

SECOND: Roger Anderson

FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 5-0

b. Virtual Meetings Update

Chair Rachél Lather requested staff to provide a presentation on how LAFCO will conduct upcoming Commission meetings.

Executive Officer Joe Serrano noted AB 361, which allowed public agencies to conduct virtual meetings, will be unserviceable after the Governor lifts the COVID-related State of Emergency in late-February. Mr. Serrano recommended that the Commission revert back to in-person meetings starting in March. He also mentioned that staff may implement a hybrid model which will allow members of the public the option to attend LAFCO meetings remotely or in-person.

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

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

Commissioner Roger Anderson motioned to approve staff's recommendations and **Commissioner Zach Friend** seconded the motion.

Chair Rachél Lather called for a roll call vote on motion based on staff's recommendation: **Direct staff to implement in-person meetings starting on March 1, 2023.**

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

MOTION: Roger Anderson
SECOND: Zach Friend
FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.
AGAINST: None
ABSTAIN: None

MOTION PASSED: 5-0

c. Appoint New Chair and Vice-Chair

Chair Rachél Lather requested staff to provide a presentation on appointing a new Chair and Vice-Chair for the 2023 calendar year.

Executive Officer Joe Serrano explained that LAFCO appoints a new Chair and Vice-Chair at the beginning of the year in accordance with the Commission's adopted policies. Mr. Serrano recommended that the Commission discuss and appoint two board members to be the new leaders on LAFCO.

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 noted that the Board of Supervisors will appoint three supervisors to be seated on LAFCO and requested that the Commission postpone acting until those appointments are made. **Chair Rachél Lather** closed public comments and called for Commission comments.

Commissioner Roger Anderson motioned to appoint Yvette Brooks as LAFCO's new Chair and **Commissioner Zach Friend** seconded the motion.

Chair Rachél Lather called for a roll call vote on motion: **Appoint Yvette Brooks to be LAFCO's Chair during the 2023 calendar year.**

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

MOTION: Roger Anderson
SECOND: Zach Friend
FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.
AGAINST: None
ABSTAIN: None

MOTION PASSED: 5-0

Commissioner Zach Friend motioned to appoint John Hunt as LAFCO's new Vice-Chair and **Commissioner Donna Lind** seconded the motion.

Executive Officer Joe Serrano asked legal counsel if there is an issue for an Alternate Commissioner to be the Vice-Chair. **Legal Counsel Malathy Subramanian** noted that there are no restrictions for alternate members to hold such title, however, she reminded the Commission that alternates may not be a voting member unless the regular member is absent.

Chair Rachél Lather called for a roll call vote on motion: **Appoint John Hunt to be LAFCO's Vice-Chair during the 2023 calendar year.**

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

MOTION: Zach Friend

SECOND: Donna Lind

FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 5-0

d. Focus Agriculture Class of 2023 – Application Request

Chair Rachél Lather requested staff to provide a presentation on potentially sponsoring a Commissioner for the upcoming Focus Agriculture Program.

Executive Officer Joe Serrano explained that Commissioner Yvette Brooks expressed interest in the 2023 Focus Agriculture Program and inquired if LAFCO could sponsor the tuition payment of \$1,000. Mr. Serrano recommended that the Commission consider her request.

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

Chair Rachél Lather closed public comments and called for Commission comments. **Commissioner Zach Friend** motioned that LAFCO pay half the tuition (\$500) and the City of Capitola pay the remaining amount (\$500). **Commissioner Roger Anderson** seconded the motion.

Chair Rachél Lather called for a roll call vote on motion based on staff's recommendation: **Approve the payment of \$500 towards the Focus Agriculture tuition with the condition that any reimbursement come back to LAFCO.**

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

MOTION: Zach Friend

SECOND: Roger Anderson

FOR: Jim Anderson, Roger Anderson, Donna Lind, Zach Friend, and Rachél Lather.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 5-0

e. Upcoming LAFCO Seat Vacancies

Chair Rachél Lather requested staff to provide a presentation on the upcoming seat vacancies on LAFCO.

Executive Officer Joe Serrano noted that LAFCO will see new Commissioners during the 2023 calendar year. Mr. Serrano stated that the County will appoint three board of supervisors to be on LAFCO including the replacement of Former Supervisor Ryan Coonerty. He also noted that the Independent Special Districts Selection Committee will vote for a new regular member on LAFCO and the City Selection Committee will appoint three city council members to be LAFCO's new regular and alternate members. He clarified that this item is for informational purposes only and no action is required.

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.

8. WRITTEN CORRESPONDENCE

Chair Rachél Lather inquired whether there was any written correspondence submitted to LAFCO. There were none. **Chair Rachél Lather** moved to the next item since no Commission action was required.

9. 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.

10. COMMISSIONERS' BUSINESS

Chair Rachél Lather inquired whether any Commissioner would like to share any information. There were none. **Chair Rachél Lather** moved to the next item since no Commission action was required.

11. ADJOURNMENT

Chair Rachél Lather adjourned the Regular Commission Meeting at 10:35 a.m. to the next regular LAFCO meeting scheduled for Wednesday, March 1, 2023 at 9:00 a.m.

YVETTE BROOKS, CHAIRPERSON

JOE SERRANO, EXECUTIVE OFFICER



Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **"County Service Area 54 Dissolution"**

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 initiated the mandatory dissolution during the January 4th Regular Meeting¹.

It is recommended that the Commission adopt the draft resolution (No. 2023-04) approving the mandatory dissolution of County Service Area 54.

EXECUTIVE OFFICER'S REPORT

The Commission received a Notice of Inactive Special District 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.

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.

¹ 1/4/23 Initiating Resolution Staff Report - https://santacruzlafco.org/wp-content/uploads/2022/12/6a.0-CSA-54-Dissolution-Staff-Report_Hyperlink.pdf

State Law (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. The State Controller's Office deemed CSA 54 inactive and notified LAFCO to begin the dissolution process in November 2022. LAFCO adopted a resolution of initiation on January 4, 2023 and will now consider officially dissolving the inactive district during the March 1st LAFCO Meeting.

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. It is recommended that the Commission find the subject dissolution exempt from CEQA pursuant to Guidelines Section 15320, Class 20(b): *Changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised*. LAFCO, as the Lead Agency, will record a Notice of Exemption, as shown in **Attachment 2**.

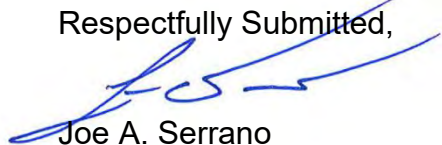
Public Hearing Notice

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 published a public notice in the Sentinel Newspaper on February 7, 2023 (refer to **Attachment 3**) and sent individual notices to the affected residents for additional transparency.

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 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 approving the mandatory dissolution of CSA 54 (refer to **Attachment 4**).

Respectfully Submitted,

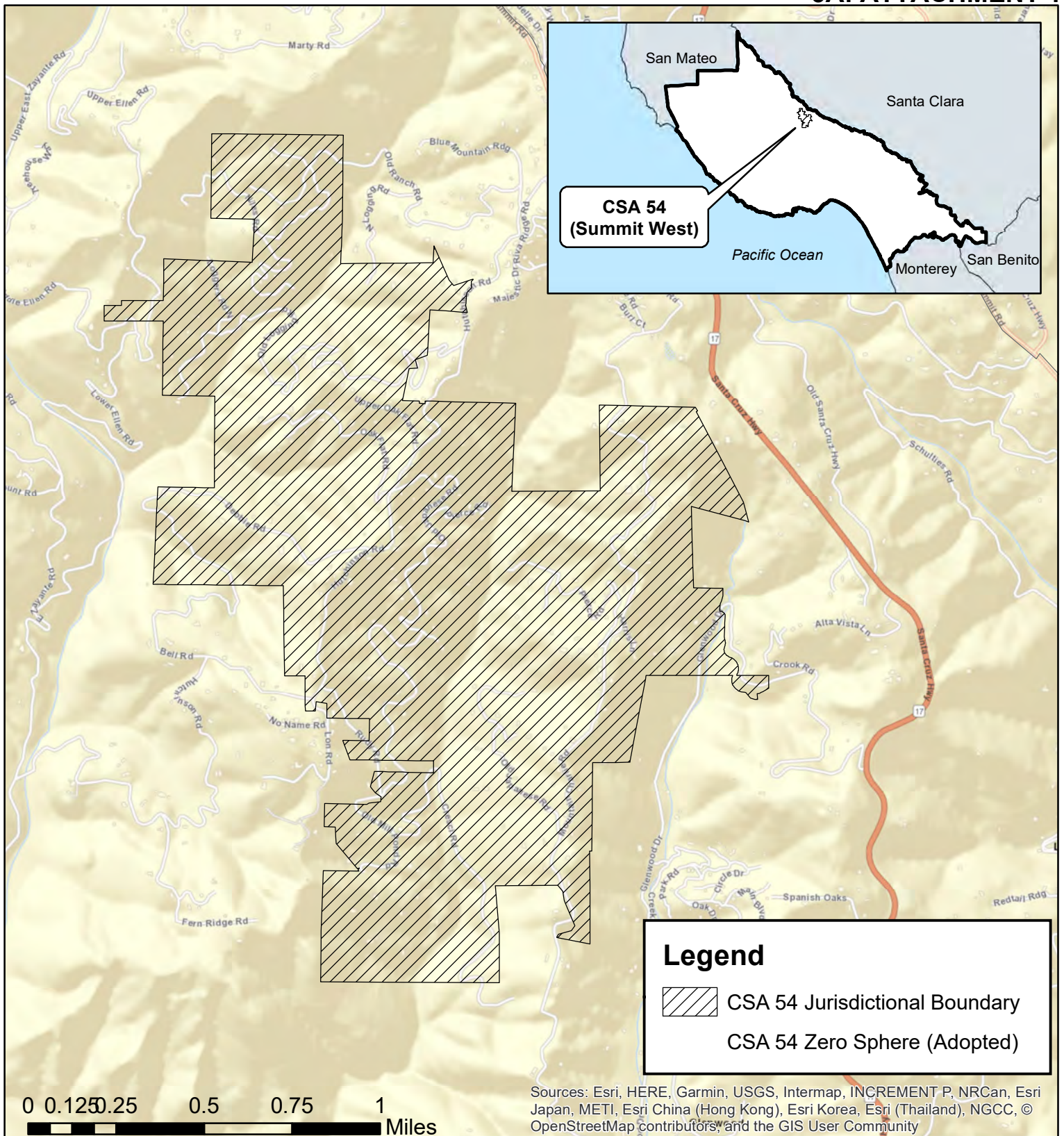


Joe A. Serrano
Executive Officer

Attachments:

1. Vicinity Map
2. Notice of Exemption
3. Public Hearing Notice
4. Draft Resolution No. 2023-04

cc: Matt Machado, County Public Works Department



County Service Area 54 Jurisdictional & Sphere Boundaries

Original sphere adopted on February 7, 1996
Sphere amendment on August 2, 2017
Zero sphere adopted on August 3, 2022

CSA 54 has been inactive since 2007.



Vicinity map created on May 31, 2022

Notice of Exemption

To: ☐ Office of Planning and Research
1400 Tenth Street, Room 121
Commission
Sacramento CA 95814

From: (Public Agency)
Santa Cruz Local Agency Formation
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: "County Service Area 54 Dissolution" (LAFCO Project No. DDI 22-17)

Project Location: 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. A vicinity map depicting the CSA's boundaries is attached (refer to Attachment A).

Project Location City: N/A Project Location County: Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: Pursuant to Government Code Section 56879, CSA 54 meets the criteria of an "inactive district" and is subject to mandatory dissolution following the release of the latest "List of Inactive Districts" by the State Controller's Office. This list was first published in 2018, following the enactment of Senate Bill 448, and is updated annually. Senate Bill 448 requires inactive districts to be dissolved. Inactive districts are special districts that have no financial transactions in the previous fiscal year, have no assets and liabilities, and do not have any outstanding issues, such as debts or claims.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County ("Santa Cruz LAFCO"). A public hearing on this proposal is scheduled for 9:00 a.m. on March 1, 2023. Additional information on the upcoming meeting is available on the LAFCO website.

Name of Person or Agency Carrying Out Project: Santa Cruz LAFCO

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: Pursuant to CEQA Guidelines Section 15320, Class 20(b): Changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised, including but not limited to consolidation of two or more districts having identical powers.

Lead Agency Contact Person: Joe A. Serrano

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

Signature: _____
Joe A. Serrano, Executive Officer

Date: March 3, 2023

☒ Signed by Lead Agency



NOTICE OF PUBLIC HEARING LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, March 1, 2023, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following items below. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for these three proposals.

- **“County Service Area 54 Dissolution” (Project No. DDI 22-17):** The Commission will consider 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. CSA 54 has been inactive for over fifteen years and the Summit West Mutual Water Company currently provides water to the community.
- **“Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement” (Project No. ESA 23-01):** The Commission will consider an extraterritorial service agreement request for a single parcel (APN: 041-221-19) to receive sewer services from the Santa Cruz County Sanitation District. The subject parcel is within unincorporated county territory and is immediately adjacent to the District and within its sphere boundary.
- **“Paso Cielo / Towle Annexation” (Project No. DA 22-15):** The Commission will consider a three-parcel annexation into County Service Area 20 for sewer services. The subject area is within unincorporated county territory and is located south of Highway 1, east of the Pacific Ocean, west of Margarita Road, and north of San Andreas Road.

Instructions for members of the public to participate in-person or 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. 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: February 7, 2023

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
APPROVING 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 initiate the dissolution of 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 advertised another notice of public hearing in a newspaper on February 7, 2023, which set a public hearing to consider the dissolution of CSA 54 at its March 1, 2023 Regular LAFCO Meeting; and

WHEREAS, LAFCO held a public hearing on March 1, 2023, considered the request, received public comment and adopted a resolution to officially dissolve 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 and recommended exemption from the California Environmental Quality Act ("CEQA").

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) has been 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 March 1st.

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

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 1st day of March 2023.

AYES:

NOES:

ABSTAIN:

YVETTE BROOKS, CHAIRPERSON

Attest:

Approved as to form:

Joe A. Serrano
Executive Officer

Joshua Nelson
LAFCO Counsel

DRAFT

EXHIBIT A

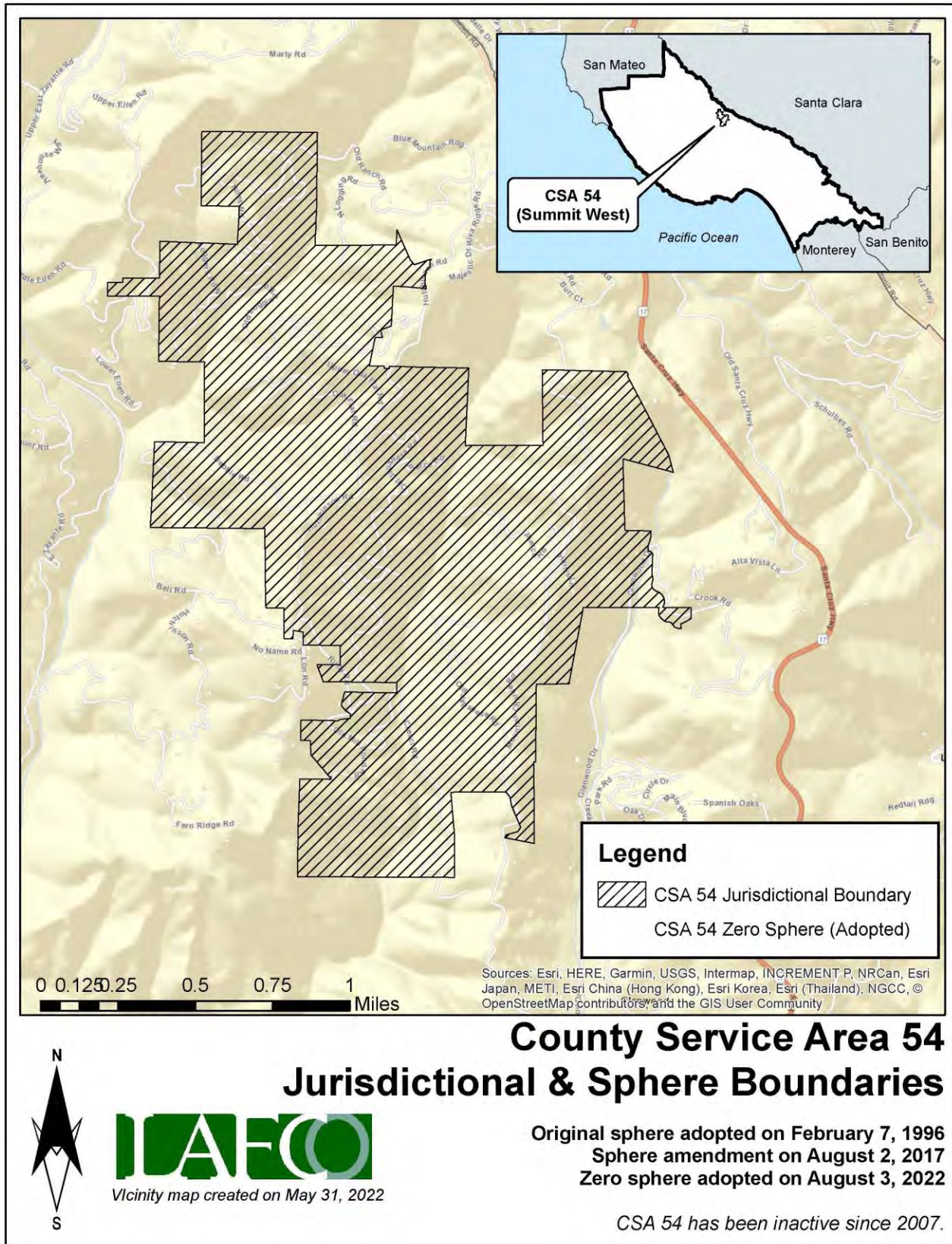


EXHIBIT B



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.

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.

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



Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **“Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement”
with the Santa Cruz County Sanitation District**

SUMMARY OF RECOMMENDATION

LAFCO has received an application from a landowner requesting an extraterritorial service agreement involving the Santa Cruz County Sanitation District. If approved, the subject parcel will have the opportunity to receive sewer service from the County’s wastewater infrastructure rather than replacing a failing septic system on the property.

Staff is recommending that the Commission adopt the draft resolution (No. 2023-05) approving the extraterritorial service agreement with the Santa Cruz County Sanitation District.

EXECUTIVE OFFICER’S REPORT:

In January, following the aftermath of the heavy rainfall, a landowner submitted an application to receive an extraterritorial service agreement between the Santa Cruz County Sanitation District and a single parcel (APN: 041-221-19) in order to provide sewer service to an existing single-family residence. The proposal area is less than one acre in size and is currently located outside the District’s jurisdictional boundary but within its sphere of influence. **Attachment 1** provides a map of the agency’s current boundaries in relation to the location of the proposal area. The benefits of approving this extraterritorial service agreement is two-fold: (1) it is consistent with the State’s goal to connect properties to available sewer infrastructures rather than installing new individual septic tanks, and (2) it supports the Commission’s sphere designation which identifies the District as the most logical service provider. Approval of the extraterritorial service agreement would be a precursor to an annexation at a future date. The landowner has agreed to begin the annexation process following approval of the proposed extraterritorial service agreement.

State Law

California Water Code

In accordance with State law, the Regional Water Quality Control Board prohibits the discharge of wastewater from existing or new individual septic tank disposal systems if sewer is available from a public agency (Water Code Section 13281). This law further states that for a sewer system to be deemed available it is necessary for a sewer system to be within 200 feet of an existing or proposed dwelling unit. The distance of the proposed connection between the District and subject property (APN: 041-221-19) is under 200 feet. While the connection is supported by Water Code Section 13281, it is also subject to Government Code Section 56133 under the Cortese-Knox-Hertzberg Act.

Cortese-Knox-Hertzberg Act

In accordance with State law, a city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the Commission (Government Code Section 56133). Additionally, the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization or if there is a threat to the health and safety of the subject landowners and/or surrounding residents. The proposed agreement would allow the District to provide sewer service to the single parcel with the condition that the subject parcel be annexed within one year (March 1, 2024).

Commission Policy

In 2011, the Commission adopted the Extraterritorial Services Policy which outlined regulations for agencies to provide services outside their service and/or sphere boundaries. This policy was updated on June 3, 2020. Under this policy¹, the Commission limits approval of extraterritorial service agreements if the following three specific circumstances occur:

a) Facilities are already in place.

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

b) Annexation would not be practical.

Annexation is practical which is why LAFCO staff is recommending a condition requiring the landowner to complete the annexation process by March 1, 2024.

c) Cortese-Knox-Hertzberg Act Requirements.

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

Pursuant to the Commission's policy, individual requests for extraterritorial service shall be filed with the Executive Officer on a prescribed application form. The applicant is responsible for paying the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. An application and fee deposit was submitted to LAFCO on January 9, 2023.

Application Packet

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

- 1) Application Form** – Commission Policy requires a completed and signed extraterritorial service agreement form. A signed application was submitted on January 9.
- 2) Signed Petition** – Commission Policy requires documentation showing consent from the affected property owner as part of the application. The property owner of APN: 041-221-19 is the applicant and signed the required petition form.

¹ ESA Policy: https://santacruzlafco.org/wp-content/uploads/2021/06/Extraterritorial-Services-Policy-Adopted-Version-6-3-20_.pdf

- 3) **Will-Serve Letter** – Government Code Section 56133 requires documentation from the affected agency indicating support and capacity to provide the requested service. The County provided LAFCO a copy of a signed Will-Serve letter dated January 10 (**Attachment 2**).
- 4) **Notification to Alternative Service Provider** – Government Code Section 56133(c) requires the Commission to notify any alternative service provider that has filed a map and a statement of its service capabilities with the Commission. LAFCO staff has determined that there are no nearby or alternative service providers for sewer service. However, a public notice was advertised in the Sentinel on February 7, 2023, as shown in **Attachment 3**.
- 5) **Environmental Document** – Commission Policy indicates that all matters that are reviewable pursuant to environmental regulations are subject to the applicable provisions of the California Environmental Quality Act. LAFCO, as the Lead Agency, will record a Notice of Exemption pursuant to State CEQA Guidelines Section 15303(d), “New Construction or Conversion of Small Structures,” because the project would discontinue the need for a septic system and connect to a public agency’s wastewater infrastructure (**Attachment 4**).
- 6) **Indemnification Agreement** – Commission Policy requires a signed indemnification agreement in the event that a lawsuit is filed against LAFCO’s action. A signed indemnification agreement will be required as part of the annexation application.
- 7) **Fee Deposit** – Commission Policy requires a fee deposit for any proposed extraterritorial service request. A deposit was included with the application packet. This deposit will rollover to the annexation application, however, the landowner will still be responsible to cover the remaining annexation fee amount (\$1,600).

Conclusion

LAFCO typically encourages boundary changes, such as annexations, when there is a request for municipal services. In some cases, annexations cannot occur for various reasons. LAFCO staff evaluated this application and confirmed that the proposed extraterritorial service agreement meets all the requirements under State law and the Commission’s adopted policy. However, annexation is warranted and this area should be annexed into the District in the foreseeable future. Therefore, the terms and conditions outlined in the draft resolution will allow the District to provide sewer service to the single-family home with the condition that the subject parcel be annexed into the Santa Cruz County Sanitation District by March 1, 2024. LAFCO legal counsel has also reviewed the draft resolution with the proposed terms and conditions. LAFCO staff is recommending that the Commission adopt the attached resolution (refer to **Attachment 5**).

Respectfully Submitted,

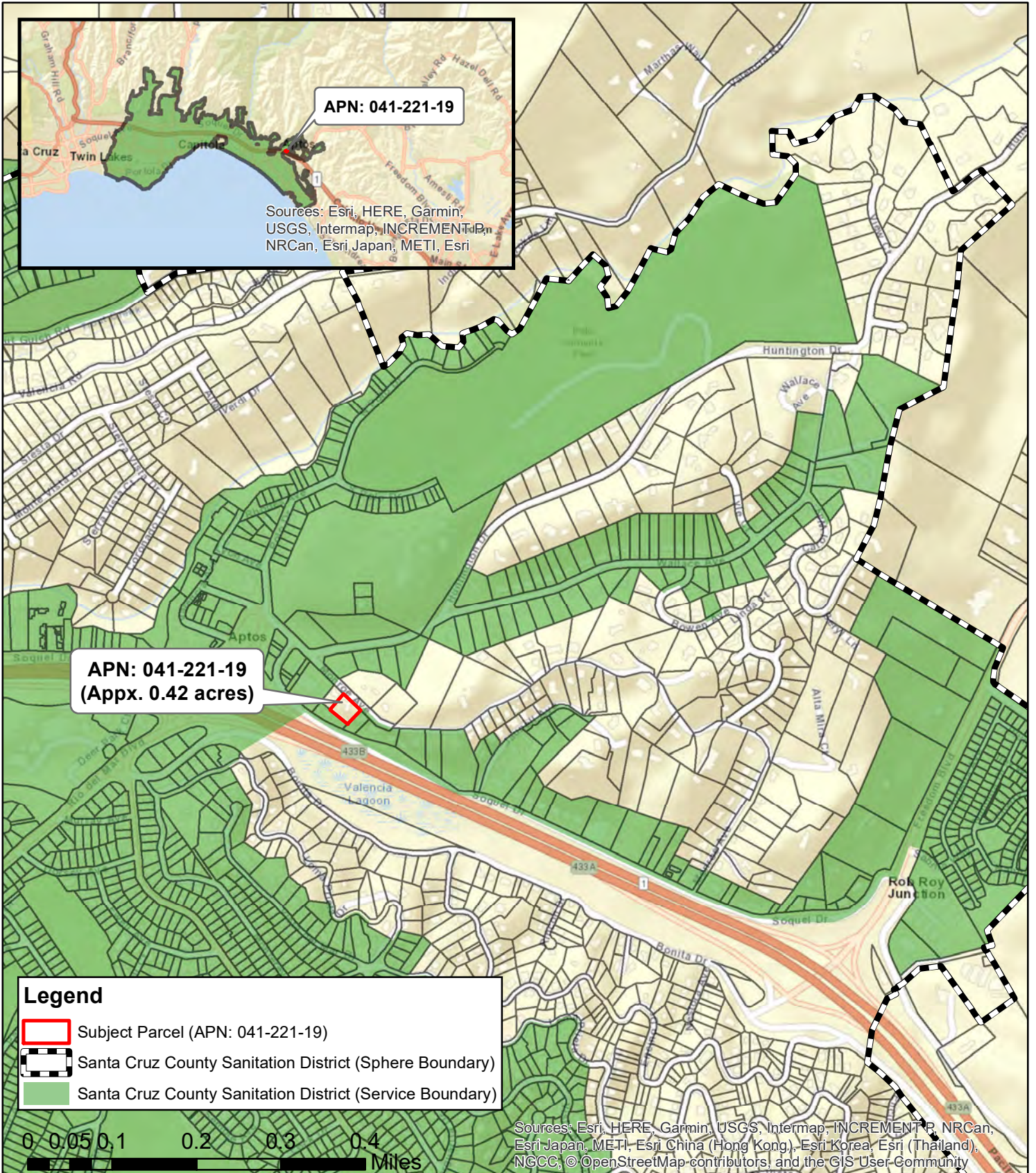


Joe A. Serrano
Executive Officer

Attachments:

1. Vicinity Map
2. Will-Serve Letter
3. Notice of Public Hearing
4. Notice of Exemption
5. Draft Resolution No. 2023-05

cc: Matt Machado, County Public Works
Kathy Brunk (Property Owner; APN: 041-221-19)



Santa Cruz County Sanitation District Jurisdictional and Sphere Boundaries

"Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement"
to the Santa Cruz County Sanitation District (ESA 23-01)



Map created on 1-9-23



SANTA CRUZ COUNTY SANITATION DISTRICT

701 OCEAN STREET, SUITE 410 · SANTA CRUZ, CA · 95060-4073

(831) 454-2160 · FAX (831) 454-2089 · TDD: (831) 454-2123 · WWW.SCCSD.US

MATT MACHADO, DISTRICT ENGINEER

JANUARY 10, 2023

KATHY BRUNK
9272 MONROE AVE
APTOS CA 95003

SUBJECT: SEWER AVAILABILITY AND DISTRICT'S CONDITIONS OF SERVICE FOR
THE FOLLOWING PROPOSED DEVELOPMENT

APN: 041-221-19

PARCEL ADDRESS: 9272 MONROE

PROJECT DESCRIPTION: SEPTIC ABANDONMENT AND NEW SEWER CONNECTION FOR
EXISTING SINGLE-FAMILY DWELLING – REQUIRES ANNEXATION

Dear Ms. Brunk,

The District has received your inquiry regarding sewer service availability for the subject parcel(s). This parcel is not currently within the boundaries of the Santa Cruz County Sanitation District and requires annexation prior to sewer service being offered. You proposed plan to connect to an existing stubbed sewer lateral on your neighbor's parcel (on APN 041-221-22) has been shown to be feasible with conditions. Easement documents and a shared maintenance agreement between the two parcels shall be required. Assuming annexation is approved and conditions are met, sewer service is available in Soquel Drive for the subject development.

No downstream capacity problem or other issue is known at this time. However, downstream sewer requirements will again be studied at time of Planning Permit review, at which time the District reserves the right to add or modify downstream sewer requirements.

This notice is valid for one year from the date of this letter. If, after this time frame, this project has not yet received approval from the Planning Department, then this determination of availability will be considered to have expired. If that occurs or is likely to occur prior to an upcoming submittal or public hearing, please call us ahead of time for a new letter. At that time, we can evaluate the then proposed use, improvements, and downstream capacity, and provide a new letter.

KATHY BRUNK

Page 2

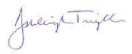
Also, for your reference, we have attached a list of common items required during the review of sanitation projects. Thank you for your inquiry. If you have any questions, please call Bryan Wardlow at (831) 454-2160.

Yours truly,

MATT MACHADO

District Engineer

By:

DocuSigned by:

528D647137C44D4...

Ashleigh Trujillo

Sanitation Engineer

BW/arg:23-004.docx

Common Items Required During the Review of Sanitation Projects

What to show on the drawings: When you begin the design process, please show:

On the plot/site/utility plan:

1. Location of any **existing** on-site sewer lateral(s), clean-out(s), and connection(s) to existing public sewer on the site (plot) plan.
2. Location of any **proposed** on-site sewer lateral(s), clean-out(s), and connection(s) to existing public sewer on the site (plot) plan.

Place a note, *"Existing" or "(E)"*, on each existing item.

Place a note, *"To be removed"*, on each existing item that is to be removed.

Place a note, *"New" or "(N)"*, on each item that is to be new.

On a floor plan:

1. All plumbing fixtures both existing and new (label *"(E)"* or *"(N)"*) on a floor plan of the entire building. Completely describe all plumbing fixtures according to table T-702.1 of the California Plumbing Code.

(Sanitation District Code sections 7.04.040 and 7.04.430)

Design and Construction Standards

The project sewer design and connection of the project to the Santa Cruz County Sanitation District system will be required to conform to the County of Santa Cruz Design Criteria (CDC) Part 4, Sanitary Sewer Design, latest edition. Reference for County Design Criteria:

<http://www.dpw.co.santa-cruz.ca.us/Portals/19/pdfs/Design%20Crit/DESIGNCRITERIA.pdf>

New Connection

If the proposed plans will involve one or more new sewer connections, we must issue a new sewer connection permit for each new connection. The final connection charges can be determined only after the District and, as needed, other Department of Public Works divisions have reviewed and approved the final engineered sewer improvement plans. (Sanitation District Code section 7.04.410)



NOTICE OF PUBLIC HEARING LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, March 1, 2023, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following items below. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for these three proposals.

- **“County Service Area 54 Dissolution” (Project No. DDI 22-17):** The Commission will consider 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. CSA 54 has been inactive for over fifteen years and the Summit West Mutual Water Company currently provides water to the community.
- **“Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement” (Project No. ESA 23-01):** The Commission will consider an extraterritorial service agreement request for a single parcel (APN: 041-221-19) to receive sewer services from the Santa Cruz County Sanitation District. The subject parcel is within unincorporated county territory and is immediately adjacent to the District and within its sphere boundary.
- **“Paso Cielo / Towle Annexation” (Project No. DA 22-15):** The Commission will consider a three-parcel annexation into County Service Area 20 for sewer services. The subject area is within unincorporated county territory and is located south of Highway 1, east of the Pacific Ocean, west of Margarita Road, and north of San Andreas Road.

Instructions for members of the public to participate in-person or 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. 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: February 7, 2023

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: "Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement" (ESA 23-01)

Project Location: The subject area is within the Santa Cruz County Sanitation District's sphere of influence boundary, contiguous with the District's jurisdictional limits and is located east of Rio Del Mar Boulevard, south of Huntington Drive and Monroe Avenue, west of Jaunell Road, and north of Soquel Drive. Attached is a vicinity map of the subject area (refer to Attachment A).

Project Location City: N/A Project Location County: Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: The proposal was initiated by landowner petition. The subject area includes one parcel totaling less than an acre. The single parcel is owned by Kathy Brunk. The purpose of the application is to refrain from installing a septic tank system and connect the parcel to the District, which is the adjacent public wastewater agency.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County ("Santa Cruz LAFCO"). A public hearing on this proposal is scheduled for 9:00 a.m. on March 1, 2023. Additional information on the upcoming meeting is available on the LAFCO website (<https://www.santacruzlafco.org>).

Name of Person or Agency Carrying Out Project: Santa Cruz LAFCO

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: Pursuant to CEQA Guidelines Section 15303, New Construction or Conversion of Small Structures: Class 3 consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The number of structures described in this section are the maximum allowable on any legal parcel. Examples of this exemption include, but are not limited to: Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction.

Lead Agency Contact Person: Joe A. Serrano

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

Signature: _____
Joe A. Serrano, Executive Officer

Date: March 3, 2023

☒ Signed by Lead Agency

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
RESOLUTION NO. 2023-05

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
APPROVING THE MONROE AVENUE / KATHY BRUNK
EXTRATERRITORIAL SERVICE AGREEMENT WITH THE SANTA CRUZ COUNTY
SANITATION DISTRICT (LAFCO PROJECT NO. ESA 23-01)

WHEREAS, an application for an extraterritorial service agreement involving a single parcel (APN 041-221-22) (the “proposal”) was submitted and accepted for filing by the Executive Officer of this Local Agency Formation Commission (“LAFCO” or “Commission”); and

WHEREAS, the proposal area is outside the Santa Cruz County Sanitation District (“SCCSD” and “District”) jurisdictional boundary, within the District’s sphere of influence, and located east of Rio Del Mar Boulevard, west of Jaunell Road, north of Soquel Drive, and south of Monroe Avenue, as shown in Exhibit A; and

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

WHEREAS, in accordance with Government Code Section 56133(c), the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory; and

WHEREAS, the Executive Officer determined that the subject parcel is within the District’s sphere boundary, has provided documentation showing evidence of a health and safety issue, and there are no alternate service providers of wastewater near the subject territory; and

WHEREAS, the Executive Officer, pursuant to Government Code Section 56133 and the Commission’s Extraterritorial Services Policy, determined that the proposal met the statutory requirements and set March 1, 2023, as the hearing date on this proposal and provided public notice as required by law; and

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

WHEREAS, this Commission, on March 1, 2023, heard from interested parties and considered the proposal and the report of the Executive Officer, and considered the factors determined by the Commission to be relevant to this proposal.

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

Section 1. The foregoing recitals are true and correct.

Section 2. Compliance with the California Environmental Quality Act (CEQA) has been met by a categorical exemption pursuant to State CEQA Guidelines Section 15303, "New Construction or Conversion of Small Structures," because the project would discontinue the existing septic system and connect to SCCSD's wastewater infrastructure. The Commission, as a lead agency, shall file a Notice of Exemption.

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

- a) Within Sphere Boundary: Government Code Section 56133(b) requires the subject area to be within the District's sphere of influence boundary. LAFCO has determined that the proposal meets the requirements under this code section.
- b) Later Change of Organization: Government Code Section 56133(b) requires the subject area to be annexed at a future date. The applicant and County support the annexation of the subject territory. Therefore, LAFCO will approve the extraterritorial service agreement request with the condition that the subject parcel be annexed within one year (March 1, 2024).
- c) Health & Safety Issue: Government Code Section 56133(c) requires documentation showing evidence of a threat to the health and safety of the public or the affected residents. The applicant provided a documentation from a third-party vendor indicating that the subject parcel's existing septic tank is failing, and therefore, a health and safety issue.

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

- a) Agency Endorsement: The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The County of Santa Cruz submitted a Will-Serve Letter expressing support on January 10, 2023, as shown in Exhibit B.
- b) Fee Deposit: The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The landowner, as the applicant, submitted a fee deposit of \$750 as part of the extraterritorial service request with the understanding that additional funds will be required for the scheduled annexation process.

- c) Commission Hearing: The Commission shall consider the request after it has been placed on an agenda of a Commission meeting. After deeming the proposal complete, the Executive Officer advertised the proposal in the Santa Cruz Sentinel newspaper on February 7, 2023, and scheduled the proposal for Commission consideration on March 1, 2023.

Section 5. The applicant shall agree, as a condition of the approval of the application for an extraterritorial service agreement, to be bound by the LAFCO Indemnification and Defense Form.

Section 6. The Certificate of Completion for the extraterritorial service agreement shall not be issued until all terms and conditions are met.

Section 7. The proposed extraterritorial service agreement shall be effective as of the date of recordation of the Certificate of Completion.

Section 8. The Commission shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

Section 9. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Government Code Section 56882.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 1st day of March 2023.

AYES:

NOES:

ABSTAIN:

YVETTE BROOKS, CHAIRPERSON

Attest:

Approved as to form:

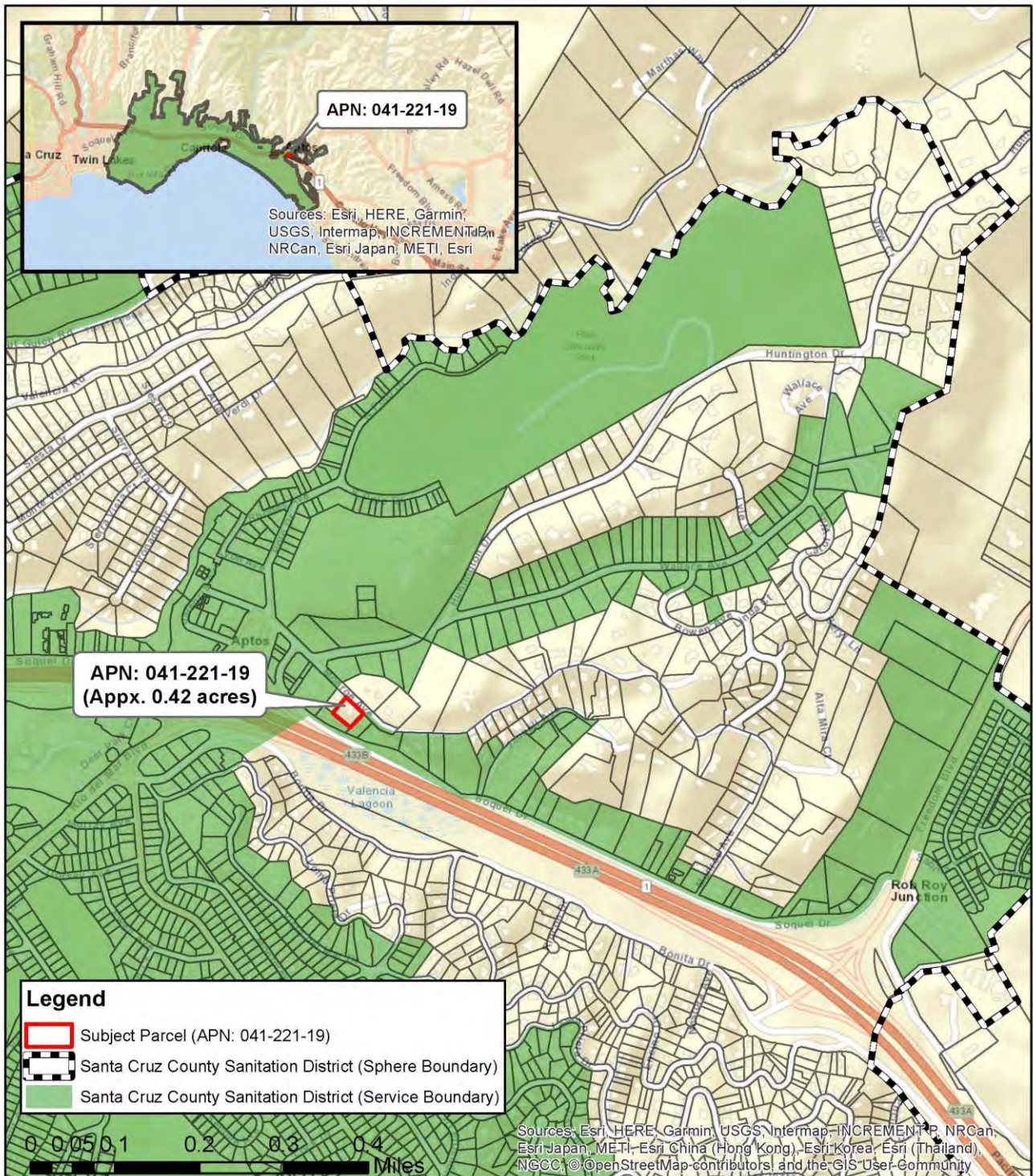
Joe A. Serrano
Executive Officer

Joshua Nelson
LAFCO Counsel

EXHIBIT A

VICINITY MAP

DRAFT



Santa Cruz County Sanitation District Jurisdictional and Sphere Boundaries

"Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement"
to the Santa Cruz County Sanitation District (ESA 23-01)



Map created on 1-9-23

EXHIBIT B

SANTA CRUZ COUNTY'S WRITTEN CORRESPONDENCE REGARDING THE ABILITY TO PROVIDE SEWER SERVICE SERVICES

DRAFT



SANTA CRUZ COUNTY SANITATION DISTRICT

701 OCEAN STREET, SUITE 410 · SANTA CRUZ, CA · 95060-4073
(831) 454-2160 · FAX (831) 454-2089 · TDD: (831) 454-2123 · WWW.SCCSD.US
MATT MACHADO, DISTRICT ENGINEER

JANUARY 10, 2023

KATHY BRUNK
9272 MONROE AVE
APTOS CA 95003

SUBJECT: SEWER AVAILABILITY AND DISTRICT'S CONDITIONS OF SERVICE FOR
THE FOLLOWING PROPOSED DEVELOPMENT

APN: 041-221-19

PARCEL ADDRESS: 9272 MONROE

PROJECT DESCRIPTION: SEPTIC ABANDONMENT AND NEW SEWER CONNECTION FOR
EXISTING SINGLE-FAMILY DWELLING – REQUIRES ANNEXATION

Dear Ms. Brunk,

The District has received your inquiry regarding sewer service availability for the subject parcel(s). This parcel is not currently within the boundaries of the Santa Cruz County Sanitation District and requires annexation prior to sewer service being offered. Your proposed plan to connect to an existing stubbed sewer lateral on your neighbor's parcel (on APN 041-221-22) has been shown to be feasible with conditions. Easement documents and a shared maintenance agreement between the two parcels shall be required. Assuming annexation is approved and conditions are met, sewer service is available in Soquel Drive for the subject development.

No downstream capacity problem or other issue is known at this time. However, downstream sewer requirements will again be studied at time of Planning Permit review, at which time the District reserves the right to add or modify downstream sewer requirements.

This notice is valid for one year from the date of this letter. If, after this time frame, this project has not yet received approval from the Planning Department, then this determination of availability will be considered to have expired. If that occurs or is likely to occur prior to an upcoming submittal or public hearing, please call us ahead of time for a new letter. At that time, we can evaluate the then proposed use, improvements, and downstream capacity, and provide a new letter.

KATHY BRUNK

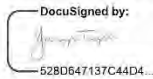
Page 2

Also, for your reference, we have attached a list of common items required during the review of sanitation projects. Thank you for your inquiry. If you have any questions, please call Bryan Wardlow at (831) 454-2160.

Yours truly,

MATT MACHADO
District Engineer

By:

DocuSigned by:

528D647137C44D4...

Ashleigh Trujillo
Sanitation Engineer

BW/arg:23-004.docx

KATHY BRUNK

Page 3

Common Items Required During the Review of Sanitation Projects

What to show on the drawings: When you begin the design process, please show:

On the plot/site/utility plan:

1. Location of any **existing** on-site sewer lateral(s), clean-out(s), and connection(s) to existing public sewer on the site (plot) plan.
2. Location of any **proposed** on-site sewer lateral(s), clean-out(s), and connection(s) to existing public sewer on the site (plot) plan.

Place a note, "*Existing*" or "*(E)*", on each existing item.

Place a note, "*To be removed*", on each existing item that is to be removed.

Place a note, "*New*" or "*(N)*", on each item that is to be new.

On a floor plan:

1. All plumbing fixtures both existing and new (label "*(E)*" or "*(N)*") on a floor plan of the entire building. Completely describe all plumbing fixtures according to table T-702.1 of the California Plumbing Code.
(Sanitation District Code sections 7.04.040 and 7.04.430)

Design and Construction Standards

The project sewer design and connection of the project to the Santa Cruz County Sanitation District system will be required to conform to the County of Santa Cruz Design Criteria (CDC) Part 4, Sanitary Sewer Design, latest edition. Reference for County Design Criteria:
<http://www.dpw.co.santa-cruz.ca.us/Portals/19/pdfs/Design%20Crit/DESIGNCRITERIA.pdf>

New Connection

If the proposed plans will involve one or more new sewer connections, we must issue a new sewer connection permit for each new connection. The final connection charges can be determined only after the District and, as needed, other Department of Public Works divisions have reviewed and approved the final engineered sewer improvement plans. (Sanitation District Code section 7.04.410)



Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **“Paso Cielo / Towle Annexation” to County Service Area 20**

SUMMARY OF RECOMMENDATION

This application is requesting the annexation of unincorporated land into County Service Area 20 (“CSA 20” or “District”). If approved, the subject area will have the opportunity to receive sewer service from a neighboring public agency.

It is recommended that the Commission adopt the draft resolution (LAFCO No. 2023-06) approving the three-parcel annexation into County Service Area 20.

EXECUTIVE OFFICER’S REPORT:

The proposed annexation and concurrent sphere amendment was initiated by landowner petition. The subject area includes three parcels totaling approximately 10 acres. The main parcel (APN: 045-022-34) currently has a single-family home and has requested to connect into CSA 20 for sewer services. The two additional parcels are included to prevent irregular boundaries and both landowners have expressed support of the annexation effort. The purpose of the application is for the provision of sewer services from a nearby public agency to the existing single family home. The subject area is within unincorporated county territory and is located south of Highway 1, east of the Pacific Ocean, west of Margarita Road, and north of San Andreas Road. The subject area is also immediately adjacent to the District’s jurisdictional and sphere boundaries. **Attachment 1** is a vicinity map of the subject area.

General Plan/Zoning Designation

The subject area is uninhabited (less than 12 registered voters) and currently designated as R-1 (Single-Family Residential), PR (Parks, Recreation and Open Space), and PF (Public and Community Facilities) under the County’s General Plan. The application does not propose any changes to the existing land use designation.

Other Municipal Services

No other change of organization is required. The proposal area will continue to receive municipal services from existing public agencies, including but not limited to water service from Soquel Creek Water District and fire service from Central Fire District.

Affected/Interested Agency Comments

A referral letter, which summarized the proposal, was distributed to all the affected and interested agencies within or near the subject area. This was an opportunity for an agency to provide comments regarding the proposed boundary change. LAFCO did not receive any opposition during the comment period.

Property Tax Exchange Agreement

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement involving the affected local agency before LAFCO can consider a jurisdictional change. The Board of Supervisors (BOS) acts as the authorizing body for the District regarding property tax adjustments. The BOS adopted the property tax exchange agreement for this proposal on December 13, 2022.

Environmental Review

The proposal is subject to an environmental review. Santa Cruz LAFCO will serve as the lead agency for assessing impacts under CEQA. Based on staff's analysis, the underlying action qualifies as a project under CEQA. As the lead agency, LAFCO staff determined that the proposal was exempt pursuant to CEQA Guidelines Section 15319, Class 9(a):

Annexations to a city or special district of areas containing existing or private structures developed to the density allowed by the current zoning or pre-zoning, of either the gaining or losing governmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities.

The purpose of the application is for the provision of sewer services by allowing the landowners the opportunity to connect to a nearby sewer line, and therefore, aligns with the categorical exemption identified above. A Notice of Exemption, as shown in **Attachment 2**, will be recorded following the Commission's approval of this proposal.

Notice of Public Hearing

Pursuant to Government Code Section 56662(a), a proposed annexation may not require notice or a hearing if the proposal meets all of the following criteria:

1. The territory is uninhabited;
2. An affected local agency has not submitted a written demand for notice and hearing during the comment period; and
3. The proposal has written consent from the affected landowners.

While the proposal meets the criteria under GCS 56662(a), staff published a voluntary hearing notice in the Santa Cruz Sentinel on February 7, 2023 (refer to **Attachment 3**).

Protest Proceedings

State law requires a protest proceeding to occur if a boundary change (i.e. annexation) is approved. This protest period provides an opportunity for affected residents within the subject area to voice their opposition of the Commission's action. However, pursuant to Government Code Section 56662(d), the protest proceedings may be waived entirely if the following occurs:

1. The territory is uninhabited;
2. The proposal is accompanied by proof, satisfactory to the Commission, that all the owners of land within the affected territory, exclusive of land owned by a private railroad company, have given their written consent to the proposal and a private

railroad company that is an owner of land within the affected territory has not submitted written opposition to the waiver of protest proceedings prior to the conclusion of the commission hearing; and

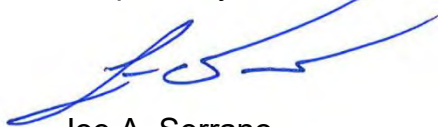
3. A subject agency has not submitted written opposition to a waiver of protest proceedings.

The subject area is uninhabited and the three landowners have signed a consent form and/or have expressed support to the annexation effort. Additionally, no subject agency submitted a written opposition to the proposed waiver of protest proceedings. LAFCO staff is recommending that the protest proceedings be waived based on the statutory criteria.

STAFF RECOMMENDATION

County Service Area 20 has been serving the Trestle Beach subdivision near La Selva Beach with an on-site wastewater treatment system since 1980. The service area of the District encompasses about 13 acres and a population of approximately 40. The proposal meets the criteria outlined in LAFCO law and the Commission's Proposal Evaluation Policy. Furthermore, the County has indicated that there is sufficient capacity and ability to provide sewer service to the subject area and provided a Will-Serve Letter dated October 2022 (see **Attachment 4**). More importantly, this proposal allows the affected landowners the opportunity to transition from septic tank usage to a more sustainable public infrastructure. Therefore, staff is recommending that the Commission adopt the draft resolution approving the proposed annexation (see **Attachment 5**).

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. Vicinity Map
2. Notice of Exemption
3. Notice of Public Hearing
4. County Will-Serve Letter
5. Draft Resolution (LAFCO No. 2023-06)

cc: Laura Towle, Landowner (Applicant)
Stephen King, Landowner
Matt Machado, County Public Works
Guy Preston, Santa Cruz County Regional Transportation Commission



"Paso Cielo / Towle Annexation" to CSA 20 (LAFCO Project No. DA 22-15)

The main parcel is currently located outside CSA 20's jurisdictional and sphere boundaries. This means that the subject parcel may receive sewer services after it receives approval from LAFCO. The application also requires annexation of APNs: 045-022-04 and -35 to connect.



Map created on 10-4-22

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: "Paso Cielo / Towle Annexation" to County Service Area 20

Project Location: The subject area is within unincorporated county territory and is located south of Highway 1, east of the Pacific Ocean, west of Margarita Road, and north of San Andreas Road. Attached is a vicinity map of the subject area (refer to Attachment A).

Project Location City: N/A Project Location County: Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: The proposal was initiated by landowner petition. The subject area includes three parcels, totaling approximately 10 acres. The main parcel (APN: 045-022-34) currently has a single-family home and has requested to connect into CSA 20 for sewer services. The two additional parcels are included to prevent irregular boundaries and both landowners have expressed support of the annexation effort. The purpose of the application is for the provision of sewer services from a nearby public agency to the existing single family home.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County ("Santa Cruz LAFCO"). A public hearing on this proposal is scheduled for 9:00 a.m. on March 1, 2023. Additional information on the upcoming meeting is available on the LAFCO website (<https://www.santacruzlafco.org>).

Name of Person or Agency Carrying Out Project: Santa Cruz LAFCO

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: Pursuant to CEQA Guidelines Section 15319, Class 9(a): Annexations to a city or special district of areas containing existing or private structures developed to the density allowed by the current zoning or pre-zoning, of either the gaining or losing governmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities.

Lead Agency Contact Person: Joe A. Serrano

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

Signature: _____
Joe A. Serrano, Executive Officer

Date: March 3, 2023

☒ Signed by Lead Agency



NOTICE OF PUBLIC HEARING LOCAL AGENCY FORMATION COMMISSION

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, March 1, 2023, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following items below. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for these three proposals.

- **“County Service Area 54 Dissolution” (Project No. DDI 22-17):** The Commission will consider 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. CSA 54 has been inactive for over fifteen years and the Summit West Mutual Water Company currently provides water to the community.
- **“Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement” (Project No. ESA 23-01):** The Commission will consider an extraterritorial service agreement request for a single parcel (APN: 041-221-19) to receive sewer services from the Santa Cruz County Sanitation District. The subject parcel is within unincorporated county territory and is immediately adjacent to the District and within its sphere boundary.
- **“Paso Cielo / Towle Annexation” (Project No. DA 22-15):** The Commission will consider a three-parcel annexation into County Service Area 20 for sewer services. The subject area is within unincorporated county territory and is located south of Highway 1, east of the Pacific Ocean, west of Margarita Road, and north of San Andreas Road.

Instructions for members of the public to participate in-person or 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. 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: February 7, 2023



County of Santa Cruz

DEPARTMENT OF COMMUNITY DEVELOPMENT & INFRASTRUCTURE

701 OCEAN STREET, FOURTH FLOOR, SANTA CRUZ, CA 95060-4070

PLANNING (831) 454 – 2580 PUBLIC WORKS (831) 454 – 2160

Matt Machado, Deputy CAO/Director

Carolyn Burke	Stephanie Hansen	Kent Edler	Steve Wiesner	Travis Cary	Kim Moore
<i>Assistant Director</i>	<i>Assistant Director</i>	<i>Assistant Director</i>	<i>Assistant Director</i>	<i>Director</i>	<i>Assistant Director</i>
<i>Permit Center</i>	<i>Housing & Policy</i>	<i>Special Services</i>	<i>Transportation</i>	<i>Capital Projects</i>	<i>Administration</i>

October 11, 2022

DAVID AND LAURA TOWLE
9 PASO CIELO
LA SELVA BEACH, CA, 95076

SUBJECT: SEWER AVAILABILITY AND COUNTY SANITATION'S
CONDITIONS OF SERVICE FOR THE FOLLOWING
PROPOSED DEVELOPMENT

APN: 045-022-34

PARCEL ADDRESS: 9 PASO CIELO

PROJECT DESCRIPTION: CONNECT EXISTING SINGLE FAMILY HOME TO THE
CSA20 SEWER SYSTEM, DISCONNECT FAILING SEPTIC
TANK.

Dear Mr. / Ms. Towle:

County Sanitation has received your inquiry regarding sewer service availability for the subject parcel. This parcel is not currently within the boundaries of the neighboring CSA20. Assuming annexation is approved, sewer service is available in Paso Ceilo for the subject development.

No downstream capacity problem or other issue is known at this time. However, downstream sewer requirements will again be studied at time of Permit review, at which time County Sanitation reserves the right to add or modify downstream sewer requirements. A septic abandonment permit must be secured from the Environmental Health Department prior to issuance of a sewer connection permit.

This notice is valid for one year from the date of this letter. If, after this time frame, this project has not yet received approval, then this determination of availability will be considered to have expired. If that occurs or is likely to occur prior to an upcoming submittal or public hearing, please call us ahead of time for a new letter. At that time, we can evaluate the then proposed use, improvements, and downstream capacity, and provide a new letter.

Also, for your reference, we have attached a list of common items required during the review of sanitation projects.

Thank you for your inquiry. If you have any questions, please call Bryan Wardlow at (831) 454-2160.

Yours truly,

MATT MACHADO
District Engineer

By:

DocuSigned by:

528D647137C44D4...
Ashleigh Trujillo
Sanitation Engineer

BW:jv

Attachment

04502234 9 Paso Cielo Availability CSA20.doc

Common Items Required During the Review of Sanitation Projects

What to show on the drawings: When you begin the design process, please show:

On the plot/site/utility plan:

1. Location of any **existing** on-site sewer lateral(s), clean-out(s), and connection(s) to existing public sewer on the site (plot) plan.
2. Location of any **proposed** on-site sewer lateral(s), clean-out(s), and connection(s) to existing public sewer on the site (plot) plan.

Place a note, "*Existing*" or "*(E)*", on each existing item.

Place a note, "*To be removed*", on each existing item that is to be removed.

Place a note, "*New*" or "*(N)*", on each item that is to be new.

On a floor plan:

1. All plumbing fixtures both existing and new (label "*(E)*" or "*(N)*") on a floor plan of the entire building. Completely describe all plumbing fixtures according to table T-702.1 of the California Plumbing Code.

(Sanitation District Code sections 7.04.040 and 7.04.430)

Design and Construction Standards

The project sewer design and connection of the project to the Santa Cruz County Sanitation District system will be required to conform to the County of Santa Cruz Design Criteria (CDC) Part 4, Sanitary Sewer Design, latest edition.

Reference for County Design Criteria:

<http://www.dpw.co.santa-cruz.ca.us/Portals/19/pdfs/Design%20Crit/DESIGNCRITERIA.pdf>

New Connection

If the proposed plans will involve one or more new sewer connections, we must issue a new sewer connection permit for each new connection. The final connection charges can be determined only after the District and, as needed, other Department of Public Works divisions have reviewed and approved the final engineered sewer improvement plans. (Sanitation District Code section 7.04.410)

Inspection of existing lateral for new or remodel construction

If the development will involve the reuse of an existing sewer lateral for a new or remodeled structure, then, before the approval of the building permit, the applicant shall have the sanitary sewer system inspected and certified by a licensed plumber to be in good working order and free of obstructions and breaks. Repairs shall be made to any damaged or deteriorated pipe, misalignment of pipe segments, leaking pipes, root intrusion, open joints, cracks or breaks, sags, damaged or defective cleanout, inflow and infiltration of extraneous water, older pipe materials that are known to be inadequate, inadequate lift or pump stations, inadequate alarm systems for overflows, and inadequate maintenance of lift stations. You must obtain a sewer repair permit (no charge) from the District and shall have repairs inspected by the District inspector (no charge) prior to backfilling of pipe or structure.

(Sanitation District Code section 7.04.375.A.3 Private Sanitary Sewer System Repair)

Increase in the number of plumbing fixtures

If the proposed plans will involve an increase in the fixture unit count for the existing sewer connection, additional fixture unit fees may be due. The exact amount will be calculated at the time a Sewer Connection Permit is issued. (Sanitation District Code section 7.04.040)

Public sewer (existing) on the property

If a public sewer main is located on the property, any improvements in the easement will need to be removed if the District needs to replace the sewer main. It will be a condition of any development permit that the existing sewer system line and easement shall be surveyed and plotted on the site plan for the development or building permit application. No permanent improvements may be constructed within the easement boundaries. (Sanitation District Code section 7.04.430)

Backflow prevention device

A backflow preventive device may be required. While this determination is often made “in the field” at the time of installation, if you are engaging a surveyor, civil engineer, or knowledgeable contractor, there is nothing to prevent you from making that determination while in the design process. (Sanitation District Code section 7.04.100 and 7.04.375.A.4)

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
RESOLUTION NO. 2023-06

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND ORDERING THE
“PASO CIELO / TOWLE ANNEXATION” TO COUNTY SERVICE AREA 20
(LAFCO PROJECT NO. DA 22-15)

WHEREAS, an application requesting the annexation and subsequent sphere of influence amendment was filed by landowner petition pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.); and

WHEREAS, the proposal was initiated by landowner petition. The subject area includes three parcels totaling approximately 10 acres. The main parcel (APN: 045-022-34) currently has a single-family home and has requested to connect into CSA 20 for sewer services. The two additional parcels (APN: 045-022-02; 045-022-35) are included to prevent irregular boundaries. All three landowners support the proposal. The purpose of the proposal is for the provision of sewer services from a nearby public agency to the existing single family home; and

WHEREAS, the proposal was assigned the short-term designation of “Paso Cielo / Towle Annexation”; and

WHEREAS, the subject area is within unincorporated county territory and is located south of Highway 1, east of the Pacific Ocean, west of Margarita Road, and north of San Andreas Road, as shown in Exhibit A; and

WHEREAS, the proposal consists of the following change of organization: annexation into County Service Area 20 (“CSA 20” and “District”); and

WHEREAS, correspondence summarizing the proposal was sent to all affected and interested agencies requesting comments on October 11, 2022. LAFCO did not receive any opposition following the conclusion of the comment period; and

WHEREAS, the Executive Officer conducted an analysis on the proposal and prepared a report including staff’s recommendations thereon, and presented staff’s findings for Commission consideration; and

WHEREAS, a public hearing by the Commission was held on March 1, 2023; and at the hearing the Commission heard and received all oral and written protests, objections, and evidence that were presented.

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 the California Environmental Quality Act (CEQA) has been met by a categorical exemption pursuant to State CEQA Guidelines Section 15319, Class 9(a): Annexations to a city or special district of areas containing existing or private structures developed to the density allowed by the current zoning or pre-zoning, of either the gaining or losing governmental agency whichever is more restrictive, provided, however, that the extension of utility services to the existing facilities would have a capacity to serve only the existing facilities. LAFCO will file a notice of exemption.

Section 3. The Commission considered the requirements set forth for annexation in the Cortese-Knox-Hertzberg Act, Government Code Section 56650, and found the proposal to be consistent with those requirements as outlined below:

- a) District Annexation: Government Code Section 56668.3(a) requires the Commission to analyze several factors as part of the change of organization. These factors include:
- a. The case of district annexation, whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district;
 - b. Any factors which may be considered by the Commission as provided in Government Code Section 56668;
 - c. Any resolution raising objections to the action that may be filed by an affected agency; and
 - d. Any other matters which the Commission deems material.

LAFCO analyzed these and other factors as part of the March 1, 2023 staff report.

- b) District Annexation: Government Code Section 56857(a) requires the Commission to notify the affected agency if the proposal was not filed by the district to which annexation of territory is proposed. The affected agency may transmit to the Commission a resolution requesting termination of the proceedings. LAFCO staff did not receive any terminating resolution or correspondence from the District opposing the application.

Section 4. The Commission determined that the proposal is consistent with the Policies and Procedures Relating to Proposals as outlined below:

- a) Agency Endorsement: The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. The County provided a Will-Serve Letter dated October 11, 2022.

- b) Fee Deposit: The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The District submitted a fee deposit of \$2,500 as part of the application packet.
- c) Map & Legal Description: A map of any proposed boundary changes shall show the present and proposed boundaries of all affected agencies in the vicinity of the proposal site. The Commission shall assure that any approved boundary changes are definite and certain. A vicinity map of the proposal is shown on Exhibit A.
- d) Commission Hearing: The Commission shall consider the request after it has been placed on an agenda of a Commission meeting. After deeming the proposal complete, the Executive Officer advertised the proposal in the Santa Cruz Sentinel newspaper on February 7, 2023, and scheduled the proposal for Commission consideration on March 1, 2023.

Section 5. The applicant shall agree, as a condition of the approval of the application for annexation, to be bound by the LAFCO Indemnification and Defense Form signed on September 9, 2022.

Section 6. The Certificate of Completion for the proposal shall not be issued until all of the following terms and conditions are met:

- a) Property Tax Exchange Agreement: California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement involving the affected local agency before LAFCO can consider a jurisdictional change. The Board of Supervisors (BOS) acts as the authorizing body for the District regarding property tax adjustments. The BOS adopted a property tax exchange agreement for this proposal on December 13, 2022.
- b) State Board of Equalization: The proponent shall provide a legal map, description, and fees to meet State Board of Equalization requirements.
- c) District Fees & Charges: The District shall levy and collect within the territory being annexed any previously established and collected benefit assessment of property-related fees or charges that are collected within all or part of the district at the time of annexation. The applicant shall be responsible for all fees and costs associated with the connection of sewer service with the District.
- d) LAFCO Processing Fees: The applicant shall pay any remaining processing fees as set in this Commission's Schedule of Fees and Deposits.

Section 7. The annexation shall be effective as of the date of recordation of the Certificate of Completion.

Section 8. The Commission shall approve, disapprove, or approve with conditions the proposed annexation and sphere amendment. If the proposal is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

Section 9. The Executive Officer will hereby conduct a 30-day request for reconsideration in accordance with Government Code Section 56895.

Section 10. The Executive Officer is hereby authorized and directed to waive the protest proceedings entirely because the proposal meets the criteria outlined in Government Code Section 56662(d).

Section 11. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Government Code Section 56882.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 1st day of March 2023.

AYES:

NOES:

ABSTAIN:

YVETTE BROOKS, CHAIRPERSON

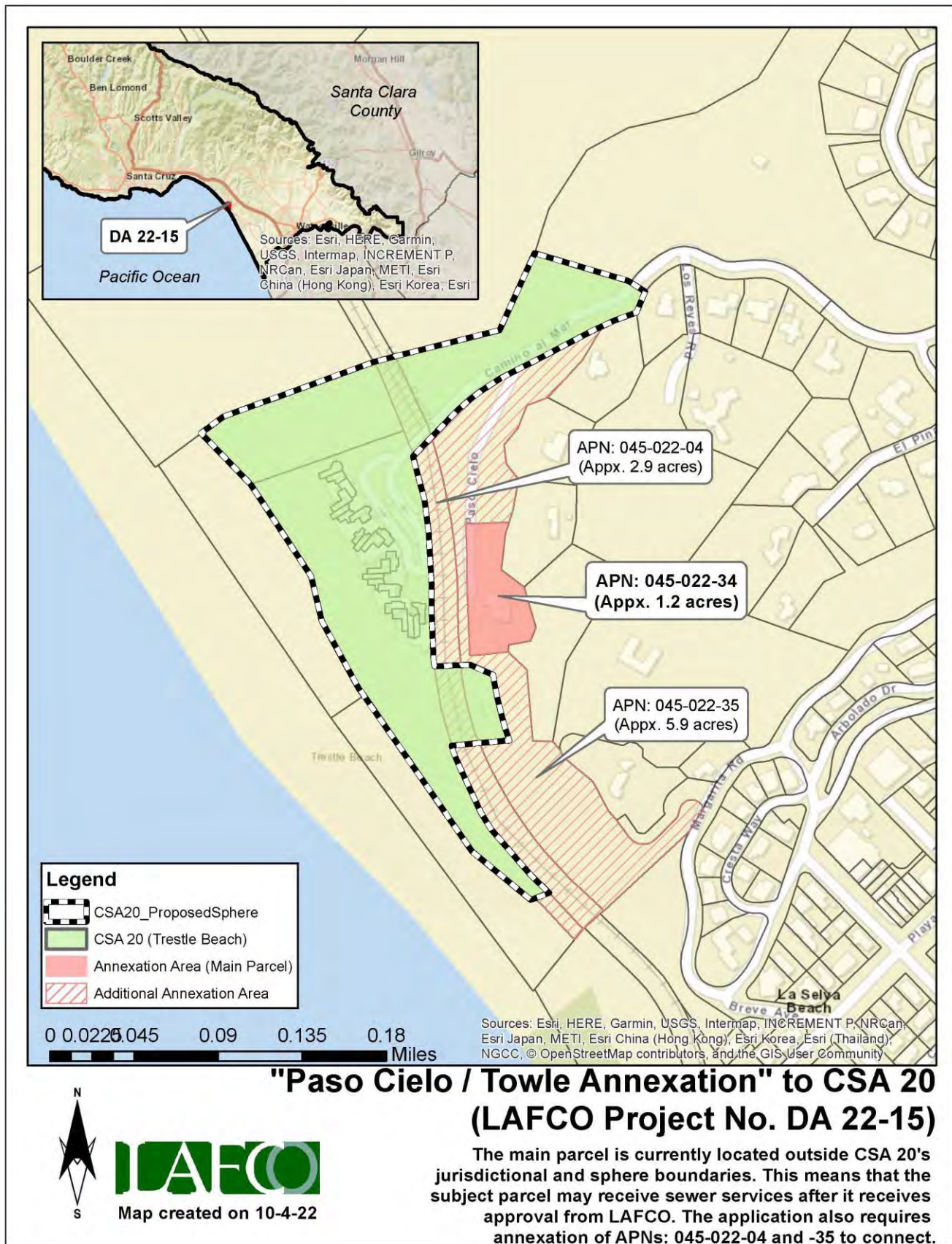
Attest:

Approved as to form:

Joe A. Serrano
Executive Officer

Joshua Nelson
LAFCO Counsel

Exhibit A: Vicinity Map





Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Independent Special Districts Selection Policy Update**

SUMMARY OF RECOMMENDATION

The Commission has policies in place with guidelines on how to address vacancies on LAFCO, including the Independent Special Districts Selection Policy. This policy indicates which special districts in Santa Cruz County are eligible to run for a seat on LAFCO and outlines the election process. LAFCO staff is recommending that the policy be updated to reflect the recent changes to various special districts.

It is recommended that the Commission adopt the draft resolution (No. 2023-07) approving the amendments to the policy.

EXECUTIVE OFFICER'S REPORT

The Independent Special Districts Selection Policy was first introduced in September 1994 to establish a selection process for the regular and alternate independent special district member on LAFCO. In May 2020, the Commission updated the policy to include the new standard format and address minor corrections (**Attachment 1**). Since then, Aptos/La Selva and Central Fire Protection Districts were consolidated, Opal Cliffs Recreation District was dissolved, and special legislation formed the Pajaro Valley Health Care District. These recent changes should be reflected in the policy. The proposed edits are shown in tracked changes (**Attachment 2**). A clean version of the revised policy is included with the draft resolution (**Attachment 3**).

STAFF RECOMMENDATION

The Commission has established significant policies that help staff be productive and efficient. It is also important to regularly review these policies and update, when necessary. That is why staff is recommending that the Commission adopt the draft resolution approving the proposed edits.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Joe Serrano', written over a horizontal line.

Joe A. Serrano
Executive Officer

Attachments:

1. Special Districts Selection Policy (current version)
2. Special Districts Selection Policy (proposed version with tracked changes)
3. Draft Resolution No. 2023-07 (with "clean version" of the policy as Exhibit A)



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY

Adopted on September 7, 1994 (Resolution No. 801-B)

Last Revision on May 6, 2020 (Resolution No. 2020-11)

1. OVERVIEW

The purpose of the Independent Special District Selection Committee shall be to appoint the regular and alternate special district members of the Local Agency Formation Commission (LAFCO) and to fill unexpired terms when vacancies occur. It is important to note that nothing in these Rules of Procedure shall supersede Government Code Section 56332, which governs the establishment of the Independent Special District Selection Committee.

2. MEMBERSHIP

Membership of the Independent Special District Selection Committee shall be composed of the presiding officer or designated board member of the legislative body of each independent special district either located wholly within Santa Cruz County or containing territory within the county that represents 50% or more of the assessed value of taxable property of the district.

3. MEETINGS

3.1 Notification and Solicitation of Nominations

The Executive Officer of the Commission shall give written notice to all eligible independent special districts of any meeting of the Independent Special District Selection Committee, specifying the date, time, and place.

Any person qualified to serve as an Independent Special District representative to LAFCO shall be qualified to submit a nomination which shall be accompanied by a brief resume on the form provided by LAFCO. Each district shall be encouraged to submit nominations.

3.2 Registration

Each member of the Selection Committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer.

In the event that the presiding officer is unable to attend a meeting of the Committee, the legislative body may appoint one of its members to attend in the presiding officer's place. Such a designated member shall submit written authorization at the time of registration.

Each voting member shall register and complete a declaration of qualification. The voting member will then be given the required number of ballots and other voting materials.

3.3 Quorum

Members representing a majority of the eligible districts shall constitute a quorum for the conduct of Committee business. No meeting shall be called to order earlier than the time specified in the notice and until a quorum has been declared to be present.

Before calling the meeting to order, the Executive Officer shall announce that a quorum is present and request that any voting member who has not yet registered do so at that time. Only those eligible members registered and present shall be allowed to vote.

3.4 Sequential Balloting

If there is more than one position to fill, sequential balloting will be held in the following order using a ballot with names of all eligible nominees: (1) Full term, regular member; (2) Partial term, regular member; and (3) Alternate member.

If a candidate is elected to a position, his or her name will be crossed out on the subsequent ballots.

3.5 Majority to Win

In order for a candidate to be elected, that candidate must receive a majority of the votes being cast.

If no candidate receives a majority, a subsequent round of voting shall be conducted with the eligible candidates limited to the two candidates who received the most votes in the previous round and any candidates who received the same number of votes as the second candidate.

4. COMPOSITION OF SPECIAL DISTRICT REPRESENTATION ON LAFCO

It is desirable that the special district members on LAFCO have a broad cross-section of duties and experience in district matters. Therefore, the following four classes of districts are established:

Class 1: Fire Protection Districts

- Aptos/La Selva Fire Protection District
- Ben Lomond Fire Protection District
- Boulder Creek Fire Protection District
- Branciforte Fire Protection District
- Central Fire Protection District
- Felton Fire Protection District
- Pajaro Valley Fire Protection District¹
- Scotts Valley FPD
- Zayante FPD

¹ The original resolution listed the Freedom Fire Protection District and the Salsipuedes Fire Protection District, which were subsequently consolidated into the Pajaro Valley Fire Protection District.

Class 2: Water Districts

- Central Water District
- San Lorenzo Valley Water District²
- Scotts Valley Water District
- Soquel Creek Water District

Class 3: Recreation and Park Districts

- Alba Recreation and Park District
- Boulder Creek Recreation and Park District
- La Selva Beach Recreation and Park District
- Opal Cliffs Recreation and Park District

Class 4: Miscellaneous Districts

- Pajaro Valley Cemetery District
- Pajaro Valley Water Management Agency
- Reclamation District No. 2049 (College Lake)
- Salsipuedes Sanitary District
- Santa Cruz County Resource Conservation District
- Santa Cruz Port District

4.1 Overlapping Classes

At no time shall the two regular special district members on LAFCO come from the same class of districts.

4.2 Class Diversity

Where feasible, nominations for vacancies on LAFCO may not come from the class that already has a regular member sitting on LAFCO.

4.3 Conflicting Classes

Any election that would result in the two regular special district members being from the same class of district shall be immediately deemed invalid, and a subsequent ballot will be prepared excluding the conflicting class of candidates and voted upon.

5. MAILED-BALLOT ELECTIONS**5.1 Authority**

A mailed-ballot election may be conducted if the Executive Officer has determined that a meeting of the Special District Selection Committee is not feasible.

5.2 Notification and Solicitation of Nominations

The Executive Officer of the Commission shall give written notice to all eligible independent special districts of the intention to conduct a mailed-ballot election. Each district shall acknowledge receipt of the Executive Officer's notice.

² The original resolution listed the Lompico County Water District which was subsequently dissolved and annexed into the San Lorenzo Valley Water District.

Each district shall be encouraged to submit nominations, accompanied by a brief resume on the form provided by LAFCO. All nominations must be received by a specified date that shall be at least six weeks from the date of notification. Emailed copies of nominations may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

5.3 Distribution and Return of Ballots

All eligible districts shall be sent, by certified mail, return receipt requested, the following materials: (1) copies of all nominations received by the deadline, (2) ballot(s) as required to vote for Commission members, and (3) voting instructions.

The following outlines the necessary information and steps to submit a complete ballot:

1. The ballots shall include the names of all nominees.
2. Each ballot shall be accompanied by a certification sheet to be completed by the presiding officer or designated alternate who cast that district's vote.
3. A specified period of time, not less than six weeks, shall be allowed for the districts to cast their votes and return their ballots.
4. Ballots shall be sent by certified mail, return receipt requested.
5. Emailed copies of ballots may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.
6. All ballots received by the deadline shall be counted and the results announced within seven days.
7. Certified ballots representing a simple majority of the eligible districts must be returned for a valid election.

5.4 Appointment by Majority Vote

A candidate for a regular or alternate member of the Commission must receive at least a majority of the votes cast in order to be selected. Results of the election will be reviewed and adopted by the Commission during an open session of a regularly scheduled LAFCO Meeting.

In the event that no candidate receives the required number of votes, a run-off election shall be conducted, either by a second mailed ballot or a meeting of the Independent Special District Selection Committee, at the discretion of the Executive Officer.



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY

Adopted on September 7, 1994 (Resolution No. 801-B)

Previous Revision on May 6, 2020 (Resolution No. 2020-11)

Last Revision on March 1, 2023 (Resolution No. 2023-07)

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¹ Aptos/La Selva and Central Fire Protection Districts were consolidated into the Central Fire District

² The original resolution listed the Freedom Fire Protection District and the Salsipuedes Fire Protection District, which were subsequently consolidated into the Pajaro Valley Fire Protection District.

Class 2: Water Districts

- Central Water District
- San Lorenzo Valley Water District³
- Scotts Valley Water District
- Soquel Creek Water District

Class 3: Recreation and Park Districts

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- ~~Opal Cliffs Recreation and Park District~~

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Each district shall be encouraged to submit nominations, accompanied by a brief resume on the form provided by LAFCO. All nominations must be received by a specified date that shall be at least six weeks from the date of notification. Emailed copies of nominations may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.

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LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY
RESOLUTION NO. 2023-07

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

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
APPROVING THE AMENDMENTS TO THE
INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY

WHEREAS, on September 7, 1994, the Local Agency Formation Commission of Santa Cruz County ("LAFCO" or "Commission") adopted an Independent Special Districts Selection Policy following the initiation by a majority of districts in Santa Cruz County to be represented on LAFCO; and

WHEREAS, on March 1, 2023, the Commission determined that amendments to the existing policy were warranted.

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby amends its Independent Special Districts Selection Policy, as shown in Exhibit A, to reflect the recent changes to previous and new independent special districts in Santa Cruz County.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 1st day of March 2023.

AYES:

NOES:

ABSENT:

YVETTE BROOKS, CHAIRPERSON

Attest:

Approved as to form:

Joe A. Serrano
Executive Officer

Joshua Nelson
LAFCO Counsel



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

INDEPENDENT SPECIAL DISTRICTS SELECTION POLICY

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All eligible districts shall be sent, by certified mail, return receipt requested, the following materials: (1) copies of all nominations received by the deadline, (2) ballot(s) as required to vote for Commission members, and (3) voting instructions.

The following outlines the necessary information and steps to submit a complete ballot:

1. The ballots shall include the names of all nominees.
2. Each ballot shall be accompanied by a certification sheet to be completed by the presiding officer or designated alternate who cast that district's vote.
3. A specified period of time, not less than six weeks, shall be allowed for the districts to cast their votes and return their ballots.
4. Ballots shall be sent by certified mail, return receipt requested.
5. Emailed copies of ballots may be submitted, if necessary, to meet the established deadline; however, replacement originals must be submitted as soon thereafter as possible.
6. All ballots received by the deadline shall be counted and the results announced within seven days.
7. Certified ballots representing a simple majority of the eligible districts must be returned for a valid election.

5.4 Appointment by Majority Vote

A candidate for a regular or alternate member of the Commission must receive at least a majority of the votes cast in order to be selected. Results of the election will be reviewed and adopted by the Commission during an open session of a regularly scheduled LAFCO Meeting.

In the event that no candidate receives the required number of votes, a run-off election shall be conducted, either by a second mailed ballot or a meeting of the Independent Special District Selection Committee, at the discretion of the Executive Officer.



Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **2023 Meeting Schedule – June Meeting Date Change**

SUMMARY OF RECOMMENDATION

Each year, LAFCO approves a meeting schedule for the upcoming year. The Commission adopted a meeting schedule for the 2023 calendar year in November 2022. This type of action informs the Commission, local agencies, and the general public when the next regular LAFCO meetings will be held. The June meeting date this year is currently scheduled for June 7, however, there is a scheduling conflict with the Board of Supervisors Chambers. That is why staff is recommending that the Commission consider changing the meeting date to June 14.

It is recommended that the Commission approve the meeting date change from June 7 to June 14.

EXECUTIVE OFFICER'S REPORT:

The Commission adopted the 2023 meeting schedule on November 2, 2022, as shown in **Attachment 1**. In January 2023, the Commission also directed staff to revert back to in-person meetings in accordance with Assembly Bill 2449 and following the discontinuation of the COVID-related State of Emergency. Staff coordinated with the County to reserve the Board of Supervisors Chambers to conduct LAFCO's regular meetings in that location starting in March. Staff was able to reserve the room for all scheduled LAFCO meetings, except for June. The room was already reserved by another county department. Therefore, staff is recommending that the Commission move the meeting date to the following Wednesday (June 14). If approved, the meeting will be held in the Board of Supervisors Chambers and will begin at its regular start time of 9:00am.

Respectfully Submitted,

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

Joe A. Serrano
Executive Officer

Attachment: 2023 LAFCO Meeting Schedule (adopted version)



Local Agency Formation Commission of Santa Cruz County

2023 SCHEDULE OF REGULAR LAFCO MEETINGS

(Approved on November 2, 2022)

January 4

February – No Meeting

March 1

April 5

May 3

June 7

July – No Meeting

August 2

September 6

October 4

November 1

December – No Meeting

All regular meetings begin at 9:00am and are typically held in the Board of Supervisors Chambers, located on the fifth floor of the County Governmental Center – 701 Ocean Street (Room 525), Santa Cruz CA

VIRTUAL LAFCO MEETINGS

LAFCO Meetings may be conducted remotely in accordance with Assembly Bills 361 and 2449. Santa Cruz LAFCO has established a virtual meeting process. The Commission will have full discretion on whether to conduct virtual meetings, hybrid meetings, or revert back to in-person meetings at any point in the calendar year.



Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Comprehensive Quarterly Report – Second Quarter (FY 2022-23)**

SUMMARY OF RECOMMENDATION

This report provides an overview of projects currently underway, the status of the Commission's Multi-Year Work Program, the financial performance of the annual budget, and staff's outreach efforts from July through September. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

EXECUTIVE OFFICER'S REPORT

The Cortese-Knox-Hertzberg Act delegates LAFCOs with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. **Attachment 1** summarizes how several of these statutory mandates are being met through the consideration of boundary changes, the development of scheduled service reviews, and staff's ongoing collaboration with local agencies.

Respectfully Submitted,

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

Joe A. Serrano
Executive Officer

Attachment:

1. FY 2022-23 Comprehensive Quarterly Report

Comprehensive Quarterly Report

FISCAL YEAR 2022-23
SECOND QUARTER
(OCTOBER TO DECEMBER)



LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY

ACTIVE PROPOSALS

Santa Cruz LAFCO currently has six active applications:

1. **“Pajaro Valley Fire Protection District Reorganization” (Project No. RO 22-06):**

This application was initiated by board resolution on March 22, 2022 and proposes the annexation of approximately 72 square miles into the fire district, concurrent dissolution of CSA 4, and the concurrent detachment of the annexed area from CSA 48. The purpose of the reorganization is to provide a better level of fire protection services to approximately 20,000 people through an independent fire district rather than two separate county service areas.

Latest Status: LAFCO is currently working with a consulting firm to determine how the proposed reorganization will financially impact the affected agencies. This analysis may be available as early as June 2023.

2. **“Branciforte Fire Protection District Reorganization” (Project No. RO 22-07):**

This application was initiated by board resolution on April 1, 2022 and proposes the dissolution of the Branciforte Fire Protection District and concurrent annexation of the dissolved area into the Scotts Valley Fire Protection District. The purpose of the reorganization is to provide a better level of fire protection services to the Branciforte community (approximately 1,700 people) by merging the two fire districts.

Latest Status: LAFCO continues to coordinate with the two fire districts under the Pre-Reorganization Agreement. Current items that remain pending include: adoption of a property tax exchange agreement, completion of a CALPERS actuarial report, completion of a Plan for Service document, and additional outreach effort to educate the community about the proposed reorganization and the future of the Branciforte Fire Station. The BFPD Board is also considering a mailed-in election in which the affected residents will consider a new benefit assessment to keep the Branciforte Fire Station open. An engineer’s report is underway.

3. **“Scotts Valley Water District Sphere Annexation” (Project No. DA 22-13):**

This application was initiated by board resolution on May 12, 2022 and proposes to annex approximately 180 parcels (1,500 acres). The vast majority of the annexation area is within the District’s sphere boundary. The purpose of the annexation is to reflect the areas already served by the District and allow residents the opportunity to connect to the District’s infrastructure without future individual LAFCO actions.

Latest Status: LAFCO is currently coordinating with the District to conduct an extensive outreach effort to educate the community about the purpose and benefits of the proposed annexation. The outreach effort may begin as soon as March 2023.

4. **“Paso Cielo / Towle Annexation” to CSA 20 (Project No. DA 22-15):**

This application was initiated by landowner petition on September 27, 2022 and proposes the annexation of three parcels (approximately 10 acres). The purpose of the annexation is for the provision of sewer services from a nearby public agency to an existing home.

Latest Status: LAFCO deemed the project complete and ready for Commission consideration on February 1, 2023. A public hearing will be held on March 1, 2023.

5. **“County Service Area 54 Dissolution” (Project No. DDI 22-17)**: This application was initiated by LAFCO on January 4, 2023 in accordance with Government Code Section 56879 and proposes to dissolve CSA 54, which has been inactive for over 15 years. The purpose of the dissolution is to dissolve the inactive district and fulfill the mandatory request by the State Controller’s Office.

Latest Status: LAFCO deemed the project complete and ready for Commission consideration on February 1, 2023. A public hearing will be held on March 1, 2023.

6. **“Monroe Avenue / Kathy Brunk Extraterritorial Service Agreement” (Project No. ESA 23-01)**: This application was initiated by landowner petition on January 9, 2023 to receive sewer service under Government Code Section 56133. The proposed extraterritorial service agreement (“ESA”) involves a single parcel and the Santa Cruz County Sanitation District. The affected landowner has also agreed to begin the annexation process as part of the ESA request.

Latest Status: LAFCO deemed the project complete and ready for Commission consideration on February 1, 2023. A public hearing will be held on March 1, 2023.

MULTI-YEAR WORK PROGRAM (SERVICE REVIEWS)

A five-year work program was originally adopted in 2019 to ensure that service reviews for each local agency under LAFCO’s purview are considered within the legislative deadline. Since then, the Commission reviews and adopts the work plan on an annual basis. A total of six separate service and sphere reviews will be completed this year. Below is a status update on each scheduled review.

1. **City of Watsonville** – The City was incorporated in 1868 and provides a variety of municipal services, including water services under the City’s Water Department. The City’s water service area encompasses nearly 21 square miles of territory including the entire City of Watsonville and adjoining unincorporated areas of Santa Cruz County.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission in May 2023.

2. **County Service Area 53** – The CSA was formed in 1993 and provides a range of mosquito and vector control services that reduce nuisances and protects the public health in Santa Cruz County. The CSA serves the entire county including the 4 cities.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission in June 2023.

3. **County Service Area 11** – The CSA was formed in 1971 and provides a range of park and recreational services. The CSA serves the entire county except the 4 cities and the three park districts (Alba, Boulder Creek, and La Selva Beach).

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission in August 2023.

4. **County Service Area 12** – The CSA was formed in 1972 and provides services to support and promote effective septic system pumping, maintenance, and management in all areas of the County that are not connected to an existing public agency's wastewater infrastructure. At present, there are approximately 24,000 septic systems in the rural areas of Santa Cruz County.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission in September 2023.

5. **County Service Area 38** – The CSA was formed in 1983 and provides extended police protection, under the County Sheriff's Department, to areas outside city limits. The Sheriff's Office has three divisions: (1) the Operations Bureau patrols the unincorporated areas of the County, (2) the Corrections Bureau operates the detention facilities and programs, and (3) the Court Security provides security to courts in Santa Cruz and Watsonville. The CSA serves the entire county excluding the 4 cities.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission in October 2023.

6. **City of Santa Cruz** – The City was incorporated in 1866 and provides a variety of municipal services, including water services under the City's Water Department. The City's water service area encompasses nearly 27 square miles of territory including the entire City of Santa Cruz, adjoining unincorporated areas of Santa Cruz County, a small part of the City of Capitola, and coastal agricultural lands north of the City.

Tentative Hearing Date: A service and sphere review is scheduled to be presented to the Commission in November 2023.

BUDGET REPORT

The second quarter of Fiscal Year 2022-23 ended on December 31, 2023. During this three-month period, the Commission received approximately \$5,000 in revenue. During the same period, the Commission incurred approximately 86,000 in total expenses which represents 33% of estimated costs for the entire year, as shown in the table below.

	FY 22-23 (1st Qtr.)	FY 22-23 (2nd Qtr.)	Available Funds	FY 22-23 Total Amt	FY 22-23 Budget	Percentage (%)
Total Revenue	\$420,620	\$4,968	\$247,985	\$673,573	\$668,750	101%
Total Expense	<u>\$132,425</u>	<u>\$86,159</u>	-	<u>\$218,584</u>	<u>\$668,750</u>	33%
Difference	\$288,195	-\$81,191	\$247,985	\$454,989	-	-

A total of \$541,562 is available in the Commission's Fund Balance: \$247,985 is earmarked to balance the budget and the remaining \$299,577 is designated as unrestricted revenue. In total, the first and second quarters already represent 101% of the anticipated revenue for the entire year. A detailed review of LAFCO's financial performance during the first quarter (July to September) and second quarter (October to December) is shown on page 4.

FISCAL YEAR 2022-23	FY 22-23 First Qtr. (Jul - Sep)	FY 22-23 Second Qtr (Oct - Dec)	FY 22-23 Adopted Budget	FY 22-23 Actual	Difference (\$)	Budget Line Item Notes
REVENUES DESCRIPTION						
Interest	\$ 1,036	\$ 2,052	\$ 1,500	\$ 3,089	\$ 1,589	Surplus Funds
Contributions from Other Govt Agencies	\$ 419,265	\$ -	\$ 419,265	\$ 419,265	\$ -	All dues were collected
LAFCO Processing Fees	\$ -	\$ 2,500	\$ -	\$ 2,500	\$ 2,500	Application Deposits
Medical Charges-Employee	\$ 318	\$ 415	\$ -	\$ 734	\$ 734	Surplus Funds
Re-budget from Fund Balance	\$ -	\$ -	\$ 247,985	\$ 247,985	\$ 247,985	Net Position Funds (if needed)
TOTAL REVENUES	\$ 420,620	\$ 4,968	\$ 668,750	\$ 673,573	\$ 252,808	Additional Funds in Total Revenue
EXPENDITURES DESCRIPTION						
Regular Pay	\$ 33,629	\$ 39,744	\$ 200,000	\$ 73,373	\$ 126,627	Remaining Funds
Holiday Pay	\$ 611	\$ 3,057	\$ 10,000	\$ 3,669	\$ 6,331	Remaining Funds
Social Security	\$ 2,652	\$ 2,581	\$ 15,000	\$ 5,232	\$ 9,768	Remaining Funds
PERS	\$ 66,204	\$ 4,619	\$ 91,000	\$ 70,823	\$ 20,177	Remaining Funds
Insurances	\$ 8,430	\$ 8,579	\$ 40,000	\$ 17,009	\$ 22,991	Remaining Funds
Unemployment	\$ -	\$ -	\$ 450	\$ -	\$ 450	Remaining Funds
Workers Comp	\$ 7	\$ -	\$ 500	\$ 7	\$ 493	Remaining Funds
Salaries Sub-total	\$ 111,534	\$ 58,580	\$ 356,950	\$ 170,113	\$ 186,837	Remaining Funds in Salaries & Benefits
Telecom	\$ 1	\$ 465	\$ 1,200	\$ 466	\$ 734	Remaining Funds
Office Equipment	\$ -	\$ -	\$ 200	\$ -	\$ 200	Remaining Funds
Memberships	\$ 5,000	\$ -	\$ 7,500	\$ 5,000	\$ 2,500	Remaining Funds
Hardware	\$ -	\$ 7	\$ 200	\$ 7	\$ 193	Remaining Funds
Duplicating	\$ -	\$ 3	\$ 800	\$ 3	\$ 797	Remaining Funds
PC Software	\$ 237	\$ -	\$ 600	\$ 237	\$ 363	Remaining Funds
Postage	\$ 9	\$ 11	\$ 1,000	\$ 20	\$ 980	Remaining Funds
Subscriptions	\$ 102	\$ 354	\$ 500	\$ 456	\$ 44	Remaining Funds
Supplies	\$ -	\$ -	\$ 800	\$ -	\$ 800	Remaining Funds
Accounting	\$ -	\$ -	\$ 1,500	\$ -	\$ 1,500	Remaining Funds
Attorney	\$ 1,018	\$ 1,513	\$ 150,000	\$ 2,530	\$ 147,470	Remaining Funds
Data Process GIS	\$ 639	\$ 4,297	\$ 12,000	\$ 4,936	\$ 7,064	Remaining Funds
Director Fees	\$ 420	\$ 450	\$ 6,000	\$ 870	\$ 5,130	Remaining Funds
Prof. Services	\$ 9,234	\$ 16,992	\$ 100,000	\$ 26,226	\$ 73,774	Remaining Funds
Legal Notices	\$ 784	\$ 568	\$ 6,000	\$ 1,352	\$ 4,648	Remaining Funds
Rents	\$ -	\$ -	\$ 9,000	\$ -	\$ 9,000	Remaining Funds
Misc. Expenses	\$ 987	\$ 1,329	\$ 5,000	\$ 2,316	\$ 2,684	Remaining Funds
Air Fare	\$ -	\$ 1,420	\$ 1,500	\$ 1,420	\$ 80	Remaining Funds
Auto Rental	\$ -	\$ -	\$ 200	\$ -	\$ 200	Remaining Funds
Training	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	Remaining Funds
Lodging	\$ 2,461	\$ -	\$ 3,000	\$ 2,461	\$ 539	Remaining Funds
Meals	\$ -	\$ -	\$ 500	\$ -	\$ 500	Remaining Funds
Mileage	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	Remaining Funds
Travel-Other	\$ -	\$ 171	\$ 300	\$ 171	\$ 129	Remaining Funds
Registrations	\$ -	\$ -	\$ 2,000	\$ -	\$ 2,000	Remaining Funds
Supplies Sub-total	\$ 20,891	\$ 27,580	\$ 311,800	\$ 48,471	\$ 263,329	Remaining Funds in Services & Supplies
TOTAL EXPENDITURES	\$ 132,425	\$ 86,159	\$ 668,750	\$ 218,584	\$ 450,166	Remaining Funds in Total Expenditures

RECENT & UPCOMING MEETINGS

LAFCO staff values the collaboration with local agencies, members of the public, and other LAFCOs to explore and initiate methods to improve efficiency in the delivery of municipal services. Several meetings were held during the second quarter. A summary of those meetings is shown in the following table.

October Meetings			
Topic	Date	Subject Agency(ies)	Purpose
BFPD Reorganization	10/1/22	BFPD & SVFPD	LAFCO staff co-hosted an in-person workshop to inform the community about the proposed fire reorganization
Conference Planning Committee	10/4/22	CALAFCO	LAFCO staff met with the planning committee to finalize the 2022 CALAFCO Annual Conference Sessions
Succession Planning	10/6/22	CALAFCO	LAFCO staff met with the panelists to finalize the breakout session
Legislative Committee	10/7/22	CALAFCO	LAFCO staff provided an update on the 2023 Omnibus Bill process
SqCWD Potential ESA	10/10/22	Soquel Creek WD	LAFCO staff met with a stakeholder group to determine if the water district can provide water to a nearby school
Fire Study	10/12/22	County & LAFCO	LAFCO staff provided an update on the fire study to the County-LAFCO group
Focus Ag	10/14/22	Focus Agriculture	LAFCO staff continues to participate in this year's Focus Ag Program
Resident Advisory Committee	10/15/22	BFPD	LAFCO staff provided an update to BFPD's resident advisory committee regarding the reorganization effort.
SqCWD Board Meeting	10/18/22	Soquel Creek WD	LAFCO staff presented service options to the SqCWD Board regarding water delivery to a nearby high school
CALAFCO Conference	10/19/22 to 10/21/22	CALAFCO	LAFCO staff and Commissioner Lather attended CALAFCO's 2023 Annual Conference. Staff also presented in two separate breakout sessions.
BFPD Board Meeting	10/20/22	BFPD	LAFCO staff administered the BFPD Board Meeting as temporary support
Road Service Inquiry	10/26/22	City of Santa Cruz, County, Residents & LAFCO	LAFCO staff facilitated a stakeholder group meeting to determine how a damaged road can be repaired.
Admin Support Inquiry	10/31/22	County	LAFCO staff met with County reps to discuss a potential agreement for temporary admin support.
November Meetings			
Topic	Date	Subject Agency(ies)	Purpose
CSDA Conference	11/3/22	CSDA	LAFCO staff met with CSDA reps to discuss a potential "LAFCO 101" presentation during CSDA's 2023 annual conference and/or workshop(s)

Legislative Committee	11/4/22	CALAFCO	LAFCO staff provided an update on the 2023 Omnibus Bill process
Fire Study	11/9/22	AP Triton	LAFCO staff met with AP Triton to receive an update on the fire study
Fire Study	11/10/22	County & LAFCO	LAFCO staff provided an update on the fire study to the County-LAFCO group
BFPD Benefit Assessment Study	11/11/22	BFPD & SCI Consulting	LAFCO staff met with BFPD and SCI to discuss the benefit assessment study
SLO LAFCO Inquiry	11/15/22	San Luis Obispo LAFCO	LAFCO staff provided assistance to SLO LAFCO in regards to property tax exchange agreements involving districts
Ad-Hoc Committee	11/15/22	BFPD, SVFPD & LAFCO	LAFCO staff facilitated a stakeholder meeting to discuss the reorg process
SVWD Annexation	11/16/22	Scotts Valley WD	LAFCO staff met with SVWD to discuss their interest in annexing areas already being served and within their sphere.
BFPD Board Meeting	11/17/22	BFPD	LAFCO staff administered the BFPD Board Meeting as temporary support
City Selection Committee Meeting	11/18/22	City Selection Committee	LAFCO staff informed the committee about upcoming city seat vacancies
Personnel Committee	11/22/22	LAFCO	LAFCO staff met with the Personnel Committee to discuss and review staff's performance in 2022
SqCWD Potential ESA	11/30/22	Soquel Creek WD	LAFCO staff met with a stakeholder group to determine if the water district can provide water to a nearby school
December Meetings			
Topic	Date	Subject Agency(ies)	Purpose
Water Commission	12/7/22	County	LAFCO staff participated in the County's regular water commission meeting
Marin LAFCO	12/8/22	Marin LAFCO	LAFCO staff attended Marin LAFCO's Regular Commission Meeting to discuss the proposed shared services agreement between the two LAFCOs
SqCWD Potential ESA	12/12/22	Soquel Creek WD	LAFCO staff met with a stakeholder group to determine if the water district can provide water to a nearby school
Fire Study	12/13/22	County & LAFCO	LAFCO staff provided an update on the fire study to the County-LAFCO group
BFPD Board Meeting	12/15/22	BFPD	LAFCO staff administered the BFPD Board Meeting as temporary support
SqCWD Board Meeting	12/20/22	Soquel Creek WD	LAFCO staff presented service options to the SqCWD Board regarding water delivery to a nearby high school
CSA 12 Discussion	12/21/22	County & LAFCO	LAFCO staff met with the County to discuss the upcoming service and sphere review for CSA 12



Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Special Districts Risk Management Authority Letters**

SUMMARY OF RECOMMENDATION

LAFCO received three written correspondence from the Special Districts Risk Management Authority ("SDRMA"). This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

EXECUTIVE OFFICER'S REPORT:

SDRMA sent LAFCO three documents in December and January, as summarized below.

1. **California Labor Law Poster** – SDRMA provided LAFCO with a copy of the California Labor Law poster, which covers important state and federal laws relating to employees' rights and regulations.
2. **Notification of Nominations** – SDRMA is soliciting nominations for three upcoming vacancies on their board. Nominations are due May 1, 2023. Nominees must be a member or the agency's governing body or full-time management employee and be an active member agency of both SDRMA's property/liability and workers' compensation programs.
3. **Workers' Compensation Program Renewal**- SDRMA provided a copy of LAFCO's 2023-24 experience modification factor to help with budget planning. This information will be used to determine LAFCO's anticipated costs under the upcoming FY 23-24 Draft and Final Budget.

Respectfully Submitted,

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

Joe A. Serrano
Executive Officer

Attachment: SDRMA Letters (3 in total)



1112 I Street, Suite 300
 Sacramento, California 95814-2865
 T 916.231.4141 or 800.537.7790 • F 916.231.4111

Maximizing Protection. Minimizing Risk. • www.sdrma.org

December 31, 2022

Dear SDRMA Valued Member,

Special District Risk Management Authority (SDRMA) is pleased to provide your agency with the legally required California Labor Law Poster. The 2023 poster covers all important state and federal laws and regulations relating to Discrimination and Harassment, Family and Medical Leave Act, Minimum Wage, Safety and Health Protection on the job, Equal Employment Opportunity and more. *All employers are required to post these notices by law at each location.*

If your agency participates in the SDRMA Workers' Compensation Program, please provide the following information under the Workers' Compensation section:

MPN Website: www.talispoint.com/intermed/intermedselectmpn

MPN Effective Date: 10/1/22

MPN #: 3056

MPN Access Assistant Phone: 877-746-3157

Claims Administrator: Intercare Holdings Insurance Services, Inc

Phone: 800-771-5454

This complimentary poster represents one of the benefits of our MemberPlus Services™ and combines all the required notices into a single poster. You can also find an electronic copy of the 2023 poster through MemberPlus™ under the QUICK LINKS drop down. We hope your agency finds this valuable service useful in helping to meet your legal posting requirements.

Please contact us if you have more than one location at your district needing posters, and we will provide additional posters for each location at no cost! However, if you requested additional posters last year, we will automatically ship the same number of additional posters to you in a separate mailing. We also have a small quantity of posters available in Spanish. To request additional posters, please email memberplus@sdrma.org or call 800-537-7790.

We wish you the very best for the New Year!

Sincerely,

Special District Risk Management Authority

Ellen Doughty
 Chief Member Services Officer

Enclosure: 2023 Labor Law Poster

Notification of Nominations – 2023 Election
SDRMA Board of Directors

January 18, 2023

Mr. Jim Anderson
Chairperson
Santa Cruz Local Agency Formation Commission
701 Ocean Street, Room 318-D
Santa Cruz, California 95060-4027

Dear Mr. Anderson:

Notice of Nominations for the Special District Risk Management Authority (SDRMA) Board of Directors 2023 Election is being provided in accordance with the SDRMA Sixth Amended and Restated Joint Powers Agreement. The following nomination information has been posted to the SDRMA website: Nomination Packet Checklist, Board of Director Fact Sheet, Nomination/Election Schedule, SDRMA Election Policy No. 2022-06, Sample Resolution for Candidate Nomination and Candidate Statement of Qualifications.

General Election Information - Three (3) Directors seats are up for election. The nomination filing deadline is Monday, May 1, 2023. Nomination submissions must be received by 4:30 pm at the SDRMA office on May 1, 2023, in original format with wet signatures. *Digital/Electronic signatures will not be accepted.* Ballots will be mailed to all SDRMA member agencies in mid-May. Mail-in ballots will be due Tuesday, August 8, 2023.

Nominee Qualifications - Nominees must be a member or the agency's governing body or full-time management employee (see SDRMA Election Policy 2022-06, Section 4.1) and be an active member agency of both SDRMA's property/liability and workers' compensation programs. Candidates must be nominated by resolution of their member agency's governing body and complete and submit a "Statement of Qualifications".

Nomination Documents and Information - Nomination documents (Nominating Resolution and Candidates Statement of Qualifications) and nomination guideline information may be obtained on SDRMA's website at www.sdrma.org. To obtain documents electronically:

From the SDRMA homepage, click on the "2023 Nomination & Election Information" button. All necessary nomination documents and election information may be downloaded and printed.



Nomination Filing Deadline – Nomination documents must be received in SDRMA's office no later than 5:00 P.M. on Monday, May 1, 2023.

Please do not hesitate to contact us memberplus@sdrma.org or 800-537-7790, if you have any questions regarding the 2023 SDRMA Board of Director Nominations or the election process.

Sincerely,
Special District Risk Management Authority

A handwritten signature in blue ink, which appears to read 'Ellen Doughty', is placed below the typed name.

Ellen Doughty, ARM
Chief Member Services Officer



1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141 or 800.537.7790 • F 916.231.4111

Maximizing Protection. Minimizing Risk. • www.sdrma.org

January 23, 2023

Santa Cruz Local Agency Formation Commission
Mr. Joe Serrano
Executive Officer
701 Ocean Street, Room 318-D
Santa Cruz, California 95060-4027

Re: 2023-24 Workers' Compensation Experience Modification Factor

Dear Mr. Serrano,

In preparation for the 2023-24 Workers' Compensation Program renewal on July 1, 2023, we are providing your agency's 2023-24 Experience Modification Factor (EMOD) to help with budget planning. SDRMA follows the Workers' Compensation Insurance Rating Bureau (WCIRB) methodology for calculating EMODs. A detailed EMOD Calculation Form and claims detail to help you understand your EMOD can be found on the SDRMA Memberplus Portal under Notifications in the Member Letters section. If you would like a printed copy, please send your request to memberplus@sdрма.org or 800-537-7790.

Your agency's 2023-24 EMOD is 87%

If you have questions regarding your agency's EMOD, please contact us at memberplus@sdрма.org or 800-537-7790.

The market for Workers' Compensation coverage continues to remain stable. We anticipate only medical inflation to cause minor rate increases for excess/reinsurance coverage for the 2023-24 program year. Thus, we anticipate minimal rate changes for the 2023-24 program year.

The SDRMA Board of Directors will also discuss a potential Longevity Distribution in the coming months. Should the board approve a distribution, every member that has completed its initial commitment of three full program years and has an EMOD of 150% or lower is eligible to receive a longevity distribution credit when they renew coverage. More information regarding a potential longevity distribution will be shared in March.

Members considering withdrawal from coverage with SDRMA for the 2023-24 program year are required to submit a **"Notice of Intent to Withdraw" by April 1, 2023** in accordance with SDRMA Bylaws and must have completed the initial three full program year commitment period. If you have any questions about withdrawing from our program, please contact Ellen Doughty at edoughty@sdрма.org or 800-537-7790.



On behalf of the SDRMA Board of Directors and our entire risk management team, we thank you for your continued participation in our programs.

Sincerely,
Special District Risk Management Authority


Ellen Doughty, ARM
Chief Member Services Officer



Santa Cruz Local Agency Formation Commission

Date: March 1, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **Press Articles during the Months of January and February**

SUMMARY OF RECOMMENDATION

LAFCO staff monitors local newspapers, publications, and other media outlets for any news affecting local agencies or LAFCOs around the State. Articles are presented to the Commission on a periodic basis. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

EXECUTIVE OFFICER'S REPORT

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

Article #1: "California Water Agencies Collaborate on Groundwater Digital Platform": The article, dated December 27, explains the importance of groundwater and the Sustainable Groundwater Management Act. The article also highlights the benefits of maintaining a groundwater accounting platform that would provide local agencies with an easily accessible tool to track groundwater use and availability. This tool would allow local agencies to make informed management decisions and help mitigate short and long-term impacts from droughts and groundwater sustainability.

Article #2: "Colantuono, Highsmith & Whatley – Winter 2022 Newsletter": The newsletter, dated December 29, covers a number of topics including a new court decision involving stormwater mandates, new campaign donor restrictions for local elected officials, and the availability of webinars produced by Colantuono, Highsmith, & Whatley.

Article #3: "Fairfield fire takes over emergency response for Cordelia district": The article, dated January 6, highlights recent action in Solano County in which the City of Fairfield and the Cordelia Fire Protection District have agreed to enter a contractual agreement. The agreement allows the City to assume responsibility of emergency services on behalf of the District. The two agencies and LAFCO are also exploring the development of a service plan and financial arrangement for a more long-term solution.

Article #4: "Branciforte Fire releases first look at proposed tax rates": The article, dated January 17, notes that the Branciforte Fire Protection District released the preliminary findings developed by SCI Consulting to determine the cost per parcel owner to keep the Branciforte Fire Station open. Proposed assessments range from less than \$1 to more than \$54,000 annually, with the bulk of the parcel owner assessments ranging from \$700 to \$3,000 annually. It is important to note that an engineer's report must be finalized to determine the actual assessment per parcel owner.

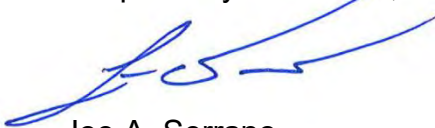
Article #5: “San Lorenzo Valley Water District digs into nearly \$3 million in storm repairs”: The article, dated February 2, highlights the impact of the recent rains to local communities and public agencies, including the San Lorenzo Valley Water District. The District estimates approximately \$2.8 million in damages.

Article #6: “Rough & Ready Fire: closure, annexation, consolidation on the table”: The article, dated February 9, indicates that the Rough & Ready Fire Protection District, located in Nevada County, is in financial distress and considering consolidation with the neighboring Penn Valley Fire Protection District. In a collaborative effort, the two affected fire districts, Nevada County, and Nevada LAFCO are exploring governance options, including consolidation. This situation is similar to the proposed reorganization between Branciforte and Scotts Valley Fire Protection Districts in Santa Cruz County.

Article #7: “Contracts approved to build College Lake Project”: The article, dated February 13, notes that the Pajaro Valley Water Management Agency recently approved a contract to construct the College Lake Integrated Resources Management Project. This project will construct a 6-mile, 30-inch water main to transport treated water from the College Lake facility to over 5,000 acres of farmland via the Coastal Distribution System, 22-miles of pipelines currently delivering supplemental water (including recycled water) to farms along the coast to preserve the groundwater resources of the Pajaro Valley. It is important to note that the Reclamation District No. 2049 is responsible for the annual drainage of the College Lake, however, it is scheduled to be dissolved in the near future.

Article #8: “Branciforte Fire station’s future may be determined by voters”: The article, dated February 13, notes that the Branciforte Fire Protection District may consider moving forward with the benefit assessment election. The article underlines the proposed cost for the affected residents. However, the Board of Directors indicated that an engineer’s report and multiple workshops must be completed before a mailed-in election is conducted.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. “California Water Agencies Collaborate on Groundwater Digital Platform”
2. “Colantuono, Highsmith & Whatley – Winter 2022 Newsletter”
3. “Fairfield fire takes over emergency response for Cordelia district”
4. “Branciforte Fire releases first look at proposed tax rates”
5. “San Lorenzo Valley Water District digs into nearly \$3 million in storm repairs”
6. “Rough & Ready Fire: closure, annexation, consolidation on the table”
7. “Contracts approved to build College Lake Project”
8. “Branciforte Fire station’s future may be determined by voters”

wqpmag.com

California Water Agencies Collaborate on Groundwater Digital Platform

6–7 minutes

[California Department of Water Resources press release](#)

As California continues to respond and adapt to ongoing extreme drought conditions, the Department of Water Resources (DWR) along with state, federal and non-governmental organization partners are advancing development of a tool for groundwater agencies to help with efforts to prevent dry wells and water supply shortages. The innovative Groundwater Accounting Platform is a robust state-supported data tool that will enable groundwater sustainability agencies (GSAs) across California to track water availability and use.

[Groundwater serves as the state's water savings account](#) during dry years when less surface water is available. Nearly 85 percent of all Californians rely on groundwater for some portion of their water supply, particularly underserved communities in the Central Valley. The Groundwater Accounting Platform will help GSAs assess and quantify the impacts and benefits of management actions such as groundwater recharge projects, water trading programs and reducing demand on groundwater.

Under the Sustainable Groundwater Management Act (SGMA), local agencies have new requirements to better understand, track and account for groundwater use across designated basins. Robust water tracking and accounting systems like this one will serve as the foundation in advancing coordinated and well-informed decision-making as local agencies work to bring groundwater basins into sustainable conditions over the next two decades. This digital tool will help GSAs manage groundwater in their

communities for long-term sustainability and address drought impacts, supporting the successful implementation of SGMA.

“With SGMA came a great need for more monitoring, planning and actions to achieve groundwater sustainability, and California’s shift to a hotter, drier future has accelerated that need,” said Paul Gosselin, Deputy Director of DWR’s Sustainable Groundwater Management Office. “This groundwater accounting platform will provide local agencies with an easily accessible tool to track groundwater use and availability and make informed management decisions to [help mitigate the impacts of drought](#) in the near-term and transition to groundwater sustainability over the long-term.”

The digital platform can be used for many purposes, including refining water budgets (accounting of the rates of inflows, outflows and changes in water storage) under SGMA, outreach to landowners to create a common understanding of local groundwater availability, and development of water allocation and water trading programs. GSAs will be able to assess effects of pumping and recharge projects, improve understanding of water use and improve the accuracy of scenario planning and modeling efforts. GSAs will be able to use the platform as-is, or further develop the software to better suit their local needs. This makes the platform cost-effective because GSAs are not paying to build groundwater accounting software from scratch.

This collaborative effort brings together DWR, the State Water Resources Control Board, the [California Water Data Consortium](#) and the Environmental Defense Fund (EDF), with additional support from the U.S. Bureau of Reclamation through a WaterSMART Applied Science grant. The Groundwater Accounting Platform was initially developed by EDF in partnership with Rosedale-Rio Bravo Water Storage District to manage groundwater in the central part of Kern County. DWR, the Consortium and EDF are now working to make the platform available to more local agencies, including collaborating with three new pilot project partners - Merced Irrigation-Urban GSA in Merced County, Pajaro Valley Water Management Agency in Santa Cruz County, and Yolo

County Flood Control and Water Conservation District northwest of the Greater Sacramento region.

“The Groundwater Accounting Platform is an important data tool that will help build capacity at the local level and support ongoing landowner communication to address drought and long-term groundwater management,” added Mike Myatt, Senior Director, Climate Resilient Water Systems at Environmental Defense Fund.

As outlined in the Newsom Administration’s recently published [“California’s Water Supply Strategy: Adapting to a Hotter, Drier Future,”](#) California is projected to lose 10 percent of its water supplies over the next 20 years as the West continues to experience increases in temperature in an arid climate. [Effectively managing groundwater](#), which contributes between 40-70 percent of our water supply, is a critical component of the state’s long-term drought response. Local agencies need innovative tools to better inform decision-making as water management shifts to a new climate reality of a future with less water.

DWR is providing funding and technical expertise to support the development of the Groundwater Accounting Platform. DWR and the Water Board are also working to ensure that the platform is compatible with the state portals that GSAs use to submit data, including DWR’s SGMAPortal and the Water Board’s Groundwater Extraction Annual Reporting System.

The Groundwater Accounting Platform complements other state efforts, including alignment with the Open and Transparent Water Data Act (Assembly Bill 1755), the Newsom Administration’s Water Resilience Portfolio and Water Supply Strategy, the 2025 update of California’s Groundwater (Bulletin 118), and the DWR Water Accounting team’s Water Budget Handbook.

A public workshop is planned for spring 2023 to provide more information on this innovative platform, including how GSAs can access and use this tool.



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Newsletter | Winter 2022

Update on Public Law Stormwater Mandates Decision Creates New Fee-Funding Authority

By Michael G. Colantuono. Esq.

San Diego County and its cities have been litigating the cost of that region's 2007 permit under state and federal clean water laws for 15 years. The Court of Appeal recently issued its second ruling in the case, and a petition for Supreme Court review is pending. The case has good news and bad news for local governments.

The requirements included street-sweeping, catch-basin cleaning, development controls to reduce runoff, education programs, and regional coordination. In 2010, the Commission on State Mandates found these to be reimbursable mandates under 1990's Prop. 9, the Gann Limit. The State need not fund mandates, however, if local governments have authority to fund them by imposing fees.

The Court of Appeal concluded storm drainage fees require voter approval under Prop. 218 and are not exempt "sewer" fees. It found 2017's SB 231 (Hertzberg, D-Los Angeles) insufficient to overturn *Howard Jarvis Taxpayers Assn. v. City of Salinas*'s conclusion that Prop. 218's exemption for "sewer" fees was limited to sanitary, not storm, sewer fees. It did so because Prop. 218's provision exempting certain preexisting assessments distinguishes "sewer" from "flood control" services. The Court also noted Prop. 218's liberal construction requirement to disfavor government revenue authority and the 15-year delay between *Salinas* and the adoption of S.B. 231, suggesting the Legislature was changing, not clarifying, the law. So, this is the bad news.

The good news is as to street-sweeping. The Court concludes street-sweeping is refuse collection and that local governments can charge fees for it without the voter approval Prop. 218 requires for many service fees. The

(continued on page 2)

Congrats to Aleks Giragosian!

CHW's Aleks Giragosian was recently named one of "20 Under 40" rising stars of the national Armenian Bar Association at an awards ceremony in Washington, D.C.

The Armenian Bar Association is a forum for lawyers of Armenian heritage to network and to address the legal concerns of the Armenian community. Upon creation of an independent Republic of Armenia, the Association undertook to help build and encourage the growth of democratic institutions in Armenia.

Aleks is the City Attorney of Sierra Madre and Assistant City Attorney of Calabasas, Ojai and South Pasadena. Congrats, Aleks!

Punitive Preemption Bubbles Up in Soda Tax Case

By Abigail A. Mendez, Esq.

The Keep Groceries Affordable Act of 2018 was a political bargain with the soda industry, banning local soda taxes for five years in exchange for withdrawal from the 2018 ballot of a proposed initiative constitutional amendment to greatly restrict State and local finances.

One provision of that law requires the California Department of Tax and Fee Administration to end its contract to collect all sales and use taxes for a charter city that imposes a tax or fee on “groceries,” defined to include soda. Academics label this “punitive preemption,” which does not just displace local law, but punishes local governments that enact or enforce disfavored policy. Enacting an ordinance to test the boundary between home rule and state control becomes risky due to the penalty.

The plaintiffs in *Cultiva La Salud v. State* persuaded Sacramento Superior Court that this statute violates the California Constitution by forcing a city to choose between constitutional home rule authority and essential sales tax revenues. The trial court invalidated the penalty provision because it punishes charter cities for valid regulations of municipal affairs — by its terms it applies only after a court finds a charter city soda tax to be a “municipal affair” protected from state preemption.

CDTFA appealed, arguing the penalty does not interfere with home rule authority, or appropriate or redistribute local tax revenues in violation of Propositions 1A and 22, won by local government to reduce State interference in local finances. CHW has submitted an amicus brief supporting Cultiva La Salud on behalf of the California State Association of Counties and Cal. Cities, emphasizing the history of our Constitution’s commitment to home rule and the consequences of punitive preemption. A decision is likely in late 2023.

A similar debate in Sacramento may be likely soon given the California Business Roundtable’s resurrection for the 2024 ballot of the proposed

initiative constitutional amendment bartered for a soda tax ban in 2018. Featured in that debate will be so-called “VMT taxes” which propose to tax sprawling developments to fund the transportation improvements they require.

The 2023 legislative session will, as always, be of vital interest to those responsible for funding local services.

For more information, please contact Abby at AMendez@chwlaw.us or (213) 542-5700.

Stormwater (cont.)

Court noted there may be challenges in making such a fee proportional to the cost to serve each parcel as Prop. 218 requires, but the fact of local fee authority was enough to exempt street-sweeping from the State’s duty to fund mandates.

The development regulations were, perhaps unsurprisingly, exempt from Props. 218 and 26 as real estate development and permitting fees. This Court read *Salinas* narrowly, finding local governments can distinguish among fee payors based on such things as impervious coverage of property.

So, the case is bad news for State funding of expensive water-quality mandates and for an exemption from Prop. 218’s voter-approval requirement for stormwater fees. It is better news for local authority to fund street sweeping and similar water quality programs, perhaps including catch-basin cleaning and filtration, as refuse collection fees which are exempt from Prop. 218’s voter-approval requirement.

The Supreme Court will decide whether to review the case in early 2023 and, of course, storm water mandate litigation will continue. Stay tuned for further developments!

For more information, please contact Michael at MColantuono@chwlaw.us or (530) 432-7359.

New Campaign Donor Restrictions for Local Elected Officials

By Matthew T. Summers, Esq. &
Ephraim S. Margolin, Esq.

To date, the Levine Act has regulated campaign contributions for state officials and appointed local officials, e.g., Planning Commissioners, limiting covered officials' ability to participate in governmental decisions related to those who donate more than \$250 to a campaign. AB 1439 (Glazer, D-Contra Costa) extends the Act to local elected officials — city councilmembers and special district boardmembers. Subject to some key exceptions, starting January 1st, these officials cannot participate in approving a contract, license, permit, or other entitlement sought or opposed by a donor of more than \$250 to their campaigns in the 12 months before the decision.

The new prohibitions apply in three situations. First, local officials are prohibited from acting on a permit or contract if a donor of more than \$250 to their campaigns within the past year is a party or a financially interested "participant" in the matter. One "participates" merely by speaking at a public meeting. Second, local officials may not accept or solicit campaign contributions of more than \$250 from a party or financially interested participant while a permit application or contract request is pending before their agency. Third, these officials may not accept or solicit campaign contributions of more than \$250 from any party or participant in a decision for a year after it is made. FPPC regulations apply the prohibitions to land use permits and contracts, except competitively bid contracts, union and other labor contracts, and personal employment contracts, e.g., a city manager's contract.

The prohibitions apply if a campaign donor of more than \$250 is directly involved in a decision, e.g., an applicant or contractor, but also if he or she speaks at a hearing. A financially interested participant under this law includes one who owns a

home within 1,000 feet of a proposed land use who speaks at a hearing. In that situation each Councilmember who received a donation of more than \$250 must either disclose it and abstain, or commit to returning that part of it in excess of \$250 within 30 days to participate in the decision.

The new law applies only to donations to a candidate-controlled committee — not independent expenditures by non-candidate-controlled committees.

Applicants, contractors, and other participants must also disclose any contributions to council- or boardmembers of more than \$250 in the past year. Agencies should consider adding the disclosure requirement to agendas, display it in meeting rooms, and on permit application and contract bid forms.

The FPPC adopted an opinion that SB 1439 does not apply retroactively to contributions made in 2022. Efforts to further clarify the law will continue in the next legislative session and business and development interests are gearing up for a court fight. Stay tuned!

For more information, please contact Matt at MSummers@chwlaw.us or (213) 542-5719, or Eppi at EMargolin@chwlaw.us or (213) 600-2102.

We've Got Webinars!

CHW offers webinars on a variety of topics, including redistricting, housing statutes, new laws on accessory dwelling units (ADUs), and police records issues. A webinar allows advice and guidance and Q&A in an attorney-client-privileged setting. The fee is \$1,500 per agency.

To schedule a webinar, contact Bill Weech at BWeech@chwlaw.us or (213) 542-5700.

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dailyrepublic.com

Fairfield fire takes over emergency response for Cordelia district

By Todd R. Hansen

2–3 minutes

FAIRFIELD – The city Fire Department on Wednesday assumed responsibility of emergency response for the Cordelia Fire Protection District.

“Following years of financial struggles, the district made the tough decision to close their doors after over 100 years of service. In the short-term our contract for service is limited to emergency response. However, in the long-term the city and district hope to reach a more comprehensive agreement to include prevention and administrative functions,” the department said in a Facebook post.

The Fairfield City Council on Oct. 4 authorized the department, through the Solano Local Agency Formation Commission, to enter into a contract for service with the Cordelia district.

The fee per call will be \$475. Based on call volume, the contract will generate about \$213,000 for the city through June 30, about \$800,000 annually, and into the future, more than \$1 million, the council was told.

Cordelia has contracted with a consultant to work with Solano LAFCO and the city Fire Department to develop a service plan and financial arrangement for the long term.

“While the district is large geographically, it is relatively unpopulated, and we anticipate a net new call volume impact of less than two calls per day. Service to the city of Fairfield will not be impacted,” the department said in its post.

“The addition of Engine 36 to the Cordelia and eventually Green Valley area . . . has created the redundancy that made it possible to move forward with the contract for service. We look forward to serving the district and moving toward a long-term solution in 2023.”

Station 36 on Business Center Drive is slated to open in 2024.

The 390-home Middle Green Valley Specific Plan buildout is factored into the potential impact on the city department.

santacruzsentinel.com

Branciforte Fire releases first look at proposed tax rates

Jessica A. York

4–5 minutes

Three property owners would see \$50K-a-year increase

HAPPY VALLEY — With the help of a recently released draft study, Branciforte Fire Protection District residents have the opportunity to see exactly what it could take to keep their only fire station open and operational.

Earlier this month, the Branciforte Fire Protection District board agreed to continue studying the creation of a new annual tax initiative known as a benefit assessment district. The board hired SCI Consulting Group in October to begin the effort and saw at its Jan. 19 meeting an itemized list detailing what owners of 747 parcels in the district could be asked to pay in order to reach a cumulative \$1 million in new revenue.

Proposed assessments ranged from less than \$1 to more than \$54,000 a year. The bulk of parcel owner assessments ranged from \$700 to \$3,000 annually, however.

“I think understanding how the numbers are put together would be helpful,” Fire Chief Nate Lackey told the board Jan. 19, as he suggested future in-person meetings with the consulting firm.

The board unanimously voted to approve the planning of a public workshop with the consultant to hear the formula used to determine assessment rates at a date to be determined.

This week, former board director Pete Vannerus reached out to the Sentinel to identify his family business, Santa Vida RV Park, at 1611 Branciforte Drive, as the proposed top-taxed parcel owner, at \$54,337. By comparison, two other property owners were facing recommended assessments of about \$50,000, one was at nearly \$39,000, and then the recommended assessments dropped to more than \$15,000. Vannerus initially told the Sentinel that he had informally resigned in November under pressure due to concerns about whether or not he resided within the district. This week he said it was because he was unwilling to hire an attorney to fight the district after he was told he had a conflict of interest.

“Where in the state have you heard of a special fire tax amount of even \$900,” Vannerus said. “It’s unheard of.”

Prior to the tax becoming finalized, a majority of property owners would need to vote in support of a ballot measure. The vote would be weighted so that those with a higher tax rate would have a larger share of votes, officials said.

The assessment study comes as Branciforte Fire has struggled for years to fully staff its station with volunteer firefighters and even as merger talks with Scotts Valley Fire Protection District are ongoing. Branciforte Fire authorities have conveyed informal conversations with Scotts Valley Fire suggesting that Branciforte’s fire station, at 2711 Branciforte Drive, would likely be shuttered if the two districts combined. Now, district leaders are asking their property owners to consider the cost of funding the station’s continued operations into the future.

In September, Santa Cruz Local Agency Formation Commission Executive Officer Joe Serrano told the board that the district, and not Scotts Valley fire, would need to make the decision on the fire station remaining open. Scotts Valley Fire had made it clear, Serrano said, that it can provide services to the Branciforte community with or without the Branciforte fire station remaining open.

At the same meeting, new appointees Marilyn Kuksht and Larry Pageler took their oaths of office to fill recent board vacancies on the five-member body.

Upcoming public workshops related to the benefit assessment district study will be posted to the Branciforte Fire website at branciforte-fire.com.



[Jessica A. York](#) | **Reporter**

Jessica A. York covers Santa Cruz County public safety, courts and homelessness for the Sentinel. She has been a working journalist, on both coasts, since 2004.

lookout.co

San Lorenzo Valley Water District digs into nearly \$3 million in storm repairs - Lookout Local Santa Cruz

Max Chun

4–5 minutes

Santa Cruz County's mountain communities [bore the brunt](#) of the local damage from January's storms. Barrages of downed trees, landslides and power outages took their toll on San Lorenzo Valley residents for the better part of the month.



Santa Cruz County builds back, prepares for an uncertain future

As a community pulls together, from Boulder Creek to Capitola to Rio Del Mar to the Pajaro Valley, Lookout brings you stories of recovery and resiliency. Send us your story, or one you know about that should be told, at news@lookoutlocal.com.

Now, as repairs get underway, San Lorenzo Valley Water District personnel are doing their best to gauge what they can do and when they can do it. The agency provides water and sewer services to more than 30,000 residents in the mountain communities.

Administrative Analyst Carly Blanchard told Lookout that the SLVWD currently estimates about \$2.8 million in damages. But district engineering manager Josh Wolff said he hasn't even started to think about the total cost of the repairs yet: "I've been face down

in actually getting things back together.”

Wolff said the repairs fall into two categories: One is for things that have to be done right away to maintain public safety — specifically the provision of water — and the other is for repairs that need to happen, but do not pose “immediate safety or operability hazards.”

“Other people worry about gas and electricity and whatever else, but for us, it’s just safety and providing water,” he said. “If it needs to be done to maintain that, we just do it, and apply to [the Federal Emergency Management Agency] for reimbursement later.”

The area suffered several water main breaks that required immediate attention. Water mains are arteries that send water through smaller pipes on the way to homes and businesses.

One of those that needed to be repaired is at Huckleberry Island in Brookdale; it’s the main structure to move surface water in and out of Boulder Creek. A stream overflowed on New Year’s Eve, which broke the pipe. Wolff said Scotts Valley-based engineering company Anderson Pacific installed a quick fix, creating a temporary water main to get the system back in operation.

Advertisement



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10 hot jobs in Santa Cruz County

February 12, 2023 | Looking for a new job? Start here.

This story is published every week with the 10 hottest jobs posted to Lookout’s Santa Cruz County job board.

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Another major water main break happened in the Riverside Grove neighborhood north of Boulder Creek, but this one was due to a landslide.

“It essentially destroyed it. I mean, it broke in five different places in just a few days,” said Wolff, adding that three homes were cut off

from water for a day as a result.

A Lompico booster station — infrastructure designed to increase water pressure — was flooded and shut down for a few days. That didn't affect water delivery, but did make operating the system more difficult.

"I've got to figure out a way to prevent that in the future, but it's working fine now," said Wolff. "Right now, I'm doing a lot of 'OK, what is today's problem?'"

Damage stacks up quickly, and addressing it incrementally is the best plan of attack, he said.

As Caltrans continues to work on the Highway 9 slide between [Upper and Lower Glen Arbor Road](#), Wolff and others at the water district must determine whether they will need to relocate the water main running through the northbound lane before the road can be restored. At this point, Wolff thinks that will be necessary.

Along with sinkholes, washouts and road damage — some of which has forced Boulder Creek water treatment plant workers to hike a half-mile into work due to inaccessibility — the area has a long way to go before it's back to pre-storm conditions.

yubanet.com

Rough & Ready Fire: closure, annexation, consolidation on the table

YubaNet

10–13 minutes

Rough & Ready Fire Protection District is running out of money, fast. Despite “brown outs” to save on staffing costs, the district will have to face very hard choices in the coming months.

As reported in April of last year, the [financial situation for the Rough&Ready Volunteer Fire Department](#) (RRVFD) has become untenable. In September 2022, a committee composed of members of RRVFD and Penn Valley Fire Protection District (PVFPD) was established to conduct a feasibility study for a consolidation of the two districts.

Also in September of 2022, PVFPD Chief Don Wagner was appointed Operational Chief for RRVFD. He oversees the daily operations, manages staff and is an advisor to the consolidation committee.

Current situation

On Tuesday evening, two members of the RRVFD Board of Directors were present at Penn Valley’s meeting. The verbal report of the consolidation committee, composed of both districts’ board members brought no new options or solutions.

“We know time is running out. We need to get some sort of response from the county. So as far as the consolidation committee, we’re going to still try and move forward as long as there is a glimmer of hope that we can make this work. We are looking at going ahead and pursuing some town hall meetings later

this month and then we'll see what kind of response we get. Obviously we're going to expect some response from the citizens in both of our fire districts and we'll see if we get a response from anybody in the county also and we'll move forward from there. I wish they had more answers to give to people because we're just not getting anything from the county."

These statements require some clarification. First, special districts like fire districts are not under the County authority, they have their own board of directors. Second, Rough&Ready's problems go back several years, including a successful special assessment that underestimated the needed funding. Third, the strain put on neighboring fire districts by closing the station several days a week creates a domino effect. Lastly, other agencies are working to assess the immediate and long-term needs and options.

Townhall set for Feb. 22nd

In their quest for a solution, RRVFD is now reaching out more actively to their residents. A town hall has been scheduled for February 22nd at 6:00 pm at the fire station. "We've come up with all the ideas we can, but there might be some good solutions out there that we haven't either thought of or heard yet." There is no agenda for the town hall available yet, but we will keep you posted on any details.

Penn Valley FPD, Nevada County and LAFCo working to fix the problem

Penn Valley Fire has taken the lead in examining options. Their Chief has taken over the operational direction of Rough&Ready and is working on the required financial projections, budgets and service requirements, in addition to running the Penn Valley district. Rough&Ready does not have a counterpart available to effectively participate in this work. Both a consolidation or an annexation require three-year plans, approval by the respective Board of Directors and, in all likelihood, bridge funding, followed by the creation of new district boundaries through the Local Agency

District 4 Supervisor Sue Hoek has been attending the workgroup meetings and stated, “LAFCo invited the County to participate in a meeting last week to look at Penn Valley and Rough and Ready consolidation. At the meeting, Penn Valley Fire asked the County to explore ad valorem tax rates and gap funding. The County agreed to offer County fiscal staff to assist with the financial analysis of consolidation and participate in LAFCo’s workgroup meetings moving forward.”

Hoek recognized the important role fire departments play in the county, “The County does not provide fire service, but we recognize that our independent fire districts are essential community partners. I plan to continue to advocate for them on issues that support their long-term financial feasibility, such as meeting with our State leadership when skyrocketing insurance premiums contribute to their financial instability. We commend Penn Valley Fire District for supporting the Rough and Ready service area during this time and Rough and Ready Fire District for looking at short-term solutions like grant funding opportunities and agreements with nearby fire partners. The workgroup will continue to look at all viable solutions for the residents of Rough & Ready Fire District. We hope to support and give Rough & Ready the tools to find a solution for their community.”

The Local Agency Formation Commission (LAFCo) is actively working with the consolidation committee. LAFCo’s responsibilities include the review and approval of the formation of public agencies, a change in boundaries of existing agencies, and other changes in organization of local agencies, such as consolidations. Nevada County LAFCo Executive Officer SR Jones explained their involvement: “LAFCo continues to work with both Districts and the consolidation committee on this effort. The consolidation plan would be the basis of a proposal for application to LAFCo, if it is approved by the boards of both districts. The Committee will be evaluating the fiscal outcomes of various consolidation/reorganization options,

and LAFCo will continue to assist this effort. In addition, County officials have offered the assistance of financial staff to help develop revenue assumptions.”

Possible options, not a comprehensive list

If no additional funding materializes, RRVFD could shut its doors in June, according to statements made at Tuesday’s meeting. Some of the options for providing service to the residents include:

- Calls for service in Rough&Ready’s area would be answered by the surrounding agencies – for a fee.
- The district goes dormant until funding can be secured. Residents would possibly experience longer response times and neighboring districts would have to expend funding to cover these calls outside of their area.
- Consolidation with Penn Valley. At this time, PVFD does not have the funding to staff an additional station with two firefighters 24/7. RRVFD does not have the funding to prepare a budget for their new fiscal year starting in July 2023.
- Annexation of the area into the Penn Valley District. Rough&Ready VFD ceases to exist.
- Parcel out the district to Nevada County Consolidated and Penn Valley fire departments. While this would lessen the strain on any one department, additional staffing would likely be required by all.
- One western Nevada County fire agency. A larger consolidation of all current fire departments in western Nevada County to streamline operations, standardize training and create a single agency. A heavy lift, not feasible in a short timeframe.
- Have CAL FIRE take over the district. If CAL FIRE has the necessary resources in staffing, hand the district over to the state agency. The financial impact to homeowners is unknown at this time.

Firefighter Union sees no economic sense in consolidation

Local 3800, the Professional Firefighters Union in Nevada County, is generally in favor of consolidations and mergers that streamline operations. In this case however, “it’s not possible, it doesn’t make economic sense,” said Local 3800 rep. Clayton Thomas. They are concerned about the remaining firefighters at RRVFD – should the district choose to close in June. To be fair, a similar concern was voiced Tuesday night by committee members, “They’re good fire personnel and they deserve to find a good job because they have families to take care of themselves.”

It all comes down to funding

Local fire departments are largely funded by a portion of property taxes, voter-approved special assessments, a portion of Prop. 172 funding, fees for services, donations, grants and reimbursements for strike teams sent on large fires. Fees, grants, donations and strike team reimbursements obviously vary from year to year.

The percentage of property taxes distributed to special districts differ between districts. Think of the total secured property tax as a pie that goes to fire districts. Currently Penn Valley receives .200% of the entire pie (\$486,895) and Rough & Ready receives .114% of the entire pie (\$277,645). Nevada County posts the [1% Ad Valorem Distribution](#) every year on the Auditor-Controller’s website.

“Ultimately, it all comes back to what property tax apportionments were for the agencies at the time of Prop 13 passage. Prop 13 reduced property tax apportionments proportionately. So, an agency that was receiving a higher property tax apportionment in 1978/79 will generally continue to receive a higher property tax apportionment,” explained Auditor-Controller Gina Will when this reporter asked why certain special districts received a higher percentage of property taxes.

Penn Valley is a pre-Prop. 13 district. At the time, the volunteer fire department had a shoestring budget – the apportionment is proportional to that, even though the district transformed into an independent and professional fire service.

Residents are affected by fire district woes

Local residents are directly affected by fire departments' ability to respond to any incident, be that a medical call, an accident, or a natural disaster like wildfire, flooding or winter storms. First, the immediate need during an emergency for a rapid and professional response. Second, a district with limited staffing, a lack of equipment or long response times affects the ISO rating of an area, which in turn directly affects the insurance premiums for homeowners. Coverage refusal or cancellation are already rampant in the high fire hazard areas in California and beyond. Fire departments make up 50% of an ISO score. In short, the better your fire department is equipped and staffed, the easier it is to find affordable homeowners' insurance.

About the two fire districts

Penn Valley's district covers 92 square miles and provides ambulance service. They operate three fire stations, two of which are currently staffed twenty-four hours a day with a minimum of two personnel.

Rough&Ready covers approximately 9 square miles and operates one fire station, three to four days a week at this time. The district currently has no permanent Fire Chief since April of 2022 and operates mostly with part-time volunteers.

californiawaternewsdaily.com

Contracts approved to build College Lake Project

California Water News Daily

3–4 minutes



February 13, 2023

The Pajaro Valley Water Management Agency (PV Water) Board of Directors approved contracts to construct the College Lake Integrated Resources Management Project during a special meeting on February 1. Before the vote, Vice-Chair, Stephen Rider, commented, “After 30 years it’s nice that this project is coming to realization.” Director and previous General Manager, Mary Bannister, added, “I could not be more thrilled for this project; I look forward to the day we cut the ribbon!” The Board awarded two contracts during its meeting, both to Mountain Cascade, Inc., which submitted the lowest responsive bid for each project component: the College Lake Water Treatment Plant and Intake Facilities Project in an amount of \$44,989,854, and for the construction of the College Lake Pipeline Project in an amount of \$23,707,310. Construction is anticipated to begin this spring and take 22 months. The Board also approved agreements for construction management services, environmental monitoring and permit compliance services, and engineering services during construction. “This is such a momentous day, I can hardly stand it! We don’t say

enough about the work of our General Manager, Brian Lockwood, just fabulous, and let's not forget about Mary Bannister, whose time as General Manager helped to lay the groundwork for this project," remarked Board Chair, Amy Newell. Director and Santa Cruz County Farm Bureau Past- President Tom Broz added, "This is a really important time to spearhead a project like this, and pointing to the future, this is a really important project that the community can stand behind. There will be challenges, but we have a great team to see this through and execute construction." Brian Lockwood agreed that the team is great and remarked that PV Water's staff is its greatest asset.

The College Lake Project will provide a new source of much-needed water to the critically overdrafted groundwater basin of the Pajaro Valley. The Project will also improve fish passage and bypass flows for the endangered South-central California coast steelhead. Once completed, the Project will provide the largest new source of water in the Pajaro Valley since the completion of PV Water's Watsonville Area Water Recycling Facility in 2009, operated in conjunction with the City of Watsonville.

The College Lake Pipeline Project will construct a 6-mile, 30-inch water main to transport treated water from the College Lake facility to over 5,000 acres of farmland via the Coastal Distribution System, 22-miles of pipelines currently delivering supplemental water (including recycled water) to farms along the coast to preserve the groundwater resources of the Pajaro Valley.

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The State Water Resources Control Board has said they will spend \$34 million on six ...

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Branciforte Fire station's future may be determined by voters

Jessica A. York

5–6 minutes

HAPPY VALLEY — Branciforte Fire Protection District leaders are expected to vote Thursday night on giving a final green light to move forward with a special tax benefit district election.



Happy Valley residents will soon be asked to consider imposing a new special benefits tax district on themselves if they wish to retain the Branciforte Fire Station during a planned reorganization with nearby Scotts Valley Fire. (Jessica A. York — Santa Cruz Sentinel)

Should the board of directors agree to issue the vote-by-mail ballot, property owners across the district would soon be asked whether they are willing to pay extra taxes to maintain paid leadership staffing at the volunteer-powered station daily. District leaders, in active talks for months with Scotts Valley Fire Protection District authorities about a reorganization to merge the two districts, say

they need \$1 million a year to do the job and ensure the station is not shuttered down the road.

The benefit district ballot vote, scheduled for the board's regular 6 p.m. meeting Thursday, comes after members held an informal meeting Friday. Consulting firm SCI Consulting Group was invited to give a study session breaking down how it came up with preliminary tax rates for each property in the district. More than a dozen people attended the midafternoon discussion at the Branciforte Fire Station.

Of the 1,006 properties in the Branciforte Fire Protection District, more than 85% of the "burden" to the fire department is classified as residential, which is "very high compared to other districts," according to consultants. Consultants assumed that, at about 1,000 properties times \$1,000, the fire district could achieve its goal of about \$1 million in revenue.

"Right now, your district can afford one full-time paid firefighter on the unit, the whole time," Interim Fire Chief Nate Lackey said Friday. "When Scotts Valley kicks over, they will not staff with just one firefighter. It's unsafe, it's just not a safe situation. They will staff it with a captain and a firefighter-paramedic, so you will have an additional firefighter who is a paramedic, 24-7, responding out of the station. And that's what the \$1 million is — it's the increase of the cost of the on-duty personnel."

Lackey added that there are three fire station shifts, meaning three new individuals would be hired to cover each shift. Scotts Valley fire also pays its personnel a higher salary than Branciforte Fire does, he said.

Breaking down the numbers

The 11 property owners facing the highest proposed rates, the so-called heavy hitters, also would be given the loudest voice in the tax's passage or failure. Those paying the least taxes would have the lowest weighted vote value. Asked how residents will know what their exact proposed rate will be, firm President John Bliss said his company puts its phone number and website on the ballot

mailer, inviting voters to call in and email to have their rates calculated individually.

A benefit assessment distributes costs in proportion to benefits. The four primary factors that the firm uses to calculate fire rates, representatives said, included fire risk factors, structural risk value or the cost to replace that property type, location within a fire hazard zones and travel time premiums.

For the final element, district property owners closest to the fire station receive a greater benefit, due to quicker response, than property owners at the district's furthest edge, according to consultants. Those receiving the more significant benefit will end up paying a higher tax premium, they said. Fire risk factors assume that a single-family home is the baseline risk, with multi-family residences a bit more than double the risk, while storage facilities are more than 13 times higher and a parking lot or vacant parcel has less than a third of the fire risk of a single-family home.

To date, the consultant's estimated tax rates per property have been calculated without factoring in hazard zones or fire response travel premiums, however. No breaks were calculated for seniors or public entities such as school districts or churches. Bliss added that he would need to research the rates set for properties far from the Branciforte Fire Station, but close to other districts' stations, especially those abutting Scotts Valley.

IF YOU GO

- What: Branciforte Fire Protection District board meeting.
- When: 6 p.m., Thursday.
- Where: 2711 Branciforte Drive.
- At issue: Special benefit assessment.
- Information: branciforte-fire.com or call 831-423-8856.