



Date: April 5, 2023
To: LAFCO Commissioners
From: Joe Serrano, Executive Officer
Subject: **“Scotts Valley Water District Sphere Annexation”**

SUMMARY OF RECOMMENDATION

An annexation and concurrent sphere amendment is being proposed by the Scotts Valley Water District (“SVWD” or “District”). The proposal area encompasses 184 parcels, approximately 1,500 acres, and almost 300 registered voters. The purpose of the proposal is to allow the opportunity for connecting with the District’s water system, when desired by the affected landowners and without the need for future LAFCO action.

It is recommended that the Commission adopt the draft resolution (No. 2023-08) approving the 184-parcel annexation into the Scotts Valley Water District.

EXECUTIVE OFFICER’S REPORT:

The State Legislature gave LAFCOs broad authority when it comes to considering boundary changes for cities and special districts. LAFCO powers are delineated in the Cortese-Knox-Hertzberg Act. Under this Act, the Commission can deny or approve, with or without conditions, a wide range of boundary changes to local governments, including annexations, dissolutions, detachments, formations, consolidations, and mergers. Government Code Section 56017 defines an annexation as the “inclusion, attachment, or addition of territory to a city or district.” This action is important when an affected parcel is outside a district’s jurisdiction and is in need of a particular service(s). That is why State law also requires LAFCO to adopt spheres of influence. Government Code Section 56076 defines a sphere as a “plan for the probable physical boundaries and service area of a local agency, as determined by the commission [LAFCO].” In other words, a sphere identifies the most logical provider of service(s) to areas currently outside an agency’s jurisdiction. For additional guidance, the Commission adopted a policy¹ to implement the State law in a manner that best encourages orderly growth based upon local conditions within Santa Cruz County.

Annexation Overview

The SVWD, after its Board of Directors unanimously adopted a resolution of initiation, submitted an application to annex 184 parcels. 81% of these parcels (149 out of 184) are within the District’s established sphere boundary. The remaining 35 parcels (19%) are outside SVWD’s sphere but most of them are already being served by the water agency. The purpose of the proposal is to allow the opportunity for connecting with the District’s water system - when desired by the affected landowners and without the need for future LAFCO process or standalone applications from each parcel. If approved, the affected landowners will not be required to connect with the District’s distribution system but will have the opportunity to do so when desired and/or warranted. **Figure A** on page 2 addresses some key questions associated with the proposed annexation.

¹ LAFCO’s Proposal Evaluation Policy: https://santacruzlafco.org/wp-content/uploads/2021/06/Proposal-Evaluation-Policy-Adopted-Version-8-5-20_.pdf

Figure A – Frequently Asked Questions

Question	Answer
<p>Why is this happening?</p>	<p>State law requires LAFCO to analyze each agency at least every five years. LAFCO's 2022 Water Service and Sphere Review requested that all water agencies, including SVWD, develop an annexation plan that reflects its existing sphere. After further analysis, coordination with LAFCO, and an outreach effort to inform the residents, SVWD submitted an application to LAFCO in September 2022 to annex areas within its sphere and areas already served by the District.</p>
<p>Are affected residents required to connect to SVWD or automatically become SVWD customers post-annexation?</p>	<p>No. The annexation does not require or force residents to abandon their existing water supply and connect to SVWD. On the contrary, the annexation now gives the landowners the option to connect now or in the future, if desired.</p>
<p>Will property taxes go up for affected residents post-annexation? Will they experience any new or “hidden” costs?</p>	<p>No. The annexation does not financially impact the affected residents or landowners. On the contrary, the annexation would save property owners time (up to a year) and money (up to \$5,000 or more) by removing the LAFCO process when considering the connection to SVWD in the future, if desired.</p>
<p>Does SVWD has enough water supply to serve these additional parcels?</p>	<p>SVWD and the surrounding areas already rely on a shared source of water – the Santa Margarita Groundwater Basin. A successful annexation would expand the water supply delivery options and efficiently provide water services in the greater Scotts Valley area. More importantly it would expedite the connection process for private water systems or individual well owners whose production wells are currently failing or on the verge of failing.</p>
<p>If the annexation does not go forward, how can residents connect to SVWD?</p>	<p>State law requires residents to receive approval by LAFCO for annexation before going through the connection process with SVWD. The interested applicant(s) must submit the required material, including but not limited to environmental documents and map & legal descriptions, all of which have various fees and costs.</p> <p>The applicant is also subject to LAFCO fees ranging up to \$5,000 per application. On average, the LAFCO process takes 6-8 months to complete but varies. Rather than potentially having 184 standalone applications, the proposed annexation expedites the annexation process in a single action at no-cost to the affected residents.</p>

Countywide Water Service & Sphere Review

The Commission adopted a Countywide Water Service & Sphere Review on August 3, 2022, which analyzed the nine water agencies in Santa Cruz County. The service review process does not require LAFCO to initiate changes of organization based on service review conclusions or findings, instead it only requires that LAFCO make determinations regarding the delivery of public services in accordance with the provisions of Government Code Section 56430. However, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence. Below is a summary of SVWD's key findings within the 2022 countywide water report.

Service & Infrastructure: SVWD currently serves approximately 12,000 people within six square miles. The District provides services in the following categories: domestic, fire protection, landscape and bulk water. At present, it has 4,330 connections through 60 miles of pipeline.

Financial Health: SVWD has ended with an annual operating budget surplus in four of the last six years. As of June 30, 2022, the District has a net position of approximately \$23 million, of which \$5.2 million is current assets. The healthy reserve balance is critically important in the event that the District faces any unintended expenses, major capital improvements projects, or emergency repairs. LAFCO staff believes that SVWD manages its financial resources in a manner that ensures the reliability of its operations.

Website Transparency: SVWD is currently meeting the statutory requirements under Senate Bill 929. Based on LAFCO's analysis, the District covered 18 out of the 20 transparency benchmarks evaluated in the 2022 service review.

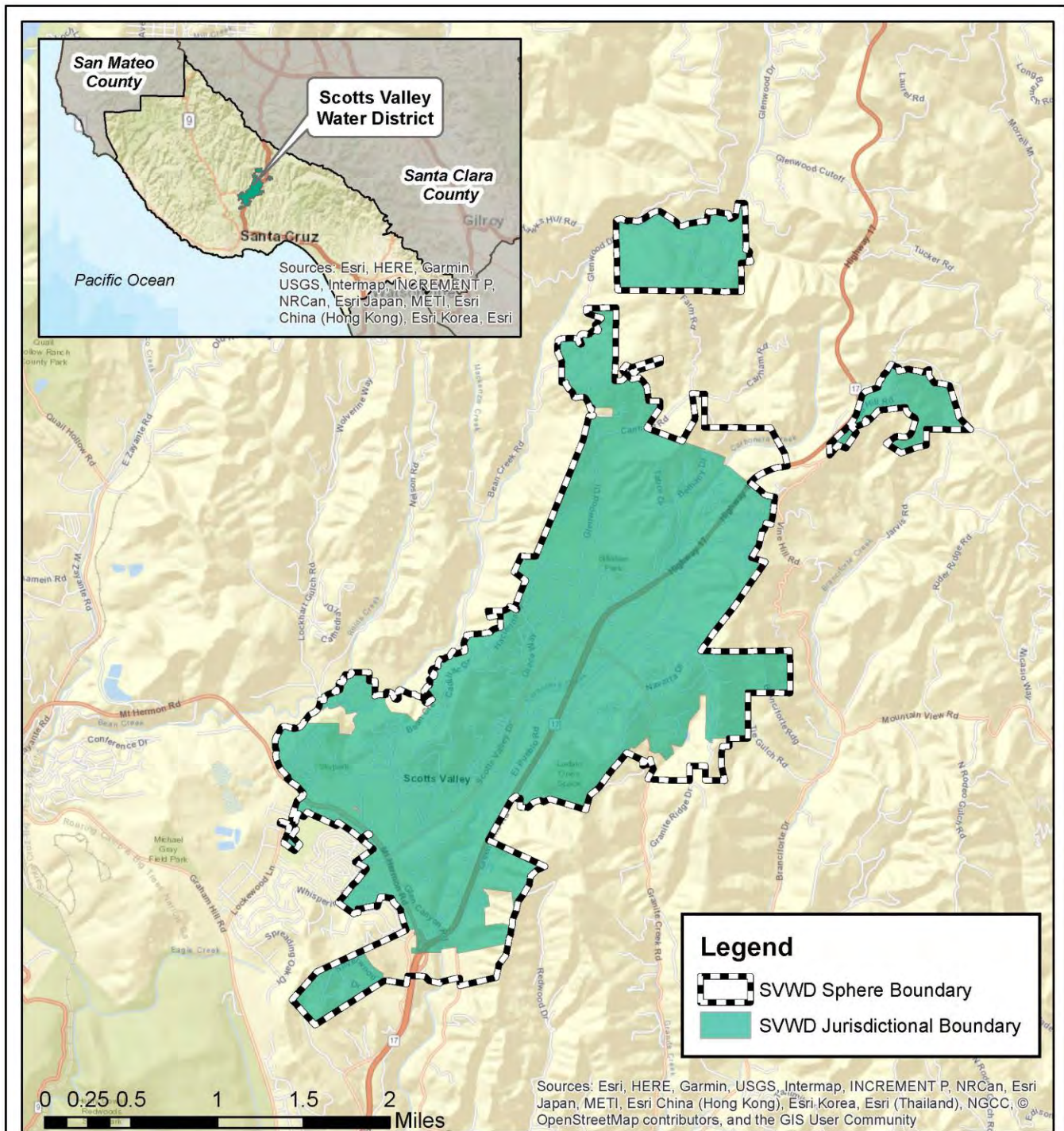
Sphere Boundary: LAFCO adopted SVWD's original sphere of influence on October 16, 1985. The sphere was updated on March 3, 2021 as part of the District's last service review cycle. The update was based on LAFCO's analysis, which determined that a total of eight unserved islands are substantially surrounded by the water district and should be annexed in the foreseeable future. LAFCO subsequently expanded the District's sphere to include approximately 300 acres in March 2021. As part of the 2022 countywide water report, LAFCO reaffirmed the sphere boundary, as shown in **Figure B** on page 4.

Annexation Application

On May 12, 2022, the District Board of Directors unanimously adopted a resolution to initiate annexation of all the territory within its current sphere boundary. If approved, the residents would not be required to connect with the District's water system, however, they will no longer be subject to LAFCO's approval if and when they decide to request a new service connection from SVWD. This proactive approach stems directly from LAFCO's recommendations in the District's last service review, which was adopted by the Commission in May 2021². LAFCO staff anticipated that the proposed annexation would be presented to the Commission for consideration in 2023, which was discussed in more detail in the 2022 countywide service and sphere review.

² 2021 SVWD Service Review: https://santacruzlafco.org/wp-content/uploads/2021/05/SVWD-Service-and-Sphere-Review-Adopted-Version_.pdf

Figure B – Current Jurisdictional and Sphere Boundaries



Scotts Valley Water District Jurisdictional and Sphere Boundaries



Vicinity map created on May 31, 2022

Original sphere adopted on October 16, 1985
 Sphere update on November 2, 2016
 Sphere amendment on March 3, 2021
 Sphere reaffirmed on August 3, 2022

LAFCO Application

The 2021 standalone service review, and the subsequent 2022 countywide water report, encouraged SVWD to analyze their existing sphere boundary and determine whether it accurately reflected their current and future services. As a result, SVWD decided to move forward in requesting an annexation of areas within its sphere as well as areas already being served by the District. **Figure C** on page 6 depicts the proposed annexation area, which involves 184 parcels and approximately 1,500 acres. An official application was submitted to LAFCO on August 17, 2022. The following section discusses key components within the application.

Initiating Resolution

State law requires a boundary change, including annexation, to be initiated by landowner/registered voter petition or by an adopted resolution from the affected agency. Pursuant to Government Code Section 56017.2(a), SVWD unanimously adopted a resolution to initiate the annexation process, as shown in **Attachment 1**.

Filing Fee

Commission Policy³ requires a fee deposit of \$8,000 for annexations involving more than 150 acres. However, SVWD submitted a letter requesting that LAFCO waive the fees associated with the annexation process due to the District's proactive effort to expand the water supply delivery options to the residents and address the recommendations identified by LAFCO in the 2022 countywide water report. LAFCO staff has identified the fee waiver as a condition in the draft resolution for Commission consideration.

Indemnification

Commission Policy⁴ also requires a signed indemnification agreement in the event that a lawsuit is filed against LAFCO's action. A signed indemnification agreement was submitted on September 15, 2022 as part of the application packet (refer to **Attachment 2**).

General Plan / Zoning Designation

The annexation area is inhabited and currently has multiple land use designations under the County's General Plan and the City of Scotts Valley's General Plan, ranging from Agriculture to Urban Very Low Residential. In general, the vast majority of the subject area is designated as Rural and Mountain Residential. The application does not propose any changes to the existing land use designation.

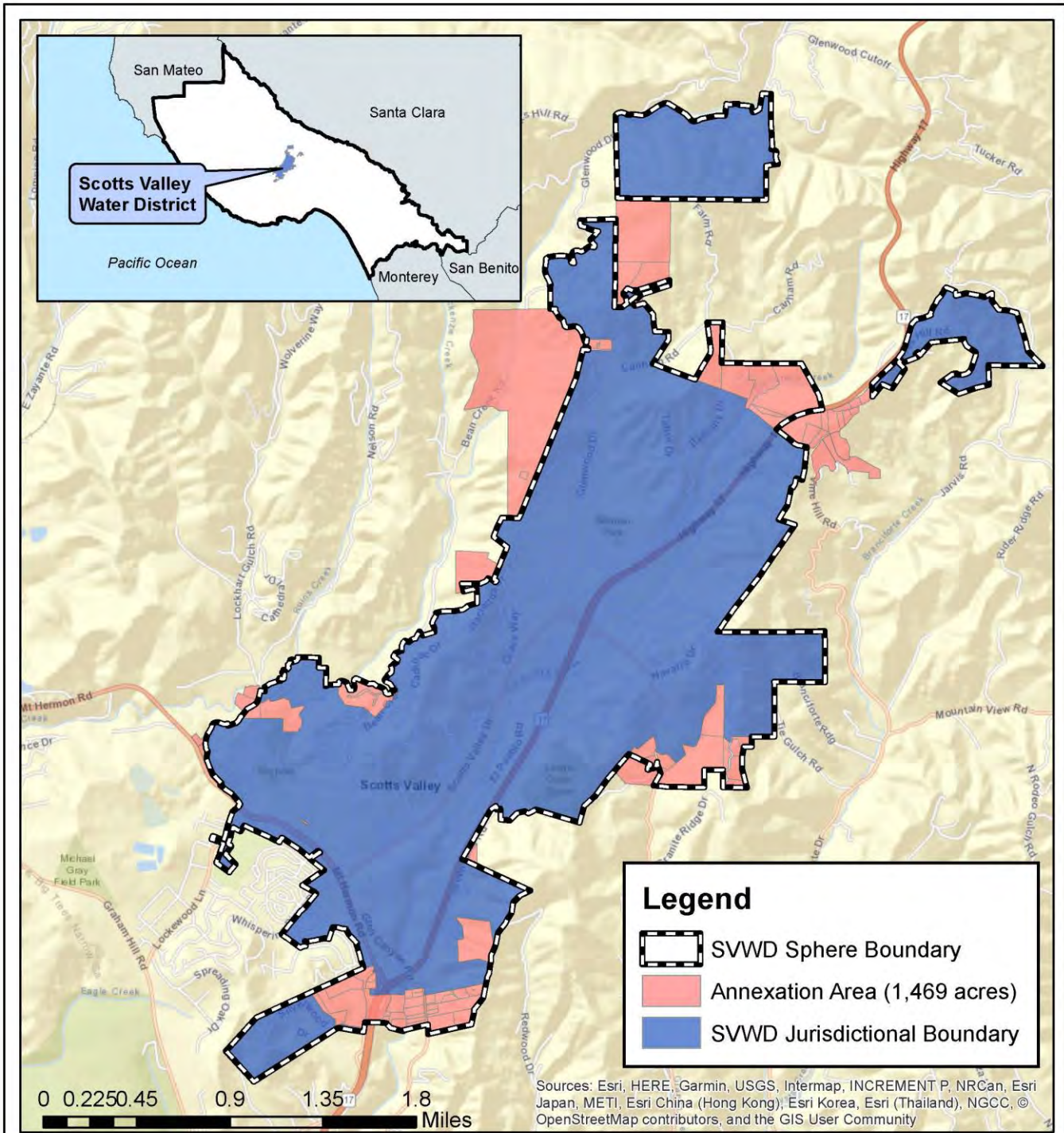
Other Municipal Services

LAFCO is not recommending any other changes to the provisions of further municipal services. The annexation area will continue to receive municipal services from other existing public agencies, including but not limited to fire services from Scotts Valley Fire Protection District and sewer services from the City of Scotts Valley or from their existing private septic systems.

³ LAFCO's Fee Policy: https://santacruzlafco.org/wp-content/uploads/2021/06/Fees-and-Deposits-Policy-Adopted-Version-8-5-20_.pdf

⁴ LAFCO's Indemnification Policy: https://santacruzlafco.org/wp-content/uploads/2021/06/Indemnification-Policy-Adopted-Version-9-2-20_.pdf

Figure C – Proposed Annexation and Sphere Amendment



"Scotts Valley Water District Sphere Annexation" (LAFCO Project No. DA 22-13)



Map created on February 9, 2023

There are 184 parcels within the proposed annexation area. 81% of these parcels (149 out of 184) are within the District's sphere boundary. The remaining 35 parcels (19%) are outside the District's sphere but most of them are already being served by SVWD.

LAFCO Process (Pre-Commission Action)

Once an application is submitted to LAFCO, State law requires several steps to be completed before a proposal is presented to the Commission for consideration. These steps include notifying the applicants whether the application is missing items, informing affected and interested agencies about the annexation, requesting the consideration of a property tax exchange agreement, recording an environmental document, and conducting LAFCO staff's analysis of the annexation.

Status Letter

Pursuant to Government Code Section 56658(c), the LAFCO Executive Officer needs to determine within 30 days of receiving an application whether the application is complete and acceptable for filing or whether the application is incomplete. A letter was sent to SVWD on September 9, 2022 (see **Attachment 3**). This letter indicated the "status" of the application and outlines which steps were needed before the application could be deemed complete and ready for Commission consideration.

Referral Letter (Agency Comments)

Pursuant to Government Code Section 56658(b)(1), immediately after receiving an application and before issuing a certificate of filing, the LAFCO Executive Officer needs to give mailed notice that the application has been received to each affected local agency, the county committee on school district organization, and each school superintendent whose school district overlies the affected territory. The referral letter, shown as **Attachment 4**, was sent to the interested and affected agencies on September 12, 2022 which included a summary of the proposal and a supporting map. During this time, LAFCO staff also requested additional information from different County Departments regarding existing registered voters, number of parcels, and total land value within the proposal area. Due to the confidential information, such as resident names and addresses, the provided information is not attached to this report. However, the information is available for review at the LAFCO Office.

- County Elections Office: LAFCO staff requested a list of the most recent registered voters within the annexation area. The Elections Department identified 275 registered voters within the proposal area as of August 31, 2022.
- County Assessor Office: LAFCO staff requested a list of all the parcels within the annexation area as well as the assessed value for those parcels. The Assessor's Office identified 184 parcels within the proposal area. The total land value within the proposal area is approximately \$104 million.
- County Auditor Controller Office: LAFCO staff requested a list of all the tax rate areas (TRAs) within the annexation area. The Auditor-Controller identified 17 different TRAs with a property tax value of approximately \$2.4 million, as shown in **Attachment 5**. This information was used to estimate the property tax revenues and distribution factors in the affected area in accordance with Revenue & Taxation §99 (b) & (c).
- County Administrative Office: LAFCO staff requested that a property tax exchange agreement be placed on a future agenda for adoption by the County Board of Supervisors. The County Administrative Office scheduled the proposed tax agreement consideration on December 13, 2022, as discussed in the next segment.

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 agencies before LAFCO can consider a jurisdictional change. The Board of Supervisors acting as the authorizing body for the District regarding property tax adjustments adopted a property tax exchange agreement on December 13, 2022. A copy of the adopted resolution is available in **Attachment 6**.

Plan for Service

Pursuant to Government Code Section 56653, the applicants shall submit a plan for providing services within the affected territory. The Plan for Service includes all of the following information and any additional information required by LAFCO: (1) An enumeration and description of the services currently provided or to be extended to the affected territory, (2) The level and range of those services, (3) An indication of when those services can feasibly be extended to the affected territory, if new services are proposed, (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed, and (5) Information with respect to how those services will be financed. **Attachment 7** provides a copy of the Plan for Service which addresses the five identified factors.

Environmental Review

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 (CEQA). LAFCO, as the Lead Agency, recorded a Notice of Exemption pursuant to State CEQA Guidelines Section 15319, Class 19(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 Notice of Exemption, as shown in **Attachment 8**, will be recorded following the Commission's action, if approved.

Additional Local & Statutory Factors

Pursuant to Government Code Section 56668, several factors are considered when reviewing a proposal. Additionally, the Commission has adopted a policy to implement the State law in the manner that best encourages orderly growth based upon local conditions within Santa Cruz County. These analyzed factors are shown in **Attachment 9**. In addition to these statutory factors, the following section examines additional local factors identified by LAFCO staff:

Consistency with Sphere of Influence

The Commission requires that all changes of organization be consistent with adopted spheres boundaries. The annexation area is consistent with the SVWD's sphere boundary, with the exclusion of 35 parcels. It is important to note that most of these parcels are already being served by the District and were discovered following thorough research by SVWD and LAFCO. Therefore, these parcels should be annexed and the sphere boundary should be amended to reflect the annexation for consistency. If approved, the sphere will be coterminous with the District's jurisdictional boundary.

Population Analysis

Based on staff's analysis, the population served by SVWD in 2020 was approximately 11,800. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have slow growth over the next twenty years. Based on this slow growth trend, the population for unincorporated lands and the City of Scotts Valley is expected to increase by 0.86% and 0.56%, respectively. **Figure D** shows the anticipated population within SVWD. The average rate of change for SVWD is 0.71% based on the combined average rate of change for the County and City. Under this assumption, the entire population of SVWD will be approximately 12,100 by 2040.

Figure D: Population Projection

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
City of Scotts Valley	12,145	12,214	12,282	12,348	12,418	0.56%
Scotts Valley Water District	11,776	11,859	11,943	12,027	12,112	0.71%

Divestiture of Services

For proposals involving the potential discontinuation of services, the Commission requires that no serious effects on the current users of the service occur. There are currently 51 private wells within the annexation area, as shown in **Figure E** on page 10. Residents will have the option to continue utilizing their wells or connect to SVWD, post-annexation. It is important to note that the water supply for these wells, and SVWD, derive from the same groundwater basin.

Ranking Different Boundary Changes

The Commission encourages service requests, such as water provisions, to involve existing local agencies rather than the formation of new districts. As a result, the Commission has ranked the change of organization by descending order of preference. The proposed annexation refers to the highest preference available for the subject area – identifying SVWD as the most logical provider.

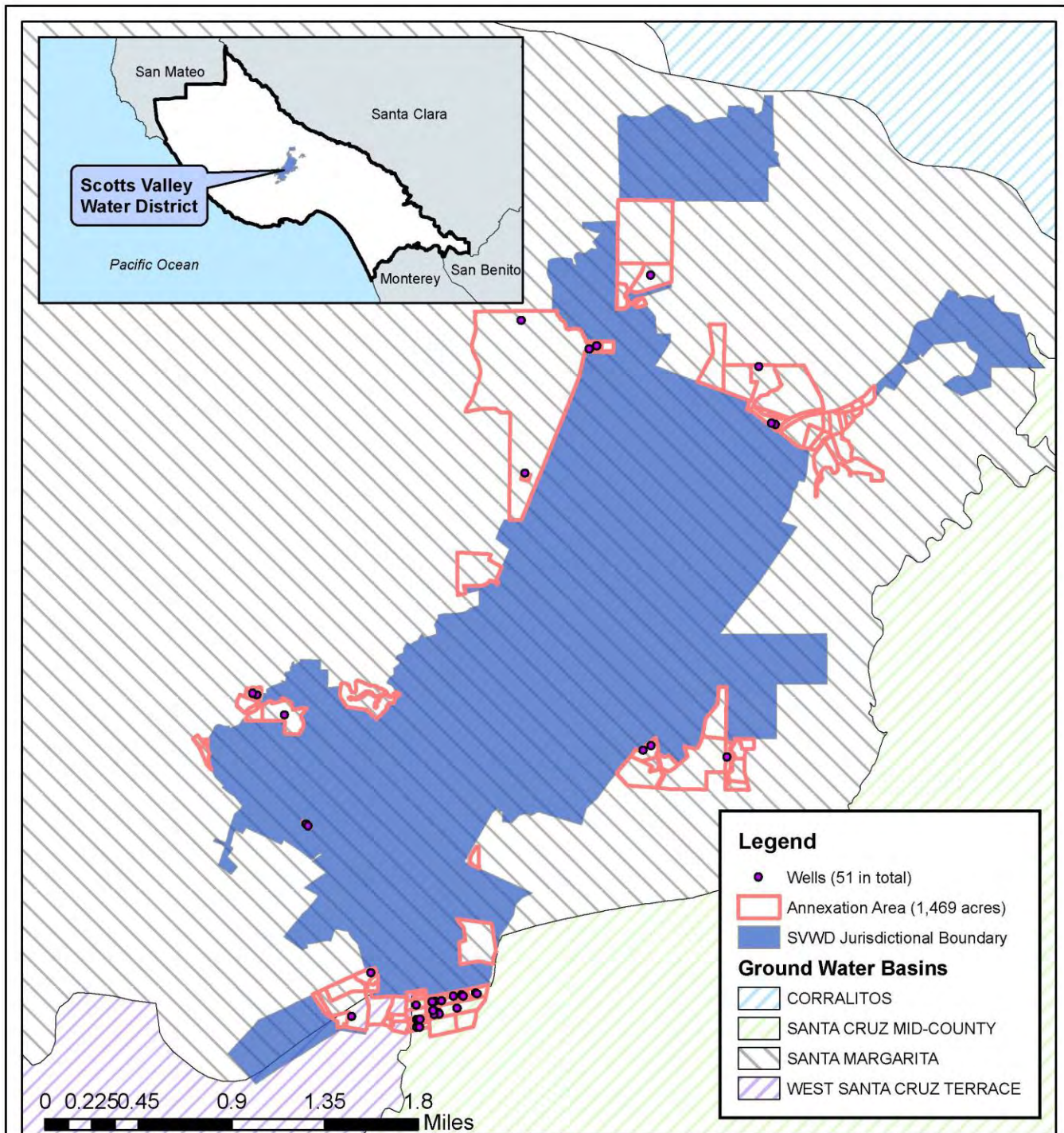
Logical Boundaries / Prevention of Irregular Boundaries

The Commission promotes logical boundaries. At present, SVWD's jurisdictional boundary is divided into three non-contiguous service areas. The proposed annexation would address this discrepancy and combine the territories into a single service area.

Supply of Water

LAFCO recognizes that the water resources of Santa Cruz County are limited, and the Commission's objective is to ensure that its decisions relating to water do not lead to adverse impacts on the natural resources of Santa Cruz County. In reviewing boundary change applications, LAFCO shall be guided by the potential impacts of the proposal on water resources and will consider the efforts of the water agencies and land use agencies to maintain stream and river flows, promote high water quality of surface waters and groundwater, and reduce groundwater overdraft. All property owners and residents in Scotts Valley and the surrounding area rely on a shared source of water, the Santa Margarita Groundwater Basin. A successful annexation would expand the water supply delivery options and efficiently provide water services in the greater Scotts Valley area.

Figure E – Existing Wells & Groundwater Basins



"Scotts Valley Water District Sphere Annexation" (LAFCO Project No. DA 22-13)

At present, there are 51 wells within the annexation area.
The status of these wells are unknown.

The water supply for these wells, and SVWD,
derives from the groundwater basins.



Map created on March 24, 2023

Certificate of Filing

Pursuant to Government Code Section 56020.6, a certificate of filing is a document issued by the Executive Officer that confirms an application for a change of organization has met submission requirements and is ready for Commission consideration. The Executive Officer deemed the application complete and signed the certificate of filing on March 6, 2023 as shown in **Attachment 10**. Following the issuance of the certificate of filing, the Executive Officer shall proceed to set the proposal for hearing and give published notice. The date of the hearing shall be no more than 90 days after issuance of the certificate of filing or after the application is deemed to have been accepted, whichever is earlier. Notwithstanding Government Code Section 56106, the date for conducting the hearing is mandatory.

LAFCO Process (Commission Action)

Pursuant to State law, LAFCO is required to advertise the consideration of the proposed annexation in a newspaper at least 21-days prior to the hearing date (Government Code Section 56157[h]). After deeming the proposal complete, the Executive Officer advertised the proposal in the Santa Cruz Sentinel on March 14, 2023. The public notice was also uploaded on LAFCO's website. The public notice indicated that the annexation was scheduled for Commission consideration on April 5, 2023 and included a vicinity map. A copy of the public notice is shown in **Attachment 11**. For additional transparency and education, SVWD mailed postcards to the affected residents explaining the purpose and benefits of the proposed annexation (as shown in **Attachment 12**). While not legally obligated, this additional outreach effort also fulfilled the requirements under Government Code Section 56157(d) and (f).

Commission Hearing

Pursuant to Government Code Section 56666, a hearing is required when considering a change of organization. At the hearing, the Commission shall hear and receive any oral or written protests, objections, or evidence that shall be made, presented, or filed, and consider the report of the Executive Officer and the plan for providing services to the proposal area. The April 5th Agenda Packet, with access to the annexation's staff report and supporting documents, was published on LAFCO's website on March 30, 2023.

LAFCO Process (Post-Commission Action)

If the Commission approves the proposed annexation, State law requires the commencement of a request for reconsideration period and a protest proceeding. These two periods are summarized below. **Attachment 13** provides a complete overview of the entire LAFCO process schedule – from the day the application was submitted to the proposed completion date (assuming the annexation effort is successful).

Request for Reconsideration

Pursuant to Government Code Section 56895, when the Commission adopts a resolution making determinations regarding a change of organization, any person or affected agency may file a written request with the Executive Officer requesting amendments to or reconsideration of the resolution. The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration. Individuals or agencies have up to 30 days after adoption of the resolution to submit a written request. The request for reconsideration period is scheduled for April 6 to May 5, 2023.

Protest Proceedings

Pursuant to Government Code Section 57000, when the Commission adopts a resolution making determinations regarding a change of organization, affected residents within the proposal area will have an opportunity to voice their opposition during the protest period. The Commission shall specify a timeframe between twenty-one (21) and sixty (60) days for the collection and filing of written protests pursuant to Government Code Section 56886(o), and that timeframe shall be included in the terms and conditions of an approval for a change of organization. Within thirty (35) days of the adoption of the Commission's resolution, the Executive Officer shall notice a protest hearing and, in the notice, set the hearing date as prescribed by the Commission in its terms and conditions. LAFCO staff has set forth a 26-day protest proceeding. The protest period is scheduled for May 7 to June 2, 2023. A protest hearing will be held on Friday, June 2, 2023 to collect the final petitions and hear any resident feedback. A public notice for the protest hearing is scheduled to be advertised in the Sentinel Newspaper on April 17, 2023.

Protest Results

Upon determination of the value of written protests filed and not withdrawn, the Executive Officer shall take one of the following actions:

- a) If less than 25% of the affected registered voters or landowners oppose the proposal, then a form of resolution making determinations and ordering the change of organization or reorganization will be adopted without an election;
- b) If 25% to 50% of the affected registered voters or landowners oppose the proposal, then a form of resolution making determinations and ordering the change of organization or reorganization will be adopted subject to confirmation by the voters; or
- c) If more than 50% of the affected registered voters or landowners oppose the proposal, then a certificate of termination will be issued, which ends the LAFCO proceedings.

For additional transparency, and to clarify the statutory requirements outlined in the Cortese-Knox-Hertzberg Act, the Commission adopted a Protest Proceedings Policy⁵.

Certificate of Completion

A certificate of completion is the document prepared by the Executive Officer and recorded with the County Recorder that confirms the final successful completion of a change of organization, in this case the proposed annexation and concurrent sphere amendment. Pursuant to Government Code Section 57200, the Executive Officer will prepare and execute a certificate of completion when the following are completed:

- 1) Completion of the Request for Reconsideration and Protest Periods; and
- 2) Satisfaction of any conditions contained in the adopted resolution that required to be completed prior to filing a certificate of completion.

Pursuant to Government Code Section 57001, if a certificate of completion for a change of organization has not been filed within one year after the commission approves a proposal for that proceeding, the proceeding shall be deemed terminated unless prior to the expiration of that year the Commission authorizes an extension of time for that completion. The extension may be for any period deemed reasonable to the Commission for completion of necessary prerequisite actions by any party.

⁵ LAFCO's Protest Policy: https://santacruzlafco.org/wp-content/uploads/2021/06/Protest-Proceedings-Policy-Adopted-Version-9-2-20_.pdf

STAFF RECOMMENDATION

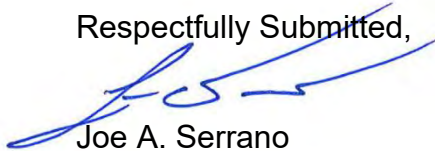
Government Code Section 56076 indicates that city and special district spheres define the probable physical boundaries and service area of a local agency. In other words, spheres identify the most logical provider of public services to a specific area. LAFCO adopted a sphere for SVWD back in 1985 that expanded beyond the District's jurisdictional boundary. However, only five annexations have occurred since 1985, with most of them taking place between 1986 to 1996. The sphere boundary for SVWD remained the same for almost 40 years with no activity until 2021. During this time, the Commission encouraged SVWD to evaluate their sphere boundary and determine whether it accurately reflects the District's current and future services. Following an internal review, and coordination with LAFCO, SVWD decided that a single annexation application would benefit the residents and the District in three ways:

- 1) Offers property owners the option of becoming a customer without any obligation;
- 2) Expedites the connection process whenever a resident decides to receive water from SVWD by removing the LAFCO process entirely; and
- 3) Addresses the District's three non-contiguous service areas by creating a more logical boundary and concurrently establishing a coterminous sphere boundary.

This proactive effort is a perfect example of how spheres can be an effective planning tool for local agencies, but more importantly, results in a better level of service for affected residents now and in the future.

In conclusion, the annexation will offer the opportunity to connect into the District's water system, when desired by the affected landowners and without the need for future LAFCO action or standalone applications from each parcel owner. If approved, the affected residents will not be required to connect into the District's water system but will have the choice to do so when warranted. That is why LAFCO staff is recommending that the Commission adopt the draft resolution, as shown in **Attachment 14**, approving the 184-parcel annexation into the Scotts Valley Water District.

Respectfully Submitted,



Joe A. Serrano
Executive Officer

Attachments:

1. [Resolution of Initiation](#)
2. [Indemnification Agreement](#)
3. [LAFCO Status Letter](#)
4. [LAFCO Referral Letter](#)
5. [Tax Rate Area Memo](#)
6. [Property Tax Exchange Agreement](#)
7. [Plan for Service](#)
8. [Notice of Exemption \(CEQA\)](#)
9. [Local & Statutory Factors](#)
10. [Certificate of Filing](#)
11. [Notice of Public Hearing](#)

12. [SVWD Postcard \(Additional Outreach Effort\)](#)

13. [LAFCO Timeline \(Annexation Schedule\)](#)

14. [Draft Resolution No. 2023-08](#)

cc: David McNair, Scotts Valley Water District
Carlos Palacio, County Administrative Office
Matt Machado, County Public Works Department
Sierra Ryan, County Environmental Health Department