



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

ADOPTED MINUTES

LAFCO REGULAR MEETING AGENDA

Wednesday, May 3, 2023

Start Time - 9:00 a.m.

1. ROLL CALL

Chair Yvette Brooks 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 the roll call.

The following Commissioners were present:

- Chair Yvette Brooks
- Vice-Chair John Hunt
- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Justin Cummings
- Commissioner Rachél Lather
- Commissioner Allan Timms
- Alternate Commissioner Manu Koenig
- Alternate Commissioner Shebreh Kalantari-Johnson

Alternate Commissioner Manu Koenig will be a voting member on behalf of Commissioner Zach Friend (County Representative).

The following LAFCO staff members were present:

- Executive Officer, Joe Serrano
- Legal Counsel, Joshua Nelson
- Analyst, Francisco Estrada

2. EXECUTIVE OFFICER'S MESSAGE

2a. Virtual meeting Process

Executive Officer Joe Serrano announced that the Commission Meeting was being conducted through a hybrid approach with Commissioners and staff attending in-person while members of the public have the option to attend virtually or in-person. Mr. Serrano noted that Legal Counsel was participating remotely in accordance with state law.

2b. City Seat Rotation Schedule Update

Executive Officer Joe Serrano noted that in accordance with the current rotation schedule, the Cities of Capitola and Scotts Valley will serve as voting members of the Commission starting in May 2023, while the City of Santa Cruz will become the alternate member and the City of Watsonville will rotate out of the Commission. Mr. Serrano added that the City Selection Committee will consider updating the historical rotation schedule later this year with the intention of increasing equal representation on LAFCO. Finally, Mr. Serrano welcomed **Commissioner Shebreh Kalantari-Johnson**, councilmember from the City of Santa Cruz, onto the Commission.

3. ADOPTION OF MINUTES

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

Chair Yvette Brooks called for the approval of the draft minutes. **Commissioner Roger Anderson** motioned for approval of the April 5th Meeting Minutes and **Commissioner Rachél Lather** seconded the motion.

Chair Yvette Brooks called for a voice vote on the approval of the draft minutes with no changes.

MOTION: Roger Anderson

SECOND: Rachél Lather

FOR: Jim Anderson, Roger Anderson, Yvette Brooks, Justin Cummings, Manu Koenig, Rachél Lather, and Allan Timms.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

4. ORAL COMMUNICATIONS

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

Becky Steinbruner, member of the public, expressed concerns regarding the following non-agenda items: (a) the City Selection Committee, (b) the potential of a parcel assessment conducted by the Pajaro Valley Healthcare District, (c) the Scotts Valley/Branciforte Fire District Reorganization, and, (d) Ms. Steinbruner informed the Commission about the upcoming County Fire Department Advisory Commission meeting taking place on Thursday, April 6, 2023.

Chair Yvette Brooks closed public comments and moved on to the next agenda item.

5. PUBLIC HEARINGS

Chair Yvette Brooks indicated that there were two public hearing items for Commission consideration today.

5a. “City of Watsonville Service & Sphere Review”

Chair Yvette Brooks requested staff to provide a presentation on the draft service and sphere review for the City of Watsonville.

Executive Officer Joe Serrano noted that the City was incorporated in 1868 and encompasses approximately six square miles of territory. Mr. Serrano explained that the City provides municipal services to areas within and outside the city limits, totaling approximately 65,000 residents. Mr. Serrano also indicated that the City is financially healthy and is operating an efficient government agency. Mr. Serrano also added that he considered the City’s website to be both transparent and robust. The City is currently underway with its 2050 General Plan process, and Mr. Serrano let the Commission know that LAFCO staff was invited to be involved in this process. **Executive Officer Joe Serrano** recommended that the Commission find the report to be exempt from the California Environmental Quality Act, determine the report fulfills Government Code Sections 56425 and 56430, and adopt the draft resolution approving the report.

Chair Yvette Brooks opened the floor for Commission discussion.

Commissioner Rachél Lather expressed to staff her desire to have seen an overlay of the Freedom County Sanitation District and the Salsipuedes Sanitation District included in the draft service and sphere review as she considers the City of Watsonville to be most logical provider of sanitation services to those specific residents. **Executive Officer Joe Serrano** indicated that staff could add further analysis to the report if desired by the Commission.

Commissioner Justin Cummings inquired whether the City was limited to its existing sphere boundary or would it be able to amend it if it considered future growth. **Executive Officer Joe Serrano** indicated that with the renewal of the urban limit line through the passage of Measure Q, the City’s ability to annex territory into city limits would be limited but explained that a sphere boundary was a planning tool that can help prepare for future growth. Mr. Serrano added that the City can still submit applications to LAFCO and it is the duty of the Commission to conduct a thorough process.

Chair Yvette Brooks noted no further Commission discussion and requested public comments on the item. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission.

Becky Steinbruner, member of the public, appreciated Commissioner Lather’s comments and noted the importance of the Watsonville Wastewater Treatment Plant, she provided her thoughts on County Service Area 4, and she commended the City on meeting its Regional Housing Needs Allocation (RHNA) goals.

Chair Yvette Brooks closed public comments and called for a motion to approve staff recommendation. **Commissioner Justin Cummings** motioned for approval of staff recommendation and **Commissioner Allan Timms** seconded the motion.

Commissioner Rachél Lather requested the Commission consider including maps of the Freedom and Salsipuedes sanitation district boundaries and an additional analysis of the wastewater agencies near the city limits.

Commissioner Justin Cummings amended the original motion to include the additional condition, and the amendment was seconded by **Commissioner Allan Timms**.

Chair Yvette Brooks called for a voice vote on the motion: **(1) Find the report to be exempt from CEQA, (2) Determine that the report fulfills the requirements under GCS 56425, (3) Determine that the report fulfills the requirements under GCS 56430, and (4) Adopt the LAFCO Resolution (No. 2023-11) approving the 2023 Service & Sphere Review for the City of Watsonville with the following conditions: (a) Reaffirm the City’s current sphere boundary, (b) Direct the Executive Officer to distribute a copy of the adopted report to the City and any other interested/affected agency, (c) Include maps of the Freedom Sanitation District and Salsipuedes Sanitation District in the service and sphere review, and (d) Include an additional section analyzing the wastewater agencies near the city limits.**

MOTION: Justin Cummings

SECOND: Allan Timms

FOR: Jim Anderson, Roger Anderson, Yvette Brooks, Justin Cummings, Manu Koenig, Rachél Lather, and Allan Timms.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

5b. “Draft Budget for Fiscal Year 2023-24”

Chair Yvette Brooks requested staff to provide a presentation on the draft budget for the upcoming fiscal year.

Executive Officer Joe Serrano informed the Commission that the proposed budget for Fiscal Year 2023-24 is balanced and is 1% below the current budget. The budget provides a three-year outlook for the Commission, all based on historical trends. The final version of the budget, with any proposed edits from funding agencies, will return to the Commission for approval at the June 14, 2023 LAFCO Regular Meeting.

Chair Yvette Brooks opened the floor for Commission discussion.

Commissioner Roger Anderson made a request to **Executive Director Joe Serrano** to verify the CalPERS contribution and ensure that the amount in the proposed budget is accurate.

Chair Yvette Brooks noted no further Commission discussion and requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission.

Becky Steinbruner, member of the public, asked where she can find budgetary information on outside consulting expenses in the proposed budget. Mr. Serrano indicated that costs associated with outside consultants are found under Professional Services.

Chair Yvette Brooks closed public comments and called for a motion. **Commissioner Roger Anderson** motioned for approval of staff recommendation and **Commissioner Jim Anderson** seconded the motion.

Chair Yvette Brooks called for a voice vote on the motion based on staff's recommendation: **Adopt the draft resolution (No. 2023-12) approving the draft budget for Fiscal Year 2023-24.**

MOTION: Roger Anderson

SECOND: Jim Anderson

FOR: Jim Anderson, Roger Anderson, Yvette Brooks, Justin Cummings, Manu Koenig, Rachél Lather, and Allan Timms.

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

6. OTHER BUSINESS

Chair Yvette Brooks indicated that there was one business item for Commission consideration today.

6a. Comprehensive Quarterly Report – Third Quarter (FY 2022-23)

Chair Yvette Brooks requested staff to provide a presentation on the quarterly report.

LAFCO Analyst Francisco Estrada noted that this report is meant to keep the Commission informed about all LAFCO-related activities, including the status of active proposals, the schedule of upcoming service reviews, the current financial performance of LAFCO's adopted budget, and other projects. Mr. Estrada covered these areas and indicated that the Commission's budget is doing well with over 100% of anticipated revenues already received and only approximately 44% of anticipated expenses spent.

Chair Yvette Brooks opened the floor for Commission discussion.

Chair Yvette Brooks noted no Commission discussion and requested public comments on the proposal. **Executive Officer Joe Serrano** indicated that there was one request to address the Commission on this item.

Becky Steinbruner, member of the public, expressed appreciation for the staff's efforts to support and assist the residents of County Service Area 33.

Chair Yvette Brooks closed public comments and moved to the next item since no Commission action was required.

7. WRITTEN CORRESPONDENCE

Chair Yvette Brooks inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** noted that there was one late correspondence received from Ms. Becky Steinbruner regarding the Scotts Valley/Branciforte Fire District Reorganization. **Chair Yvette Brooks** moved to the next item since no Commission action was required.

8. PRESS ARTICLES

Chair Yvette Brooks requested staff to provide a presentation on the press articles. **Executive Officer Joe Serrano** indicated that this item highlights LAFCO-related articles recently circulated in local newspapers. **Chair Yvette Brooks** moved to the next item since no Commission action was required.

9. COMMISSIONERS' BUSINESS

Chair Yvette Brooks inquired whether any Commissioner would like to share any information. There was one comment. **Chair Yvette Brooks** informed the Commission that she attended an event hosted by the California Special District Association with **Executive Officer Joe Serrano**. She also requested staff to provide the Commission an updated calendar invite for the June 14, 2023 LAFCO regular meeting. **Chair Yvette Brooks** moved to the next item since no Commission action was required.

10. ADJOURNMENT

Chair Yvette Brooks adjourned the Regular Commission Meeting at 9:44 a.m. to the next regular LAFCO meeting scheduled for Wednesday, June 14, 2023, at 9:00 a.m.



YVETTE BROOKS, CHAIRPERSON

Attest:



JOE A. SERRANO, EXECUTIVE OFFICER