



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

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

---

**REGULAR MEETING AGENDA**

**Wednesday, September 4, 2024 at 9:00 a.m.**  
(hybrid meeting may be attended remotely or in-person)

**Attend Meeting by Internet:** <https://us02web.zoom.us/j/85603836977>  
(Password 208678)

**Attend Meeting by Conference Call:** **Dial 1-669-900-6833 or 1-253-215-8782**  
(Webinar ID: 856 0383 6977)

**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 three (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 three (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, but 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 the appropriate arrangements. Persons with disabilities may also 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.

## **3. ADOPTION OF MINUTES**

The Commission will consider approving the minutes from the August 7, 2024 Regular LAFCO Meeting.

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

## **4. ORAL COMMUNICATIONS**

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

## **5. SPECIAL PRESENTATION**

This is an opportunity for the Commission to receive special presentations from local, regional, or state agencies / representatives regarding LAFCO-related matters. These presentations may or may not require Commission action.

### **a. Central Fire District – “Life After Consolidation”**

The Commission will receive a 3-year post-consolidation update from the district.

Recommended Action: No action required; Informational item only.

## **6. PUBLIC HEARINGS**

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

## **7. OTHER BUSINESS**

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

### **a. Educational Workshops**

The Commission will consider hosting future educational workshops to help promote more awareness regarding water and road maintenance services.

Recommended Action: Direct LAFCO staff to develop a detailed overview of each educational workshop, including but not limited to potential guest speakers, estimated costs, and possible dates and venues.

**b. CSA 48 Reorganization Effort**

The Commission will receive an update on the proposed reorganization involving County Service Area 48 (County Fire).

Recommended Action: Direct staff to continue coordinating with the County of Santa Cruz and CalFire to develop a reorganization plan for CSA 48.

**c. List of Extraterritorial Service Agreements – Status Update**

The Commission will receive a status update on the all the active extraterritorial service agreements within Santa Cruz County.

Recommended Action: No action required; Informational item only.

**8. WRITTEN CORRESPONDENCE**

LAFCO staff receive 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. CALAFCO News**

The Commission will receive a status update on CALAFCO's adoption of a new legislative procedure and recent legislative bill activities.

Recommended Action: No action required; Informational item only.

**9. PRESS ARTICLES**

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

**a. Press Articles during the Months of July and August**

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

Recommended Action: No action required; Informational item only.

**10.COMMISSIONERS' BUSINESS**

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

**11.ADJOURNMENT**

LAFCO's next regular meeting is scheduled for Wednesday, October 2, 2024 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 LAFCO staff at least 24 hours before the LAFCO hearing begins. If this is not possible, a written or oral disclosure can be made at the beginning of the hearing. The law also prohibits an applicant or other participant from making a contribution of \$250 or more to a LAFCO Commissioner while a proceeding is pending or for 3 months afterward. Disclosure forms and further information can be obtained from the LAFCO office at Room #318-D, 701 Ocean Street, Santa Cruz, CA 95060 (phone 831-454-2055).

**Contributions and Expenditures Supporting and Opposing Proposals**

Pursuant to Government Code Sections §56100.1, §56300(b), §56700.1, §59009, and §81000 et seq., and Santa Cruz LAFCO's Policies and Procedures for the Disclosures of Contributions and Expenditures in Support of and Opposition to proposals, any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of or opposition to a LAFCO Proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Santa Cruz County Elections Department, 701 Ocean Street, Room 210, Santa Cruz, CA 95060 (phone 831-454-2060). More information on the scope of the required disclosures is available at the web site of the Fair Political Practices Commission: [www.fppc.ca.gov](http://www.fppc.ca.gov). Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275-3772).

**Accommodating People with Disabilities**

The Local Agency Formation Commission of Santa Cruz County does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. The Commission meetings are held in an accessible facility. If you wish to attend this meeting and will require special assistance in order to participate, please contact the LAFCO office at 831-454-2055 at least 24 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, #318-D, Santa Cruz, CA 95060 during regular business hours. These records, when possible, will also be made available on the LAFCO website at [www.santacruzlaftco.org](http://www.santacruzlaftco.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

---

### DRAFT MINUTES

#### LAFCO REGULAR MEETING AGENDA

Wednesday, August 7, 2024  
Start Time - 9:00 a.m.

### 1. ROLL CALL

**Chair John Hunt** called the meeting of the Local Agency Formation Commission of Santa Cruz County (LAFCO) to order at 9:02 a.m. and welcomed everyone in attendance. He asked the staff to conduct a roll call.

The following Commissioners were present:

- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Manu Koenig (*Arrived at 9:04 a.m.*)
- Commissioner Rachél Lather
- Commissioner Eduardo Montesino
- Commissioner Allan Timms
- Alternate Commissioner Ed Banks
- Alternate Commissioner John Hunt (*Chair*)

The following LAFCO staff members were present:

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

### 2. EXECUTIVE OFFICER'S MESSAGE

#### 2a. Virtual Meeting Process

**Executive Officer Joe Serrano** indicated that the 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.

**Chair John Hunt** moved on to the next agenda item.

### 3. ADOPTION OF MINUTES

**Chair John Hunt** requested public comments on the draft minutes. **Executive Officer Joe Serrano** noted no public comment on the item. **Chair John Hunt** closed public comments.

**Chair John Hunt** called for a motion. **Commissioner Allan Timms** motioned for approval of the June 5th Meeting Minutes and **Commissioner Jim Anderson** seconded the motion.

**Chair John Hunt** called for a voice vote on the approval of the draft minutes.

**MOTION:** Allan Timms

**SECOND:** Jim Anderson

**FOR:** Jim Anderson, Manu Koenig, Rachél Lather, Eduardo Montesino, and Allan Timms.

**AGAINST:** None

**ABSTAIN:** Roger Anderson

**MOTION PASSES: 5-0-1**

### 4. ORAL COMMUNICATIONS

**Chair John Hunt** requested public comments on any non-agenda items. **Executive Officer Joe Serrano** indicated that there were two requests to address the Commission on the item.

**Laura Chatham**, a member of the public, discussed the importance of local jurisdictions working collaboratively to establish a 24/7 walk-in shelter for houseless residents before the start of the upcoming winter season.

**Becky Steinbruner**, a member of the public, suggested LAFCO hold a community event that addresses countywide water issues every two years, conducted in partnership with local affected agencies. Ms. Steinbruner also discussed recent actions taken by the board of directors for the Scotts Valley Fire Protection District regarding the Branciforte fire station.

**Chair John Hunt** closed public comments and moved on to the next agenda item.

### 5. PUBLIC HEARINGS

**Chair John Hunt** indicated that there was one public hearing item for Commission consideration today.

#### **5a. "Santa Cruz Port District Service & Sphere Review"**

**Chair John Hunt** requested staff to provide a presentation on the draft service and sphere of influence review for the Santa Cruz Port District.

**Executive Officer Joe Serrano** informed the Commission that the last service and sphere of influence review conducted for the District occurred in 2019. In his presentation,

Mr. Serrano stated that the District is unique in that it offers services to any visitors to the port. The agency is considered to be financially sound as they rely on charge for services to fund their operations. Additionally, the District has maintained a multi-agency joint agreement with the City of Santa Cruz and the County since the 1990s, one that automatically renews each year. Mr. Serrano highlighted the fact that the District's website meets the highest standards set for robustness and transparency. Mr. Serrano recommended an amendment be made to the sphere of influence to include the entirety of the City of Santa Cruz. Mr. Serrano concluded his presentation by explaining the service and sphere of influence review is exempt from CEQA, the report is consistent with LAFCO law, and recommended adopting the draft resolution with its identified conditions. Finally, Mr. Serrano noted that LAFCO staff made a presentation and answered questions on the draft report at the July 23, 2024 Port District board meeting.

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

**Becky Steinbruner**, a member of the public, inquired why the City of Capitola was not a part of the District. **Executive Officer Joe Serrano** explained that the District's principal act only allows one municipality to be part of the port district. As of today, the City of Santa Cruz meets that restriction. **Chair John Hunt** closed public comments.

**Chair John Hunt** requested comments or clarifying questions from the Commission. **Commissioner Roger Anderson** inquired about the population size of the area currently excluded from the District but within the city limits of Santa Cruz. **Executive Officer Joe Serrano** was unsure of the population size but noted that landowners within the City but excluded from the District includes UC Santa Cruz.

**Chair John Hunt** closed public comments and called for a motion. **Commissioner Jim Anderson** motioned for approval of staff recommendation and **Commissioner Eduardo Montesino** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion based on the staff recommendation: **(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 LAFCO Resolution (No. 2024-15) approving the 2024 Service and Sphere of Influence Review for the Santa Cruz Port District with the following conditions: (A) Amend the District's sphere of influence to include the previously excluded portions of the City of Santa Cruz; and (B) Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the District representatives and any other interested or affected parties, including but not limited to the County and the City of Santa Cruz.**

**MOTION: Jim Anderson**

**SECOND: Eduardo Montesino**

**FOR: Jim Anderson, Roger Anderson, Manu Koenig, Rachél Lather, Eduardo Montesino, and Allan Timms.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES: 6-0**

## 6. OTHER BUSINESS

**Chair John Hunt** indicated that there were four business items for Commission consideration today.

### **6a. “Reclamation District No. 2049 Dissolution” – Protest Results**

**Chair John Hunt** requested staff to provide a presentation on the results of the protest proceeding held from Monday, July 8 to Wednesday, July 31, 2024.

**Executive Officer Joe Serrano** reminded the Commission about their approval of the reclamation district dissolution during the June 5<sup>th</sup> LAFCO meeting. Per state law, LAFCO is then required to hold a protest proceeding and hearing to provide the affected residents with an opportunity to voice their opposition to the dissolution. LAFCO did not receive any protest petitions from the affected residents at the conclusion of the 24-day protest period. Once LAFCO coordinates with representatives from the successor agency and the reclamation district, the dissolution will be recorded and the District will cease to exist on that date. Mr. Serrano recommended adopting the draft minutes from the protest hearing and draft resolution certifying the protest period results.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** noted no public comment on the item. **Chair John Hunt** closed public comments.

**Chair John Hunt** requested comments or clarifying questions from the Commission. **Executive Officer Joe Serrano** noted no requests for comments or clarifications from the Commission.

**Chair John Hunt** called for a motion. **Commissioner Allan Timms** motioned for approval of staff recommendation and **Vice-Chair Manu Koenig** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion based on the staff recommendation: **Adopt the draft minutes from the July 31, 2024 Protest Hearing and draft resolution (No. 2024-16) certifying the protest period results.**

**MOTION: Allan Timms**

**SECOND: Manu Koenig**

**FOR: Jim Anderson, Roger Anderson, Manu Koenig, Rachél Lather, Eduardo Montesino, and Allan Timms.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES: 6-0**

### **6b. AP Triton – Feasibility Study**

**Chair John Hunt** requested staff to provide a presentation on the feasibility study evaluating the fiscal impacts of annexations involving fire districts' sphere boundaries.

**Executive Officer Joe Serrano** began by explaining to the Commission that in October 2021, as part of the determinations made in the countywide fire service review, LAFCO



requested that the fire districts develop annexation plans based on their existing spheres. As a result of the responses, including Pajaro Valley Fire Protection District (PVFPD) submittal of an application to annex the entire area within their sphere, LAFCO hired AP Triton in August 2022 to conduct a feasibility study to determine the fiscal impact of any sphere-related annexation. Since the hiring of AP Triton in 2022, other developments in fire protection services have occurred, including the City of Santa Cruz and Central Fire District exploring a potential fire reorganization, Branciforte Fire Protection District being annexed into the SVFPD, PVFPD reducing its level of service due to insufficient funding, CSA 4 approving a new benefit assessment, and Felton Fire Protection District is currently negotiating a contract with CalFIRE.

The feasibility study produced by AP Triton concluded that the financial impact of sphere annexations would have minimal benefits to local fire districts but would destabilize CSA 48, which serves as a funding mechanism for the County to contract for countywide fire protection services in the unincorporated areas. Data from the study has also determined that the current structure of CSA 48 may be unsustainable and a potential governance reorganization warrants further exploration. Potential benefits of a reorganization that would convert CSA 48 into a standalone fire district includes increased representation, transparency, accountability, and financial sustainability. An independent district would also provide struggling fire districts with an option to consider in case their financial situations continue to deteriorate. In order to determine the viability of an independent fire district, Mr. Serrano recommended that LAFCO coordinate with the County and CalFIRE to produce a draft transition plan. This would be the first step in a multi-year process to determine the sustainability of an independent fire district providing efficient and reliable fire protection services to the residents currently within CSA 48.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there were three requests to address the Commission on the item.

**Michael Beaton**, Director of General Services for the County of Santa Cruz, informed the Commission that the County recently developed a draft fire master plan that included a recommendation to consider new governance options. The Fire Department Advisory Commission also analyzed the governance structure of the CSA and will submit a recommendation to the Board of Supervisors to work with LAFCO and explore options.

**Becky Steinbruner**, a member of the public, suggested the Commission postpone action until September for additional time to review AP Triton's feasibility study.

**Jeff Maxwell**, Zayante Fire Protection District Fire Chief, inquired about the option of annexing CSA 48 into an existing agency. **Executive Officer Joe Serrano** informed the Commission that the suggestion could be an option, however, it is unlikely that any existing fire district is equipped to assume a large area based on LAFCO's findings from the 2021 fire report. Mr. Serrano reiterated that this is the preliminary step of a multi-year process to determine if this is the appropriate course of action for all the affected parties.

**Charlie Eade**, representative for CSA 4, informed the Commission that residents of the Pajaro Dunes had recently approved a higher benefit assessment for fire protection services and oppose a potential merger with PVFPD.

**Chair John Hunt** closed public comments and opened the floor for Commission discussion. **Commissioner Roger Anderson** commented that the feasibility study has typos throughout the document. Mr. Anderson also wanted to know how much staff time the transition plan would require. **Clay Stewart**, a representative from AP Triton, agreed to update the report and explained that developing a transition plan in-house is a priority, while **Executive Officer Joe Serrano** assured the Commission that the transition plan development should not affect staff's productivity.

**Commissioner Eduardo Montesino** noted that consideration of reorganizations and governance options are occurring more often throughout the county. **Executive Officer Joe Serrano** agreed and added that some fire districts are gradually realizing that they may need to consider alternative governance options for sustainability.

**Commissioner Jim Anderson** asked about CSA 48's total budget. **Michael Beaton**, Director of General Services for the County of Santa Cruz, mentioned that the budget is about \$6.8 million dollars with additional funding from the State. Mr. Anderson asked if CSA 48 was underfunded. Mr. Beaton stated that a special benefit was approved in FY 2019-20 and additional funding has allowed revenues and expenses to stay flat, mitigating a need for augmented funding from the County.

**Commissioner Eduardo Montesino** motioned for approval of staff recommendation and **Vice-Chair Manu Koenig** seconded the motion. **Chair John Hunt** asked **Commissioner Roger Anderson** about amending the motion to address his concerns. Mr. Anderson considered delaying action until the next meeting to better understand the objectives of the proposed in the study. **Vice-Chair Manu Koenig** reminded the public that although this was the preliminary step to a potential multi-year process, there is some urgency to move forward due to the financial situation of PVFPD. Mr. Koenig stated that the purpose of the transition plan is to explore improving the efficiency and management of the public service and expressed support for the recommended actions. **Executive Officer Joe Serrano** suggested that the Commission direct staff to provide an outline of the transition plan process at the next regular meeting for further discussion. **Commissioner Eduardo Montesino** amended his motion to include further direction to staff in developing an outline of the transition plan for consideration at the next meeting. **Vice-Chair Manu Koenig**, as the second motion, agreed with the amendment.

**Chair John Hunt** called for a voice vote on the motion based on the staff recommendation: **(1) Receive and file the feasibility study; and (2) Direct staff to coordinate with the County of Santa Cruz and CalFire to develop a transition plan to reorganize County Service Area 48 from a dependent special district to an independent fire protection district with the condition that staff return at the September regular meeting with an outline and timeline for the proposed plan.**

**MOTION: Eduardo Montesino**

**SECOND: Manu Koenig**

**FOR: Roger Anderson, Justin Cummings, Manu Koenig, Rachél Lather, Eduardo Montesino, and Allan Timms.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES: 6-0**

### **6c. Grand Jury Report – LAFCO Response**

**Chair John Hunt** requested staff to provide a presentation on the response letter to the Grand Jury's report titled "Santa Cruz County Local Roads: *A smooth path through paradise or a hell of a road.*"

**Executive Officer Joe Serrano** explained that the Civil Grand Jury recently published a report detailing the current road conditions in unincorporated areas of the county. As part of their process, the Grand Jury has reached out to affected agencies, including LAFCO, to provide comments on their findings and recommendations. LAFCO staff has drafted a response letter to the Civil Grand Jury. In addition to the comment letter, LAFCO has also agreed to implement a recommendation from the report and conduct a service and sphere review for County Service Area 9, along with its corresponding zones, in March 2025. Mr. Serrano concluded by recommending approval of the draft comment letter and its submission prior to the September 3, 2024 deadline.

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

**Becky Steinbruner**, a member of the public, expressed gratitude to the Civil Grand Jury for its recent report on road conditions in the unincorporated areas. Ms. Steinbruner recommended the County establish a webpage dedicated to providing financial information on CSA 9 and updates on the other CSAs.

**Chair John Hunt** closed public comments and opened the floor for Commission discussion. **Commissioner Jim Anderson** motioned for approval of staff recommendation and **Vice-Chair Manu Koenig** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion based on the staff recommendation: **Approve the draft comments and direct the Executive Officer to distribute the attached comment letter to the Grand Jury before the September 3, 2024 deadline.**

**MOTION:** Jim Anderson

**SECOND:** Manu Koenig

**FOR:** Roger Anderson, Justin Cummings, Manu Koenig, Rachél Lather, Eduardo Montesino, and Allan Timms.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSES: 6-0**

### **6d. CALAFCO Annual Conference**

**Chair John Hunt** requested staff to provide an update on this year's upcoming annual conference and the CALAFCO Board of Directors election process.

**Executive Officer Joe Serrano** reported that the next CALAFCO Annual Conference will take place in October and be hosted at the Tenaya Lodge in Yosemite. Two commissioners and two staff members are scheduled to attend the conference. Mr.

Serrano explained that the Commission will need to designate a regular and alternate voting member for the CALAFCO board election. Mr. Serrano also added that staff is nominating the Big Basin Water Company governance options report for an award. Finally, Mr. Serrano recommended approval of lodging and traveling expenses for a representative from the nonprofit Moonshot Missions to participate as a panelist on behalf of Santa Cruz LAFCO at the annual conference.

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

**Becky Steinbruner**, a member of the public, spoke on the importance of assessing the state of private water systems in the County and expressed support for covering the costs of the Moonshot Missions representative.

**Chair John Hunt** closed public comments and opened the floor for Commission discussion. **Commissioner Roger Anderson** motioned for approval of staff recommendation, nominated Jim Anderson as a regular voting delegate, and encouraged other Commissioners to attend the annual conference. **Commissioner Rachél Lather** seconded the motion.

**Chair John Hunt** called for a voice vote on the motion based on the staff recommendation: **(1) Designate Jim Anderson as the Regular Voting Delegate and Roger Anderson as the Alternate Voting Delegate for the upcoming election; (2) Approve the proposed nomination for the Mike Gotch Excellence In Public Service Award; and (3) Approve covering traveling expenses for Moonshot Missions' representative to participate in a breakout session on behalf of Santa Cruz LAFCO at the upcoming CALAFCO Annual Conference.**

**MOTION:** Roger Anderson

**SECOND:** Rachél Lather

**FOR:** Jim Anderson, Roger Anderson, Manu Koenig, Rachél Lather, Eduardo Montesino, and Allan Timms.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSES: 6-0**

#### **6e. Comprehensive Quarterly Report – Fourth Quarter (FY 2023-24)**

**Chair John Hunt** requested staff to provide a presentation on the quarterly report.

**Executive Officer Joe Serrano** explained that the 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 during the final quarter of FY 2023-24.

**Chair John Hunt** requested public comments on the item. **Executive Officer Joe Serrano** noted no public comment on the item. **Chair John Hunt** closed public comments.

**Chair John Hunt** moved to the next item since no Commission action was required.

## **7. WRITTEN CORRESPONDENCE**

**Chair John Hunt** inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** informed the Commission it had received correspondence from LAFCO's new auditors, Davis Farr LLC. The letters outline the upcoming audit process.

**Chair John Hunt** moved to the next item since no Commission action was required.

## **8. PRESS ARTICLES**

**Chair John Hunt** 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 John Hunt** moved to the next item since no Commission action was required.

## **9. COMMISSIONERS' BUSINESS**

**Chair John Hunt** inquired whether any Commissioner would like to share any information. **Executive Officer Joe Serrano** indicated that there were no requests to share any information.

**Chair John Hunt** moved to the next item since no Commission action was required.

## **10. ADJOURNMENT**

**Chair John Hunt** adjourned the Regular Commission Meeting at 10:20 a.m. to the next regular LAFCO meeting scheduled for Wednesday, September 4, 2024 at 9:00 a.m.

---

JOHN HUNT, CHAIRPERSON

Attest:

---

JOE A. SERRANO, EXECUTIVE OFFICER



# Central Fire District of Santa Cruz County

# Life After Consolidation

**Presented by  
Fire Chief Jason Nee**





# Previous Consolidations

Dissolving Agency → Successor Agency

1980 Davenport FPD → County Fire

1983 Live Oak FPD → Central FPD  
Soquel FPD

1986 Aptos FPD → Aptos/La Selva FPD  
La Selva FPD

1987 Capitola FPD → Central FPD  
Central FPD

1993 Freedom FPD → Pajaro Valley FPD  
Salsipuedes FPD

2021 Central FPD → Central Fire District  
Aptos/La Selva FPD

2023 Scotts Valley FPD → Scotts Valley FPD  
Branciforte FPD



# About CFD

- **Central Fire District (CFD) is a California Independent Special District formed February 4th, 2021.**
- **We serve the communities of Aptos, Capitola, La Selva Beach, Live Oak, Rio Del Mar, and Soquel.**
- **CFD is a local government agency with taxation authority to pay for the services provided. Primary revenue derived from property taxes, “tax increment”.**
- **We are governed by 5 elected officials (Board Members) elected on staggered 4-year terms.**

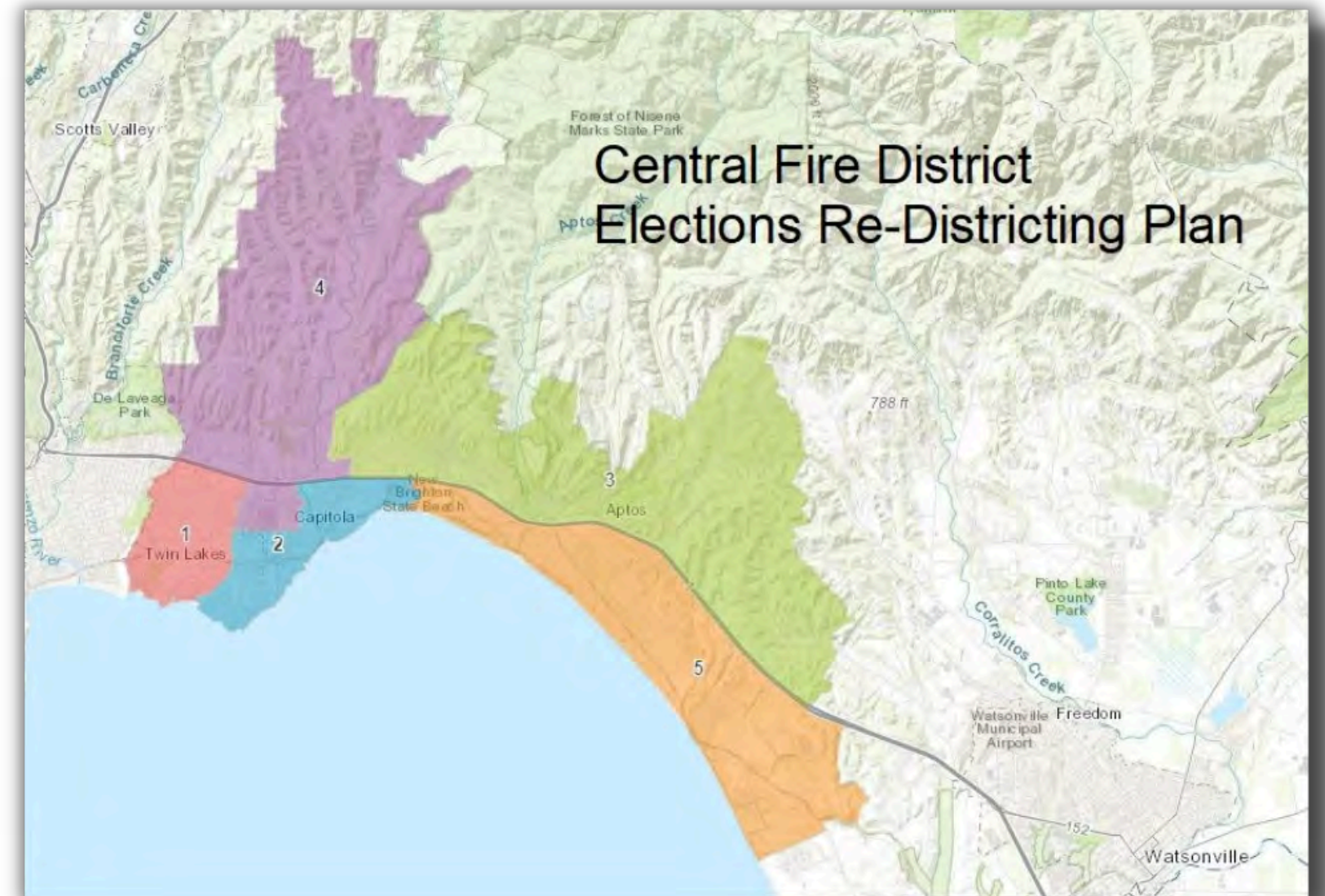




# Calif Voting Rights Act (CVRA)

## Elections Re-Districting Plan

- **District divided into 5 voting districts vs. historical at large elections for future elections.**
- **Next Board Elections:**  
**November 2026 - District 4 & 5**  
**November 2028 - District 1, 2, 3**



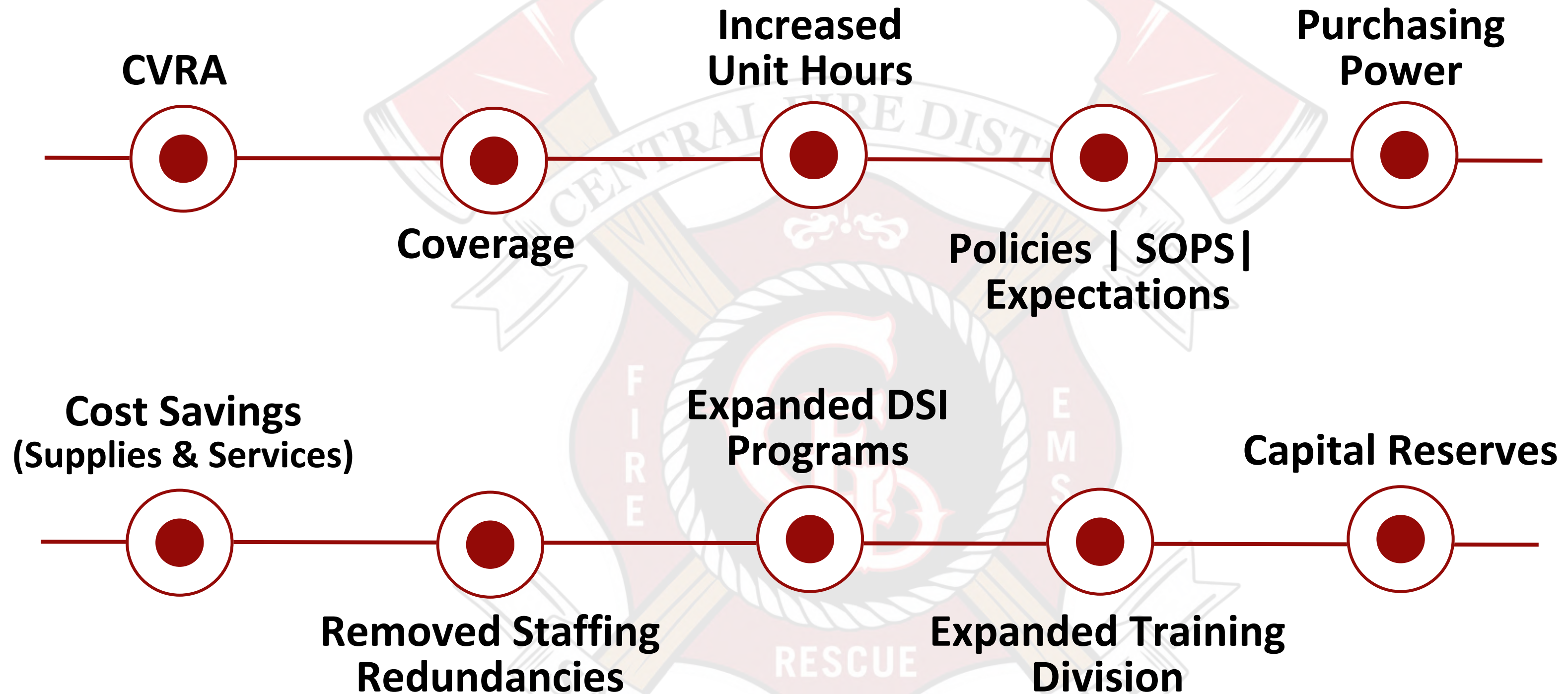
# Accomplishments Since Consolidating

- Master and Strategic Plan—we are in year 2 of the 5 year plan
- General Obligation Bond for Nov. 2024 Ballot
- Capital Improvement Plan
- Fleet Facility Improvement
- Policy and SOP Implementation
- Enhanced staffing in the Training and Community Risk Reduction Divisions
- Achieved budget efficiencies by eliminating redundant positions and increasing purchasing opportunities





# Improvements from Consolidating



# Lessons Learned

Consolidation was the result of leadership, not data.

- Labor
- Elected
- Fire Chiefs
- Community

These projects take time—three years to complete once the process has begun. Play the long game on labor, elected, and leaders.







# Transparency is Key

The public and staff are interested in 4 things:

**0 1 Will there be impacts on the level of service?**

**0 2 What will it cost me (taxpayer)?**

**0 3 Who will govern?**

**0 4 What happens to firefighters/staff?**



Any Questions?

[centralfiresc.org](http://centralfiresc.org)



Date: September 4, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Educational Workshops**

---

### **SUMMARY OF RECOMMENDATION**

LAFCO has hosted successful educational workshops in recent years to help local agencies explore solutions to common issues, share best practices, learn about current and new legislation, and understand the rules and regulations that govern their board and staff members. LAFCO staff believes it would be beneficial to host additional educational workshops that focus on two key topics: water and road services.

It is recommended that the Commission direct LAFCO staff to develop a detailed overview of each educational workshop, including but not limited to potential guest speakers, estimated costs, and possible dates and venues.

---

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

As the Commission nears the completion of the current cycle of service reviews, it is evident that some county service areas and private water systems in Santa Cruz County are currently facing various issues, such as lack of staffing, financial constraints, inefficient public participation and transparency, and/or legislative awareness. For these reasons, LAFCO sees value in hosting two educational workshops to help promote best practices and provide additional resources to struggling entities.

### **Water Educational Workshop (Private Water Systems)**

At present, there are 132 private water systems throughout Santa Cruz County. Private water systems are regulated by California's Water Code, Health and Safety Code and must abide by open meeting and records disclosure laws similar to many public water utilities. In operating a public water system, private water systems are also subject to regulation by the California Department of Public Health and must comply with requirements imposed by the State Water Resources Control Board and our local Regional Water Quality Control Board. However, over the years, many private water systems have operated without much oversight from the State. That is why the Legislature enacted Assembly Bill 54 in 2012. This law imposes new requirements on private water systems (specifically mutual water companies) that own and operate public water systems and requires greater coordination between them and the LAFCO in each county.

In 2022, the Commission completed a countywide service review that not only analyzed the water districts in the county but also the private water systems<sup>1</sup>. The intent of this additional evaluation was to provide more information about these unique local entities. More importantly, it allowed LAFCO to build working relationships with these systems.

---

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



LAFCO staff believes that hosting a water forum for the private water systems can be beneficial in two ways: (1) it provides the private water systems an opportunity to learn about best practices, recognize common issues, and understand their statutory requirements, and (2) it establishes a bridge for the private water systems to utilize LAFCO as a resource and therefore helps create strategic partnerships in the long-run. This workshop may also cover areas discussed in past “Connecting the Drops” events for further consideration. It is important to note that the Connecting the Drops events were organized by the County and the Regional Water Management Foundation. The proposed water workshop hosted by LAFCO will be a standalone forum.

### **Road Educational Workshop (Road CSAs)**

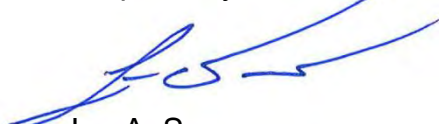
At present, there are 34 road-related county service areas (CSAs) throughout Santa Cruz County. These CSAs, under County oversight, are tasked with providing enhanced or extended road services to 34 different communities. The vast majority of these CSAs were formed in the 1970s and 1980s and while their existence remains relevant, their operations, coordination, and transparency are in need of overall improvement based on findings from LAFCO’s countywide service review completed in 2022<sup>2</sup>. That is why LAFCO staff is recommending to host this workshop and help the road CSAs learn more about best practices, common issues, and understand their statutory requirements. Similar to the private water system forum, this event may also help build trust and strong relationships between the representatives from the road CSAs, the County, and LAFCO.

### **Conclusion**

If approved by the Commission, these two educational workshops will be another opportunity for LAFCO to spearhead efforts to improve how services are provided in the county and promote an increase in governmental efficiencies and effectiveness. Therefore, it is recommended that the Commission direct LAFCO staff to develop a detailed overview of each educational workshop, including but not limited to potential guest speakers, estimated costs, and possible dates and venues. Staff will then present the collected information for further Commission consideration.

The goal of these workshops is to facilitate greater discussion and hopefully trigger improvements within their organization or governance structure. If successful, this may lead to future workshops or even routine stakeholder meetings with representatives and LAFCO to develop solutions to other shared issues that will benefit all constituents going forward.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

---

<sup>2</sup> 2022 Road MSR: <https://santacruzlafo.org/wp-content/uploads/2022/11/Countywide-CSA-Road-MSR-Adopted-Version.pdf>





---

Santa Cruz Local Agency Formation Commission

Date: September 4, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **CSA 48 Reorganization Effort**

---

### SUMMARY OF RECOMMENDATION

Last month the Commission received and filed the feasibility study developed by AP Triton and directed staff to coordinate with the County of Santa Cruz and CalFIRE to develop a transition plan that would evaluate the reorganization of County Service Area 48 (CSA 48) from a dependent special district to an independent fire protection district. The Commission also directed staff to bring this item back for further discussion during the next regularly scheduled LAFCO Meeting (September 4). This report provides an update on the latest efforts.

It is recommended that the Commission direct staff to continue coordinating with the County of Santa Cruz and CalFIRE to develop a reorganization plan for CSA 48.

---

### EXECUTIVE OFFICER'S REPORT

The Commission reviewed the findings from the AP Triton feasibility study<sup>1</sup> during the August 7th LAFCO Meeting. The study examined how future annexations within existing sphere boundaries would directly affect the annexing agencies, as well as the County as the agency responsible for the management of County Service Area 48 ("CSA 48"). In other words, the study showed the potential revenue within each fire agencies' sphere boundary if annexation was considered.

**Table A** on page 2 provides an overview of each sphere boundaries' key components. AP Triton determined that any potential annexation would impact CSA 48's existing operations and finances. Below is a direct quote from AP Triton within the feasibility study:

*"This fire fund shift [of \$3,896,100] represents 55% of the total like funds (assessments and taxes) for county fire services. Most of this would go to the PAJ SOI inclusion, which would only absorb 32% of the expenses."*

Due to this significant impact to CSA 48, the County and LAFCO agreed that it may be beneficial to explore the concept of reorganizing CSA 48 as an independent fire district. Under this new governance model, the CSA 48 residents would have increased representation and participation since the district will require an independent board of directors, a separate budgetary structure, and direct coordination with CalFIRE as their service provider.

---

<sup>1</sup> 8/7/24 LAFCO Staff Report: [https://santacruzlafo.org/wp-content/uploads/2024/07/6b.0-Fire-Study-Staff-Report\\_Hyperlinked.pdf](https://santacruzlafo.org/wp-content/uploads/2024/07/6b.0-Fire-Study-Staff-Report_Hyperlinked.pdf)

**Table A: Sphere Boundary Summary Chart (as of Fiscal Year 2023-24)**

<b>Agencies' Sphere</b>	<b>Number of Parcels</b>	<b>County Fire Tax Assessment</b>	<b>Fire Flow Assessment</b>	<b>CSA 48 2020 Assessment</b>	<b>Total Fire Funds</b>
Ben Lomond FPD	492	\$910	\$16,439	\$10,723	\$28,072
Boulder Creek FPD	486	\$48,293	\$46,670	\$35,634	\$130,597
Central FD	676	\$180,794	\$90,873	\$92,752	\$364,419
Felton FPD	13	\$665	\$731	\$452	\$1,848
Pajaro Valley FPD (CSA 48)	2,508	\$992,970	\$441,717	\$472,270	\$1,806,957
Pajaro Valley FPD (CSA 4)	625	\$862,738	\$574,698	N/A	\$1,437,436
Scotts Valley FPD	220	\$46,653	\$35,984	\$21,243	\$103,880
Zayante FPD	5	\$2,561	\$639	\$848	\$4,048
Shared Sphere (BLFPD/BCFPD & BLFPD/ZFPD)	<u>5</u>	<u>\$16,972</u>	<u>\$731</u>	<u>\$1,140</u>	<u>\$18,843</u>
<b>Total Amount</b>	<b>5,030</b>	<b>\$2,082,556</b>	<b>\$1,178,482</b>	<b>\$635,062</b>	<b>\$3,896,100</b>
CSA 48	4,405	\$1,219,618	\$603,874	\$635,062	\$2,458,464
CSA 4	<u>625</u>	<u>\$862,738</u>	<u>\$574,698</u>	<u>N/A</u>	<u>\$1,437,436</u>
<b>Total Amount</b>	<b>5,030</b>	<b>\$2,082,556</b>	<b>\$1,178,482</b>	<b>\$635,062</b>	<b>3,896,100</b>

**Fire Master Plan**

The County hired an outside consultant to provide a master plan for CSA 48. A master plan provides an overview of the comprehensive analysis, planning, and vision that an agency uses to plan their course into the future of emergency services and fire prevention. For reference, Central Fire District developed a long-range master plan in 2022<sup>2</sup>. It is LAFCO staff's understanding that the County Board of Supervisors will consider the master plan for CSA 48 in late-September.

**Fire Department Advisory Commission**

The County Fire Department Advisory Commission (FDAC) exercises various responsibilities in its efforts to ensure that the interests of the County Fire Department, career and volunteer fire companies, and citizens residing within the County Fire Department jurisdiction are protected and promoted by monitoring, studying, and advising the County Fire Chief and Board of Supervisors on the following:

- The preparation and implementation of the County Fire Department Master Plan;
- Methods for improving the cost effectiveness and delivery of the County's fire protection, as well as its rescue and emergency medical services programs;

<sup>2</sup> CFD Master Plan: <https://www.centrafire.org/2196/Master-Plan>

- County Fire Department's budget priorities and specific budget recommendations;
- The changing role or mission of each of the volunteer fire companies and the resulting changes in their requirements; and
- Such other matters relating to the county's fire protection, rescue and emergency medical services program, as the committee desires to bring to the attention of the Fire Chief and Board of Supervisors.

While FDAC has provided input over the years, the fire commission voted to sunset and transition to an advisory group supporting the Chief Administrative Office and General Services Department (GSD) on July 17, 2024. The Board of Supervisors subsequently took official action on August 27, 2024 to eliminate FDAC effectively on August 31, 2024. With this action, the new Fire Department Advisory Group will have the following duties:

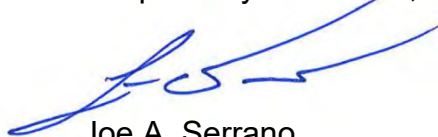
1. Consult and advise GSD on all matters relating to County Fire and the County's fire protection, rescue, and emergency medical services program; and
2. Work closely with GSD to ensure that the interests of the volunteer fire companies and the people residing within the County Fire Department jurisdiction are protected and promoted.

**Attachment A** is an email from Becky Steinbruner, a member of the public, regarding the recent BOS action. LAFCO will coordinate with the County and this new advisory group as part of the proposed reorganization of CSA 48 and the development of the upcoming transition plan.

#### Transition Plan Update

In order to properly consider a change of organization, such as converting CSA 48 into an independent fire district, LAFCO and the County must develop a plan that clearly defines how the new fire district will operate. In other words, clearly explain why CSA 48's current model is not sustainable and how the proposed reorganization will provide residents with more transparency, accountability, and sustainability under a standalone fire district model. There are several questions that need to be addressed as part of the plan. The County and LAFCO are still in the process of developing the outline.). The Board of Supervisors is expected to review the master plan for CSA 48 in late September and provide direction to County staff to work with LAFCO on this reorganization effort. It is our collective goal to present a finalized outline to the Commission at the next scheduled meeting (October 2).

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

cc: Carlos Palacio, CAO Office  
Jed Wilson, CalFIRE

Attachment: Becky Steinbruner Email (dated August 28, 2024)

Joe Serrano

**From:** Becky Steinbruner <ki6tkb@yahoo.com>  
**Sent:** Wednesday, August 28, 2024 7:51 AM  
**To:** Joe Serrano  
**Cc:** Francisco Estrada; Becky Steinbruner  
**Subject:** Correspondence: Concern That Santa Cruz County Fire Will Soon Have No Representation From Fire Dept. Advisory Commission

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

\*\*\*\***CAUTION:**This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.\*\*\*\*

Dear Commissioners,

I want to advise your Commission regarding concerning actions the Santa Cruz County Board of Supervisors took on August 27, 2024 to approve dissolving the County Fire Department Advisory Commission (FDAC) within 31 days after the second reading of the Ordinance in two weeks, on September 10, 2024.

**This will effectively erase the citizens' and Volunteers' liaisons voices that would otherwise be instrumental in LAFCO's proposed reorganization of CSA 48 and CSA 4 County Fire Department, approved in concept by your Commission on August 7, 2024 (Item 6b).**

[https://santacruzlafco.org/wp-content/uploads/2024/07/0.0-Aug-2024-Agenda\\_Hyperlinked.pdf](https://santacruzlafco.org/wp-content/uploads/2024/07/0.0-Aug-2024-Agenda_Hyperlinked.pdf)

**The Board of Supervisors has not yet received a public presentation by LAFCO Director Mr. Joe Serrano regarding the proposed reorganization of the County Fire Department.**

Although the Board of Supervisors, at the recommendation of County Administrative Officer (CAO) Mr. Carlos Palacios and Deputy CAO Ms. Nicole Coburn, approved forming a new Fire Department Advisory Group to work directly with the CAO and General Services Dept. (GSD) Director Mr. Michael Beaton on matters relating to rural emergency response, it is unclear how that new Advisory Group would be structured and how quickly the Group would be formed and operational.

Here is the relevant language of this Board Item #11:

*"...at its July 17, 2024, meeting, the Fire Department Advisory Commission voted to sunset and transition to an advisory group supporting the CAO and General Services Department (GSD). The attached ordinance repealing SCCC Chapter 2.120 (Attachment A) eliminates the Fire Department Advisory Commission on the 31st day following final adoption. With the transition, the Fire Department Advisory Group will have the following duties:*

- *Consult and advise GSD on all matters relating to County Fire and the County's fire protection, rescue, and emergency medical services program.*
- *Work closely with GSD to ensure that the interests of the volunteer fire companies and the people residing within the County Fire Department jurisdiction are protected and promoted.*

*In fulfilling these duties, the Fire Department Advisory Group will explore alternatives to the governance structure of County Fire, with a focus to making it more effective. The advisory group will collaborate with other fire agencies and groups concerned about fire and emergency services to examine options for improving services for all who live and work in Santa Cruz County. The Fire Department Advisory Group will be comprised of representatives from County Service Area (CSA) 48 and CSA 4, different geographical areas, local fire departments and fire districts, and emergency medical services."*

[http://santacruzcountycalifornia.ca.gov/Citizens/Detail\\_LegisFile.aspx?Frame=&MeetingID=2071&MediaPosition=&ID=16428&CssClass=](http://santacruzcountycalifornia.ca.gov/Citizens/Detail_LegisFile.aspx?Frame=&MeetingID=2071&MediaPosition=&ID=16428&CssClass=)

I have learned that the FDAC Commissioners agreed to the dissolution because they have long felt ineffective, due to actions of the CALFIRE and GSD staff that stifled their involvement.

Please discuss this issue at your September 4, 2024 LAFCO meeting wherein Mr. Serrano is directed to present you with a timeline for the CSA 48 and CSA 4 reorganization effort he has negotiated with County staff.

It is unknown when Mr. Serrano will present the CSA 48 / CSA 4 County Fire reorganization plan to the Board of Supervisors.

I would appreciate any recommendation from your Commission to the CAO and GSD Director to postpone the dissolution of the Fire Department Advisory Commission (FDAC) until the LAFCO-proposed reorganization is complete, with new governance structuring in place to ensure the Volunteer firefighters and residents within CSA 48 and CSA 4 have necessary liaison representation throughout the negotiations and transition process.

Please respond. Thank you.

Sincerely,

Becky Steinbruner

CSA 48 resident and former Volunteer



Date: September 4, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **List of Extraterritorial Service Agreements – Status Update**

---

### **SUMMARY OF RECOMMENDATION**

Santa Cruz LAFCO is responsible for reviewing and approving proposed jurisdictional boundary changes, including but not limited to, annexations and detachments to/from cities and special districts, formation of new cities and districts, and consolidations or dissolutions of existing special districts. LAFCO is also responsible for reviewing and approving extraterritorial service agreements between local agencies and landowners with properties outside an agency's jurisdictional and/or sphere boundaries. This Commission received a comprehensive overview of the existing extraterritorial service agreements in Santa Cruz County back in April 2022. 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 ("LAFCO Law") authorizes LAFCO to consider the extension of municipal services beyond the jurisdictional boundary of a local agency, where the subject territory is outside an agency's service or sphere boundaries (Government Code Section 56133). The Commission has also adopted a policy to set clear standards for applying state and local laws governing the extension of services beyond the jurisdictional boundaries of a city or special district. This policy was reviewed and updated in September 2023. Staff is not recommending any changes to the policy at this time.

### **Adopted Extraterritorial Service Agreements**

At present, there are 49 active ESAs. **Attachment 1** provides a map showing the location of each ESA. **Attachment 2** lists all the active ESAs approved by the Commission from 1995 to 2024. The last approved extraterritorial service agreement was completed in June 2024 and involved County Service Area 7 and a single parcel for the provision of sewer services. This ESA requires annexation within two years (June 2026).

### **Overview of Existing Extraterritorial Service Agreements**

An in-depth analysis of each agency and their respective ESAs was conducted by LAFCO in April 2022<sup>1</sup>. For purposes of this status update, LAFCO staff would like to focus more on the purpose, size, and total amount of each ESA per agency. **Table A** on page 2 depicts the total amount of ESAs, parcels, and acreage for each agency in Santa Cruz County. As the table shows, the City of Watsonville has the most ESAs with 17 (35%), the most parcels involved with 152 (28%) and the most acreage involved with 209 acres (18%).

---

<sup>1</sup>4/6/24 LAFCO Staff Report: [https://www.santacruzlafco.org/wp-content/uploads/2022/03/6d.0-ESA-List-Staff-Report\\_Hyperlinked.pdf](https://www.santacruzlafco.org/wp-content/uploads/2022/03/6d.0-ESA-List-Staff-Report_Hyperlinked.pdf)



**Table A: ESA Summary Chart (In Alphabetical Order)**

Agencies	ESAs	%	Parcels	%	Acres	%
Central Water District	1	2.0%	1	0.2%	56.2	4.7%
City of Santa Cruz	6	12.2%	67	12.5%	39.2	3.3%
City of Scotts Valley	13	26.5%	21	3.9%	12.0	1.0%
City of Watsonville	17	34.7%	152	28.3%	208.5	17.5%
County Service Area 7	1	2.0%	1	0.2%	1.1	0.1%
County Service Area 26	1	2.0%	1	0.2%	5.1	0.4%
Davenport Sanitation District	1	2.0%	1	0.2%	109.3	9.2%
San Lorenzo Valley Water District	1	2.0%	1	0.2%	0.3	0.0%
Scotts Valley Water District	2	4.1%	2	0.4%	5.5	0.5%
Soquel Creek Water District	<u>6</u>	<u>12.2%</u>	<u>291</u>	<u>54.1%</u>	<u>751.4</u>	63.2%
<b>Total</b>	<b>49</b>	<b>100.0%</b>	<b>538</b>	<b>100.0%</b>	<b>1,189</b>	<b>100.0%</b>

**Table B** compares the type of services offered under the existing ESAs. As the table below shows, water connections is the most requested service with 31 ESAs (63%). It is important to note that the sole road service ESA is scheduled to be annexed within two years. The County is currently working with LAFCO on this effort, and it is LAFCO staff's understanding that an application may be filed before the end of this calendar year.

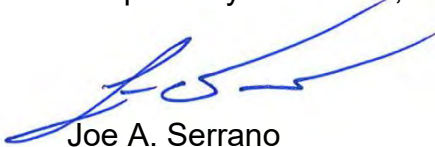
**Table B: ESA Summary Chart (Type of Services)**

Services	ESAs	%	Parcels	%	Acres	%
Road	1	2.0%	1	0.2%	5.1	0.4%
Sewer	16	32.7%	24	4.5%	123.8	10.4%
Water	31	63.3%	512	95.2%	1,045.2	87.9%
Water & Sewer	<u>1</u>	<u>2.0%</u>	1	0.2%	<u>14.4</u>	1.2%
<b>Total</b>	<b>49</b>	<b>100.0%</b>	<b>538</b>	<b>100.0%</b>	<b>1,189</b>	<b>100.0%</b>

**CONCLUSION**

Services are already being provided to these areas through an active extraterritorial service agreement. It is important that these residents receive all the benefits and representation offered by the affected agencies. This objective can be accomplished through annexation. However, most of these ESAs were implemented without annexation conditions in place or cannot be processed due to other factors beyond LAFCO's control. That being said, LAFCO continues to coordinate with the affected agencies to determine when annexation may occur for these ESAs in the foreseeable future.

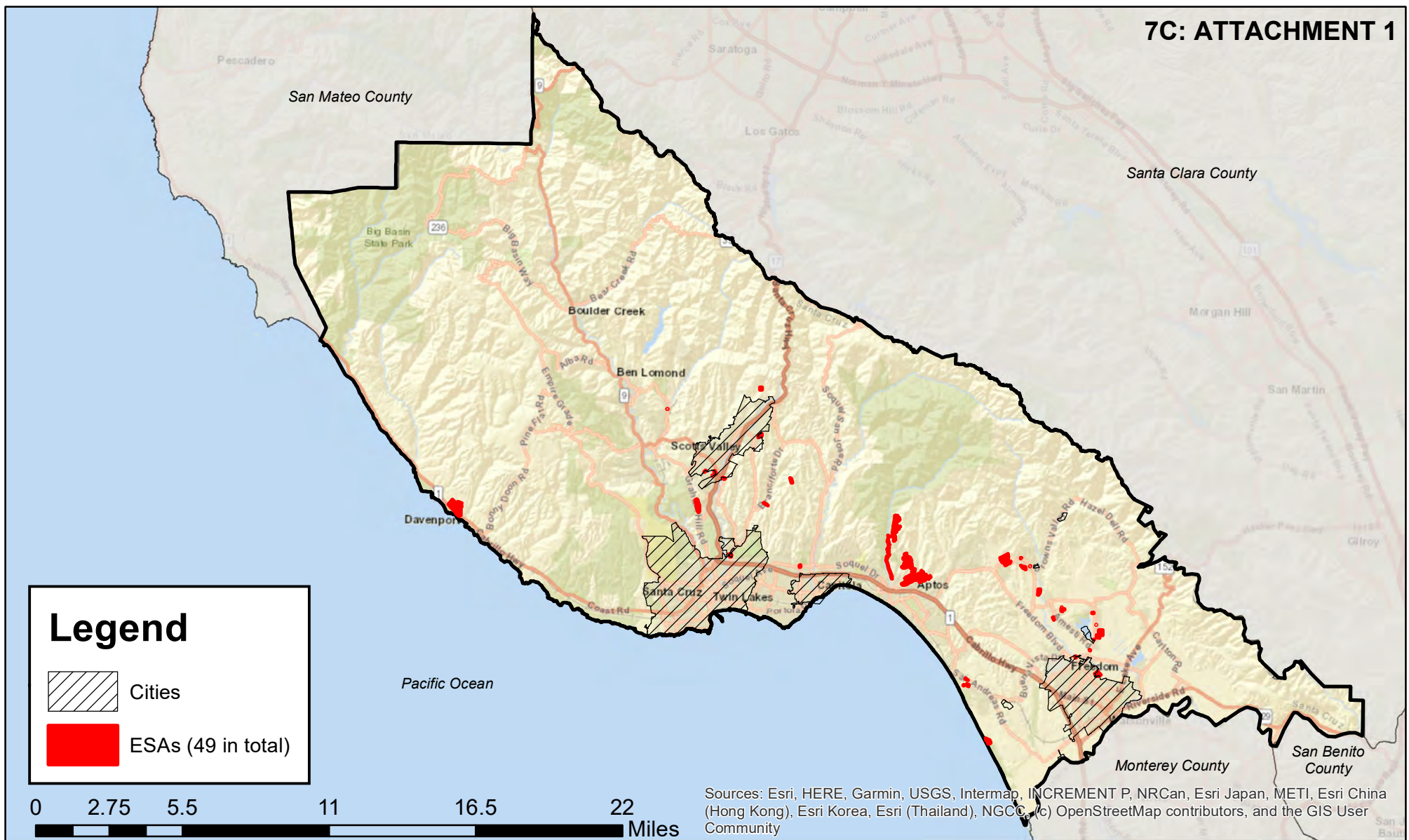
Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. Countywide ESA Map
2. List of Active ESAs (49 in total)



# Location of Extraterritorial Service Agreements (49 ESAs in total)



The approved ESAs throughout the County provide municipal services to 538 parcels totaling approximately 1,200 acres.



## List of Active Extraterritorial Service Agreements (Chronological Order)

# of ESAs	Project #	Assessed Parcel No. (APN)	Affected Agency	Approval Year	Size (Acres)	Purpose
1	805	Original: 108-192-01 New: 108-361-01	City of Watsonville	1995	9.5	Water
2	806	54 parcels (Diamond Estates)	City of Watsonville	1995	19.0	Water
3	816	Original: 107-210-16 New: 107-201-16	City of Watsonville	1995	0.4	Water
4	820	050-251-18	City of Watsonville	1996	0.3	Water
5	828	Original: 051-381-15 New: 051-381-75	City of Watsonville	1996	2.0	Water
6	840	107-162-03	City of Watsonville	1997	1.9	Water
7	841	Original: 050-151-14 New: 050-391-05	City of Watsonville	1997	1.2	Water
8	842	046-062-07	Soquel Creek WD	1997	1.3	Water
9	846	046-072-14	Soquel Creek WD	1997	4.5	Water
10	854	9 parcels	Soquel Creek WD	1998	49.0	Water
11	860	Original: 050-232-28 New: 050-232-29	City of Watsonville	1999	3.1	Water
12	862	050-351-21	City of Watsonville	1999	1.7	Water
13	863	83 parcels (Sunset Beach MWC)	City of Watsonville	1999	132.0	Water
14	878	067-101-12, 11, 10, 09, 08, 07, 06, 05, & 04	City of Scotts Valley	2001	1.8	Sewer
15	884	Original: 050-031-24 New: 050-031-55	City of Watsonville	2003	7.7	Water
16	902	067-101-12	City of Scotts Valley	2005	0.2	Sewer
17	903	Original: 058-071-04 New: 058-071-06	Davenport Sanitation District	2005	109.3	Sewer
18	905	62 parcels (Rolling Woods MWC)	City of Santa Cruz	2006	22.0	Water
19	907	068-241-13	City of Santa Cruz	2006	3.0	Water
20	908	094-051-09	Scotts Valley WD	2006	4.9	Water
21	916	068-282-01	City of Scotts Valley	2007	1.2	Sewer
22	920	056-101-01	City of Scotts Valley	2007	1.0	Sewer
23	922	87 parcels (Pure Source MWC)	Soquel Creek WD	2007	102.0	Water
24	923	068-281-03	Scotts Valley WD	2008	0.7	Water
25	924	107-162-02	Central Water District	2008	56.2	Water
26	925	101-162-10	City of Santa Cruz	2008	2.4	Water
27	926	200 parcels (Trout Gulch MWC)	Soquel Creek WD	2008	633.0	Water
28	932	051-511-35	City of Watsonville	2010	6.9	Water
29	935	067-561-04	City of Scotts Valley	2010	0.5	Sewer
30	939	056-102-05	City of Scotts Valley	2011	1.1	Sewer
31	940	107-461-16	City of Watsonville	2011	0.4	Water
32	942	067-281-08	City of Scotts Valley	2012	1.4	Sewer
33	944	050-341-04	City of Watsonville	2012	0.2	Water
34	945	050-041-12	City of Watsonville	2012	1.3	Water
35	946	Original: 030-061-04 New: 030-061-28	City of Santa Cruz	2013	0.6	Water
36	948	068-241-07	City of Santa Cruz	2013	1.5	Sewer
37	ESA 20-01	102-021-62	County Service Area 26	2020	5.1	Road
38	ESA 20-26	056-101-17	City of Scotts Valley	2020	1.0	Sewer
39	ESA 20-33	108-291-11	City of Watsonville	2020	6.6	Water
40	ESA 21-04	048-221-09	City of Watsonville	2021	14.4	Water & Sewer
41	ESA 21-06	056-101-11	City of Scotts Valley	2021	1.0	Sewer
42	ESA 21-16	056-102-02	City of Scotts Valley	2022	0.4	Sewer
43	ESA 22-02	056-131-09	City of Scotts Valley	2022	1.01	Sewer
44	ESA 23-01	041-221-19	Santa Cruz Co. Sanitation Dist.	2023	0.42	Sewer
45	ESA 23-15	067-103-17	City of Scotts Valley	2023	0.21	Sewer
46	ESA 23-16	068-121-27	City of Santa Cruz	2023	9.70	Water
47	ESA 23-17	046-021-08	Soquel Creek Water District	2024	10.36	Water
48	ESA 24-03	056-102-07	City of Scotts Valley	2024	1.06	Sewer
49	ESA 24-10	083-273-01	County Service Area 7	2024	1.09	Sewer



---

**Santa Cruz Local Agency Formation Commission**

Date: September 4, 2024  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **CALAFCO News**

---

**SUMMARY OF RECOMMENDATION**

In July, the Board of Directors for the California Association of LAFCOs (CALAFCO) moved to reorganize the legislative committee structure. This restructuring came as a surprise to most LAFCOs. Due to the concerns expressed by several LAFCOs around the State, as well as the four regional officers, which includes your Executive Officer, a joint letter was submitted to CALAFCO. In addition, a recent LAFCO-related bill has arrived on the Governor's desk for signature. CALAFCO and other LAFCOs requested support for the legislative change. 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:**

**New Legislative Procedure**

For years, the CALAFCO Board of Directors has recognized the need for a stronger legislative advocacy program. It is staff's understanding that CALAFCO has been constrained by a lack of resources, as well as limitations in how they can utilize funds for advocacy under I.R.S. rules for nonprofit organizations – which is why CALAFCO has historically relied heavily on volunteers. However, with volunteerism burnout on the rise, and because of the fast pace at which legislation moves in Sacramento, the need to modernize CALAFCO's advocacy program was discussed in 2023 and became one of the goals under the CALAFCO 2023-2026 Strategic Plan.

The Strategic Plan called for the formation of an Ad Hoc Committee (formed in January 2024) to consider how to best move CALAFCO towards those goals. The Ad Hoc Committee developed a proposed legislative model that is similar to the one used by CSAC, one that relies on contracted professional advocacy rather than in-house employees. The CALAFCO Board of Directors ultimately considered and approved the new model during their July 19, 2024 meeting. However, many LAFCOs were not aware of the new process and its details. More concerning was the fact that many LAFCOs felt the restructuring was rushed without proper notification. That is why the four regional officers: Jose Henriquez (Northern Region), Steve Lucas (Central Region), Gary Thompson (Southern Region), and Joe Serrano (Coastal Region) submitted a joint letter to CALAFCO (see **Attachment 1**) requesting more discussion about the proposed

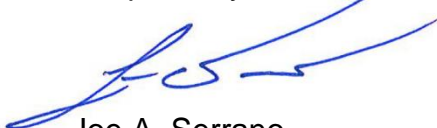
transition before the new model is implemented. No action is required by the Commission at this time.

### **Senate Bill 1209 (Indemnification)**

When a private entity or a governmental agency brings a proposal before LAFCO for review and approval, many LAFCOs have often required the applicant to sign an indemnity agreement. Such an agreement essentially requires the applicant to indemnify the LAFCO against any lawsuits that may stem from its decision and cover the LAFCO's legal expenses should any be incurred in the process of defending its decision. However, recent court cases have ruled that LAFCO's do not have the authority to require such indemnity agreements<sup>1</sup>. This bill allows LAFCOs to require, as a condition for processing a change of organization or reorganization, a sphere amendment or sphere update, or any other action or determination requested from the LAFCO, that the applicant agrees to defend, indemnify, and hold harmless the LAFCO, its agents, officers, and employees from any claim, action, or proceeding against the LAFCO. This bill applies only to a decision by a LAFCO to approve any of these actions.

This bill was sponsored by the CALAFCO, authored by Senator Dave Cortese, and supported by over 33 different LAFCOs. The bill was recently approved on concurrence in the Senate with a vote of 39-0 and is now in the Enrollment Phase of the legislative process. In other words, it is now on the Governor's desk for signature. CALAFCO asked all LAFCOs, whether they have taken a formal position or not, to send a letter of support to the Governor. Your staff submitted a letter on August 27, 2024 (see **Attachment 2**). No action is required by the Commission at this time.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

#### Attachments:

1. Regional Officers Joint Letter (dated August 15, 2024)
2. Santa Cruz LAFCO EO Letter (dated August 27, 2024)

---

<sup>1</sup> SB 1209 Information: [https://alcl.assembly.ca.gov/system/files/2024-06/sb-1209-cortese\\_0.pdf](https://alcl.assembly.ca.gov/system/files/2024-06/sb-1209-cortese_0.pdf)

## CALAFCO Regional Staff Memorandum

To: CALAFCO Board of Directors c/o Executive Committee  
(Margie Mohler, Bill Connelly, Gay Jones, Acquanetta Warren and Blake Inscore)

cc: René LaRoche, CALAFCO Executive Director

From: CALAFCO Regional Staff  
(Steve Lucas, Gary Thompson, Jose Henriquez, Joe Serrano)

Date: August 15, 2024

Subject: Proposed Legislative Committee Reorganization

---

Much is changing with CALAFCO as the organization reinvents itself through the Ad Hoc Modernization Committee and the Board of Directors (BOD). This process is valuable to how we collectively comport ourselves into the future with a refreshed mission and evolving practices. This is a desirable exercise and should be pursued with the utmost attention to transparency and the full involvement of the organization from the BOD to each and every staff member working the lines. It is this last part we speak to in this memorandum.

While there was dissatisfaction among some with how the Legislative Committee organized itself and conducted business, the disbandment of the Committee occurred without most LAFCOs understanding the reason, purpose, and details based on our recent survey in each region. To ensure that CALAFCO remains consistent with the language found on its website, the organization is “***dedicated to operating at the highest levels of transparency***,” our ask is simple and will have no demonstrative impact to our ability to prepare for legislative actions beginning in December 2024.

### Request

Your professional, dedicated and experienced staff formally request the BOD:

1. Schedule a comprehensive and meaningful discussion of the policy at the October Conference Business meeting to clearly indicate why the previous model was unsustainable and how the new model will benefit CALAFCO and its member agencies; and
2. Agendize a review of the policy at the Conference BOD meeting on Friday to ratify the new model or make any necessary amendments to the policy based on the feedback and comments made during both meetings.

### Background Considerations

Given the need for a more transparent rollout of the proposed “realignment” and the lack of comments at the July 19 BOD meeting, we offer the following observations here: Your four CALAFCO regional officers represent over six decades of experience guiding very successful LAFCo’s in their counties. Many of us have built strong regional ties with our colleagues around the state and many of these connections evolved into friendships. This is not only our story but the narrative of our Association and its extraordinary cadre of professionals. This unique and small association of professionals is far different than our much larger sister organizations. While they have strength in numbers/dollars, we have strength in our collegial commitment to one

another and the LAFCo role in local governance. These bonds are formed by working closely together on many issues and creating an atmosphere of mutual trust. We understand that there is a belief that the new legislative process leverages that expertise and those bonds but LAFCos across the four regions have expressed concerns.

One of the greatest opportunities for this unique dynamic to manifest is the legislative process and the yeoman's work of the (now disbanded) Legislative Committee. The Legislative Committee was a learning opportunity, a professional development opportunity and the glue that bound together hundreds of staff over the years identifying and solving LAFCo concerns. While many would agree that the legislative committee was not perfect, by no means was it useless, obsolete or in need of disbandment. It is unknown at this time whether the new legislative model will continue our ability to bond and to resolve issues in an equitable and transparent manner across all regions and all staff levels. That is why we are requesting further discussion to address any discrepancies, misconceptions, and concerns about the loss of the legislative committee and the implementation of the new procedure.

### Final Remarks

The process of eliminating the legislative committee appeared to be less than transparent, provided no state-wide outreach to the EOs (this had been the hallmark of all CALAFCO proposals), and is perceived as rushed by certain LAFCos. All four of us have heard from LAFCos in our region expressing these sentiments to some degree, and feel it is our responsibility to be their voice. Therefore, your four regional officers request that the BOD consider our request and provide more information to ensure that all LAFCos are aware of the proposed change and allow further input before the process unfolds.

Santa Cruz Local Agency Formation Commission  
701 Ocean Street # 318D  
Santa Cruz CA 95060  
Phone: (831) 454-2055  
Email: [joe@santacruzlafco.org](mailto:joe@santacruzlafco.org)  
Website: [www.santacruzlafco.org](http://www.santacruzlafco.org)



August 27, 2024

The Honorable Gavin Newsom  
Governor, State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

**Subject: SB 1209 (Cortese): Local Agency Formation Commission: Indemnification  
- REQUEST FOR SIGNATURE**

Dear Governor Newsom,

The Local Agency Formation Commission of Santa Cruz County (Santa Cruz LAFCO) respectfully requests your signature on **SB 1209**, which would authorize a Local Agency Formation Commission (LAFCO) to require an applicant to indemnify the LAFCO, its agents, officers, and employees from and against any claim, action, or proceeding that may stem from a LAFCO decision to approve an application.

Specifically, SB 1209 adds new language to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (The Act) that authorizes LAFCOs to enter into indemnification agreements with applicants. Counties and cities are already empowered to enter into, and require, indemnification and routinely do so with respect to discretionary land-use approvals. SB 1209 will provide LAFCOs with a similar authority in this situation.

This bill is in response to a 2022 decision of the Second District Court of Appeals, which found that existing State law does not provide LAFCOs with the explicit authority needed to require indemnification. Absent an indemnification authority - and because LAFCO funding is statutorily required from the county, cities, and special districts within a county - any costs to defend litigation end up being absorbed by a LAFCO's funding agencies. Consequently, SB 1209 will allow LAFCOs to use indemnification agreements which, in turn, will ensure they can meet their statutory obligations and make decisions without being hindered by the potential costs of defending lawsuits.

Thus, for the above reasons, Santa Cruz LAFCO respectfully requests that you sign SB 1209.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe A. Serrano".

JOE A. SERRANO  
Executive Officer

cc: Honorable Dave Cortese, California State Senate  
Brady Borcharding, Deputy Legislative Secretary to the Governor



Date: September 4, 2024  
To: LAFCO Commissioners  
From: Francisco Estrada, LAFCO Analyst  
Subject: **Press Articles during the Months of July and August**

---

### **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: "Voters will consider Scotts Valley fire station bond measure after 2023 miss":** The article, dated July 24, discusses the Scotts Valley Fire Protection District board decision to place a \$24.5 million bond measure to build a new station for the November general election. A similar bond failed to gain voter support last year by a small margin. The proposed location for the new fire station at La Madrona site will be more strategically located for better fire response coverage and the bond will allow the station to meet seismic standards and building codes.

**Article #2: "San Diego's Boundary Refs Could Be Headed Into a New Fight, This Time with a Public Healthcare District":** The article, dated July 24, details recent developments in a dispute between San Diego LAFCO and Palomar Health, a public healthcare district that plans to move significant portions of its operations into a private nonprofit entity, including top executive staff. Although the entity is a private nonprofit, LAFCO has determined that it continues to fall under its jurisdiction, which means the agency must get Commission approval when considering where to conduct services. Attorneys for the partnering private nonprofit entity disagreed with LAFCO's interpretation of its out-of-agency (extraterritorial services) policy at a public hearing in May 2024.

**Article #3: "LAFCO Dissolves Calexico's Healthcare District Per AB 918":** The article, dated July 29, details Imperial LAFCO's unanimous decision to dissolve the long-standing Heffernan Memorial Healthcare District as they also prepare to dissolve the Pioneers Memorial Healthcare District on December 1st. Both dissolutions are among the requirements laid out by AB 918, which directs the county's healthcare systems to unify under one financially stable district, the coalescing Imperial Valley Healthcare District. The actions are supported by state Attorney General Rob Bonta, although some lingering funding issues and unresolved Calexico resident concerns remain regarding the implementation of AB 918.

**Article #4: “San Lorenzo Valley Water District plans to replace 12 aging tanks”:** The article, dated August 1, informs the public that the agency is moving forward with the replacement of 12 water tanks to improve reliability, capacity and drought resiliency. The tanks will replace older ones made of redwood, as well as plastic tanks damaged by the CZU Lightning Complex Fire. The tank upgrades will occur over the next two years and are part of SLVWD’s Capital Improvement Projects, which aims to ensure the aging water system continues to serve customers into the next century.

**Article #5: “Colantuono Highsmith Whatley, PC Newsletter – Summer 2024”:** The newsletter, from the Summer 2024 edition, provides details on a recent San Diego Court of Appeals decision striking down tiered water rates under Proposition 218 and an update on the U.S. Supreme Court’s decision in *City of Grants Pass, Oregon v. Johnson et al.* The newsletter also explains a new requirement for local government websites to make web content and mobile apps accessible to individuals with disabilities by April 2026 for jurisdictions serving 50,000 or more people or April 2027 for special districts, smaller cities and counties.

**Article #6: “Agency considers new fire protection district in county”:** The article, dated August 12, informs the public that Santa Cruz LAFCO unanimously voted to begin drafting a transition plan under a joint collaboration with County and CalFire representatives to determine the future of County Service Area 48. The discussion centered around the unveiling of a feasibility study conducted by AP Triton. The process will be a multi-year effort, and if the plan makes sense, then the next step would be to initiate the proposed reorganization.

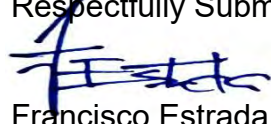
**Article #7: “Rodeo-Hercules Fire District annexation one vote away from final”:** The article, dated August 16, explains that a final vote on the dissolution of the Rodeo-Hercules Fire District will take place in November 2024, after which it will become part of the Contra Costa Fire District (ConFire). The decision is meant to benefit district residents by giving current RHFD employees access to existing ConFire resources, such as training opportunities and a larger staff. Members of a local measure oversight committee are opposed the proposed annexation, but affected residents will have until November 12 to submit petitions before Contra Costa LAFCO considers the matter at a protest hearing.

**Article #8: “Tamara Vides tapped for Watsonville City Manager”:** The article, dated August 21, informs the public that the Watsonville City Council will consider appointing Tamara Vides as their next city manager at their August 27 meeting. Ms. Vides has been serving as interim city manager since April 2023 and had previously served in that capacity in 2021. Ms. Vides has been with the agency for the past 15 years.  
***LAFCO Update: Ms. Tamara Vides was confirmed by the city council as Watsonville City Manager on August 27.***

**Article #9: “Judge: UC Santa Cruz failed to gauge impact of enrollment growth”:** The article, dated August 26, informs the public that a Santa Cruz County Superior Court judge ruled in favor of the City of Santa Cruz in a lawsuit filed against UC Santa Cruz. At the next court hearing, the judge is expected to lay out the next steps, including likely calling on the UC Board of Regents to rescind its approval of the environmental impact report and the Long-Range Development Plan. The ruling also indicates that the University must complete the LAFCO process should they request receiving water services from the City of Santa Cruz to supply areas of the campus currently located outside the city limits.



Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Francisco Estrada', with a stylized flourish at the end.

Francisco Estrada  
LAFCO Analyst

Attachments:

1. "Voters will consider Scotts Valley fire station bond measure after 2023 miss"
2. "Colantuono Highsmith Whatley, PC Newsletter – Summer 2024"
3. "Agency considers new fire protection district in county"
4. "Tamara Vides tapped for Watsonville City Manager"
5. "Judge: UC Santa Cruz failed to gauge impact of enrollment growth"
6. "Agency considers new fire protection district in the county"
7. "Rodeo-Hercules Fire District annexation one vote away from final"
8. "Tamara Vides tapped for Watsonville City Manager"
9. "Judge: UC Santa Cruz failed to gauge impact of enrollment growth"

[santacruzsentinel.com](https://www.santacruzsentinel.com)

## Voters will consider Scotts Valley fire station bond measure after 2023 miss

*Jessica A. York*

~3 minutes

---

SCOTTS VALLEY — After failing to gain voter support last year by a [less than 1% margin](#), Scotts Valley fire authorities will return to the ballot box with plans to build a new station in a more strategic location.

Earlier this month, the Scotts Valley Fire Protection District board authorized placement of a new \$24.5 million bond measure on the November general election ticket. Proceeds from the bond would pay to replace the existing Fire Station 1 on Erba Lane, constructed in 1964 and expanded in the 1980s, along with its administrative offices. The new location, a [site purchased by the district for this purpose in 2002](#), sits about a mile south, across from the Hilton Santa Cruz/Scotts Valley hotel at 6000 La Madrona Drive.

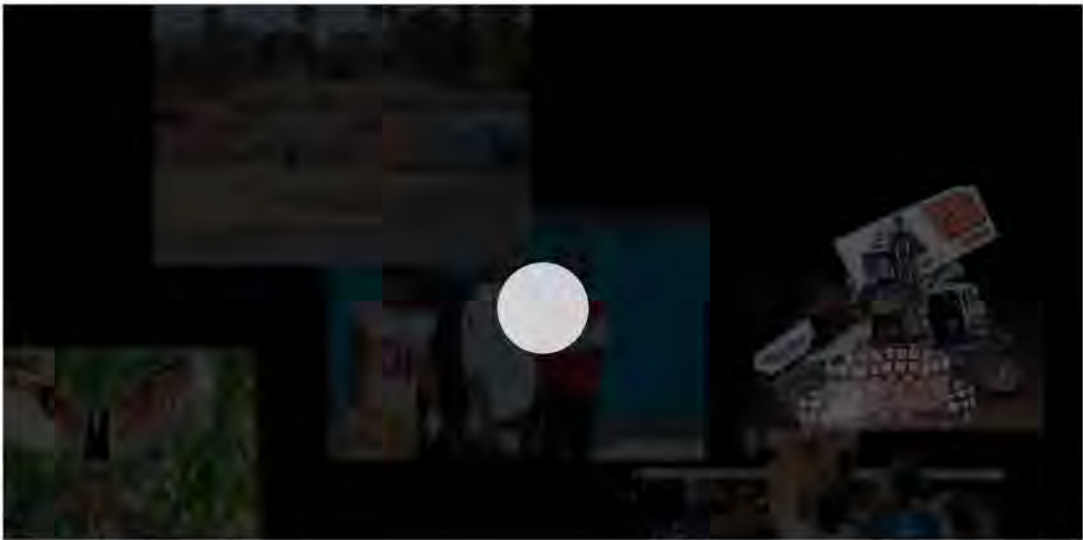
According to the district, the La Madrona site is more strategically located for better fire response coverage and would bring the station up to modern seismic standards and building codes. The relocated administrative offices also would better serve as a disaster command center during large-scale emergencies similar to the 2020 CZU Lightning Complex fires, according to the agency.

The estimated cost to design and build a new fire station has increased by more than 9% — or about \$4 million — since last year's ballot effort. However, fire authorities plan to tap \$1 million in district reserves and apply proceeds from the Erba Lane station's

sales to reduce district ratepayer impacts. Late last year, the former [Branciforte Fire Protection District was folded into Scotts Valley Fire's](#) jurisdiction, ensuring a greater tax burden distribution.

Should the bond measure pass with a needed two-thirds of voter support, property owners would see an average tax rate of \$17 per \$100,000 of the taxable assessed valuation – costing the average property owner about \$109 per year, according to the district. That average rate is down \$10 per \$100,000 compared to the 2023 bond measure estimates.

Only about 34% of the fire district's eligible voters cast ballots in last year's off-year election in which the Scotts Valley fire measure was the sole local item, versus a likely higher turnout this November for a presidential general election. Similar efforts to obtain taxpayer support to fund a new station on the La Madrona Drive property failed twice in 2006.



0:00 / 0:00



0:00 / 0:00



0:00 / 0:00



[voiceofsandiego.org](https://voiceofsandiego.org)

## San Diego's Boundary Refs Could Be Headed Into a New Fight, This Time with a Public Healthcare District

*Tigist Layne*

8–9 minutes

---

A power struggle could be brewing between San Diego's boundary refs and a healthcare district in the middle of a major restructuring process, and it all started with a comment at a public meeting.

Nearly five months ago, Palomar Health, a public healthcare district that operates Palomar Medical Centers in Escondido and Poway, [partnered](#) with a newly formed private nonprofit company called Mesa Rock Healthcare Management, Inc. that now manages the healthcare district's top executive staff.

That management change raised eyebrows because it meant that a public agency was moving a significant portion of its operations into a private entity.

Among those concerned with what the change could mean for the public institution was the San Diego Local Agency Formation Commission, or LAFCO.

LAFCO is the agency that helps manage local government boundaries and services, it [decides](#) when new cities or special districts can be created or dissolved, and it controls where public services go. Healthcare districts like Palomar Health are considered special districts. LAFCO may step in, for example, when a city or special district wants to expand services outside of its boundaries.

When two North County water districts decided to leave the San Diego

County Water Authority, during last year's [big water divorce](#) it was LAFCO that OK'd it.

LAFCO typically gets involved in disputes that are brought to them, but as Voice of San Diego [previously reported](#), the once-low-profile agency has recently been wielding its power over entities it has never challenged before.

The boundary refs say, even though Mesa Rock is a private entity, it still falls under LAFCO's jurisdiction, which means it has to get approval from LAFCO when considering where to conduct services. But based on recent remarks from Palomar Health's attorney, it's unclear if Palomar Health would agree.

## Palomar Health and LAFCO Have History



Palomar Health in Escondido on Oct. 25, 2022. / Photo by Ariana Drehsler

In 2022, LAFCO helped settle a dispute between Palomar Health, Tri-City Medical Center (another public healthcare district) and two outpatient health clinics, Vista Community Clinic and TrueCare.

The two clinics were originally referring patients to Tri-City Medical Center, but that agreement wasn't working out for the clinics, which were both



experiencing substantial financial losses each year.

The clinics instead wanted to send patients to Palomar Health. But because the clinics were outside of Palomar Health's district boundaries and within the boundaries of Tri-City's district, LAFCO had to step in.

It was LAFCO that made [the final call](#) allowing Palomar Health to contract with the clinics within the boundaries of the Tri-City district, citing a public health emergency. LAFCO Executive Officer Keene Simonds [said at the time](#) that the clinics needed more financial support and wouldn't be able to keep operating without Palomar's help.

About a year later, on May 6, 2024, LAFCO's Commission held a public meeting to clarify some rules on an existing policy on out-of-agency services. The policy, created in 2001, requires cities and special districts to get approval from LAFCO before providing new or extended services outside of their boundaries via contracts or agreements, also known as out-of-agency services.

LAFCO's assistant executive officer, Priscilla Mumpower, used this example of Palomar, Tri-City and the two health clinics.

But something unexpected happened. An attorney for Palomar Health showed up at the meeting and made a public comment that left LAFCO's commissioners at a loss for words.

John Kern, an attorney at Holland & Knight, the law firm that helped Palomar Health create and establish their new management structure just a few months earlier, told LAFCO commissioners that LAFCO didn't actually have any authority to stop Palomar from contracting with the clinics.

He said the situation "went exactly as it should" because Palomar Health never conducted services outside of its boundaries, it was the clinics that are not under LAFCO's jurisdiction that were conducting services outside of Palomar's boundaries.

"There were no services taking place outside of Palomar Health's healthcare district ever — that are under the jurisdiction of LAFCO to regulate," Kern said. "So, there were third-party ambulatory care and OB

organizations that are not under the jurisdiction of LAFCO that were going to conduct services.”

He added that LAFCO did not have a right to overturn the contracts Palomar Health entered into with the third-party clinics, and Tri-City would not have successfully been able to challenge those contracts.

“This rule change would have no impact on that happening again in the future or would not empower another healthcare district like Tri-City to challenge it validly,” Kern said.

In other words, Kern believes that LAFCO never had the authority to stop that contract from going through because the health clinics aren’t under LAFCO’s jurisdiction, and neither are the services being conducted under that contract. And if Palomar wanted to do something similar in the future, they would have every right to.

LAFCO disagrees.

At the time, the commissioners did not respond to Kern’s comments, but they did cause concern among LAFCO’s officials.

LAFCO Consultant Adam Wilson told Voice of San Diego that it came as a surprise to LAFCO commissioners and seemed to diminish everything the two parties had worked together on over the past two years.

Kern’s remarks also revealed a fundamental difference in how LAFCO and Palomar Health view LAFCO’s out-of-agency policy.

“Palomar contracted with these two clinics and, for LAFCO, that contract in itself is when the services start, but Palomar seems to think the services start when somebody comes into the hospital and receives care at the hospital,” Wilson said. “So, that’s a huge distinction that we vehemently disagree with.”

Now, LAFCO officials are concerned Palomar Health may try to apply that same logic to this newly formed private nonprofit company that it partnered with. Does Palomar believe that Mesa Rock and any of Mesa Rock’s future contracts don’t fall under LAFCO’s jurisdiction and therefore don’t need approval from LAFCO to conduct services outside of Palomar’s boundaries? Right now, that’s unclear. But it’s something



LAFCO officials are keeping an eye on.

Wilson told Voice via email that LAFCO's out-of-agency policy does apply to Mesa Rock because regardless of whether a contract is signed by a separate private entity, that private entity is still an extension Palomar Health.

"If they are presumably moving in a direction and proceeding to think that taking action under a private entity is to somehow undermine or move away from LAFCO's authority, then yeah, it brings us concern," Wilson said.

He added that Palomar Health didn't give LAFCO a heads up about the restructuring before it was approved; LAFCO found out about it in the news. It raises a lot of questions about what this management restructuring means and what it will look like moving forward, Wilson said.

"I certainly understand the perspective of Palomar as we've stayed in communication with them that changes to the health care economy post-pandemic have created financial hardships ... and to stay afloat financially, they have to be able to execute contracts and investments strategically without public disclosure," Wilson said. "But the concern is still raised that you're moving your executive team under a private entity and removing it from the public component, and the district itself is a public agency. So, what does that exactly mean? How does it exactly work?"

Palomar Health officials declined to provide a comment for this story.

[calexicochronicle.com](https://calexicochronicle.com)

## LAFCO Dissolves Calexico's Healthcare District Per AB 918 - Calexico Chronicle

*Kimber Dial*

10–13 minutes

---

**EL CENTRO** — A day after Calexico's long-standing Heffernan Memorial Healthcare District was dissolved last week, Brawley-based Pioneers Memorial Healthcare District's fight to stave off the same fate was met with yet another harsh rebuke from state Attorney General Rob Bonta.

On Thursday, July 25, the Imperial County Local Agency Formation Commission unanimously folded Heffernan as a free-standing entity with all of the district's "assets, rights, and responsibilities" transferred to the newly formed Imperial Valley Healthcare District.

"We commend Imperial County LAFCO for their decisive action and dedication to the health and well-being of our community," IVHD President Katie Burnworth commented after the Thursday, July 25 decision.

A Calexico watchdog who has been a regular at IVHD meetings and present at the LAFCO session called for all of Heffernan's property tax earnings that have been collected for the last two decades — now under IVHD's control — be used in Calexico. Nearly \$2 million are at stake, according to Maritza Hurtado.

Meanwhile, the same is set to happen to Pioneers Memorial Healthcare District by Dec. 1, something stakeholders and board members in PMHD have been working against, taking multiple efforts to stay intact as a district. Both dissolutions are among the requirements laid out by Assembly Bill 918, authored by Assembly member Eduardo Garcia (D-Coachella) to reportedly unify the county's healthcare systems under one

financially stable district — the coalescing Imperial Valley Healthcare District.



Imperial Valley Healthcare District board President Katie Burnworth (speaking) recently praised Imperial County Local Agency Formation Commission for taking action and allowing Assembly Bill 918 to progress accordingly with plans to create a singular healthcare system for the Valley. Burnworth is shown here speaking at a press conference to inform the public of updates within the IVHD. In the rear of the photo is El Centro Regional Medical Center's Chief Executive Officer Pablo Velez (from left to right), Assembly member Eduardo Garcia and state Sen. Steve Padilla. | KIMBER DIAL PHOTO

Pioneers' representatives have taken measures like petitioning for expansions with LAFCO (the agency in charge of managing special districts) and filing litigation against both LAFCO and the IVHD, another measure to slow the process of being dissolved. [More recently PMHD representatives appealed to the Brawley City City to write a letter in support of their cause.](#)

Despite those best efforts, the day after the Heffernan district was dissolved, on Friday, July 26, the courts received responses from LAFCO and IVHD regarding Pioneers' dissolution, and for a second time, the Brawley district received negative attention from California Attorney

General Rob Bonta on the same matter.

Bonta responded to Pioneers' filed documents with statements like, "The motion for a preliminary injunction is meritless and should be denied" and "the time and expense occasioned by this baseless litigation are a significant drag on the new district's ability to get up and running as contemplated by AB 918; Pioneers is actively harming, not helping, the voters and patients it claims to represent."

It was an eventful week for healthcare as there are a handful of ongoing actions in motion as three different healthcare entities in Imperial County work toward merging, including Pioneers, Heffernan and El Centro Regional Medical Center.

El Centro's healthcare resources are being acquired through agreements with IVHD, a slightly different process due to the hospital's city-owned status, but is set to be completed with agreements by Nov. 5, according to AB 918.

### **AB 918 History and Possibilities**

AB 918 was written by Assembly member Garcia in February 2023, a bill that was passed and took an immediate effect under an urgency statute due to the financial instability of the Imperial Valley's healthcare systems. Both PMH and ECRMC received \$28 million in state Distressed Hospital Loan Program funding not long after. ECRMC shut down its maternity ward out of financial necessity, and Pioneers' faces costly seismic upgrades in the near future, adding to its financial deficit.

This all was assessed and more, by Garcia, and with the support of state Sen. Steve Padilla (D-Chula Vista), the two legislators drafted AB 918 to make a pathway to create a unified, financially stronger healthcare entity for all in Imperial County.

If the two Imperial Valley hospitals, PMHD and ECRMC, were combined into a single hospital across two campuses, under a single countywide healthcare district, it could qualify as a sole community hospital, which would result in an increase in Medicare reimbursements of several

millions of dollars per year, according to officials.

Numerous obligations were laid out for the IVHD board to fulfill, though, before those possible benefits can occur.

"We applaud the leadership of the Imperial Valley Healthcare District and recognize the tremendous milestones they have achieved in only a few short months," Garcia has said. "These actions were urgent in our aims to protect access to lifesaving medical care and strengthen our health infrastructure."

On the Imperial Valley Healthcare District timeline, its board submitted a proposal to LAFCO to dissolve Calxico's Heffernan Memorial Healthcare District by Oct. 1, a few months earlier than the AB 918 deadline of Jan. 1, 2025.



California Attorney General Rob Bonta is interviewed at the CalMatters offices in Sacramento on Oct. 11, 2022. | MARTIN DO MASCIMENTO PHOTO/CALMATTERS

At the July 25 regular meeting for LAFCO, the board fulfilled its obligation laid out in the legislation and dissolved the southernmost district. "Their dedication to this process has laid the groundwork for completing the remaining tasks of the bill, contributing to a more efficient and effective healthcare system," Burnworth said, commending the LAFCO board.

LAFCO legal counsel recommended the board members vote to follow the state law, which proceeded to happen with the unanimous decision to dissolve Heffernan on July 25.

“It is IVHD’s intent, like the transition with HMHD, that healthcare services remain uninterrupted when Pioneers Memorial Healthcare District is dissolved by LAFCO and absorbed into IVHD later this year,” according to an IVHD press release after the LAFCO decision. “The only change will be in governance, which will transition to IVHD, ensuring that the community continues to receive uninterrupted healthcare services at both hospitals.”

### **Litigation Updates**

Pioneers asked LAFCO for an expansion to its district borders but the board denied the request, siding with the rule of AB 918. The ongoing PMH litigation began in April and is seeking declaratory relief from AB 918, which the district claims has “adversely affected its operations and threatens to undermine healthcare in the Imperial Valley.”

Responses from Imperial Valley Healthcare District, LAFCO and Attorney General Bonta were submitted to the courts on Friday, July 26, all speaking against petitioner Pioneers Memorial Healthcare District and the request for a preliminary injunction.

See also



“The public interest strongly weighs in favor of allowing AB 918, an urgency measure, to be implemented and Pioneers to be dissolved before its board can engage in further mischief,” reads Bonta’s opposition.

LAFCO’s legal team and IVHD’s both broke down the four different elements necessary for the injunction that Pioneers failed to address in its paperwork. LAFCO’s responses included statements like, “Pioneers lacks standing. It establishes no constitutional right to vote on dissolution.



It fails to prove the Legislature's discriminatory intent in adopting AB 918" and more.

Imperial Valley Healthcare District's attorneys sent over its own list of responses, some of which touched on PMHD's concerns for the residents to be left out of the conversations of who is funding the new healthcare district. AB 918 states that the community will vote on a viable funding source, or how the hospital will be paid for, which will be decided upon after review of the financial documents of both hospitals.

IVHD has been caught up on this detail recently due to Pioneers' unwillingness to submit its financial documentation for analysis. The IVHD opposition paperwork touched on the funding issues and read, "Even if voters do not approve IVHD's proposed funding mechanism, IVHD will not operate PMH without a funding mechanism, as petitioner claims. First, IVHD already owns the funds and assets previously controlled by Heffernan, which was the most solvent healthcare district in the Imperial Valley."

### **Calexico Reactions to Dissolution**

Calexico residents have repeatedly shown up to IVHD board meetings such as Maritza Hurtado, a former mayor for Calexico and longtime business owner in the city, who has expressed her dissatisfaction with some of the unfair stipulations of AB 918.

Hurtado commented at the LAFCO meeting on July 25, before the vote to dissolve took place, and asked for the funds accumulated in the Heffernan savings account, which is now under IVHD's ownership, be used in Calexico rather than elsewhere in the county. Nearly \$2 million are at stake, funds that have been collected from the taxes of hard-working Calexico residents over the last 20-plus years.

The city's accumulated savings for the district were a concern because already the Heffernan district was responsible for administrative duties and fees of IVHD until a funding source was chosen, as part of the AB 918 ruling. Heffernan district is out approximately \$200,000, and the new



district has yet to determine a secure funding source to operate on.

Hurtado expressed mixed emotions after discussing the confusing nature of the law in a phone interview on July 26, saying, "All these changes are a Godsend in a way, but we see they still stuck it to us, making us pay for everything!"

Board members from Heffernan Memorial Healthcare District were not immediately available to comment on the decision by LAFCO, although Sylvia Bernal, the president of the board, previously stated at a press briefing on July 10 that the district was committed to working with IVHD in good faith and to become united as one healthcare district.

LAFCO board member and Calexico Mayor Pro Tem Javier Moreno said, "I would like more active community engagement and citizen participation during IVHD and City Council meetings," and urges residents to attend those meetings regularly to stay informed on the ongoing healthcare conversations.

[pressbanner.com](https://pressbanner.com)

## San Lorenzo Valley Water District plans to replace 12 aging tanks - Press Banner | Scotts Valley, CA

*Staff Report*

2-3 minutes

San Lorenzo Valley Water District (SLVWD) is moving forward to replace 12 water tanks to improve reliability, capacity and drought resiliency.

The tanks to be replaced include older, wooden tanks made of redwood, as well as plastic tanks that were damaged in the 2020 CZU Lightning Complex Fire. The old tanks will be replaced by six new 120,000 gallon bolted-steel tanks, greatly increasing system reliability and water storage.

The tanks are located at several sites, including the Redwood Park Tank, Echo Tanks, Highland Tank, Felton Heights Tank and South Tanks. The project is funded by a \$4.5 million Department of Water Resources' 2022 Urban Community Drought Relief grant, plus a \$1.5 million match by SLVWD.

"This is a critically important project for the District and we're excited to be moving forward," said Brian Frus, SLVWD interim general manager.

"Older tanks made from wood are vulnerable to leaks and other major problems, while some plastic tanks were jeopardized in the CZU fire.

Replacing these tanks is part of our ongoing work to transform our aging infrastructure, also including water mains, throughout the District."

The tank upgrades will happen over the next two years as part of SLVWD's Capital Improvement Projects, which are important to ensure the community's aging water systems continue to serve customers into the next century.

SLVWD is updating and upgrading pipelines, tanks, pump stations and more to ensure reliable water service to customers. Learn more at [slvwd.com/projects](https://slvwd.com/projects).

San Lorenzo Valley Water District is located in the mountains of northern Santa Cruz County and serves more than 7,900 metered connections. Established in 1941, the District supplies water to the communities of Boulder Creek, Brookdale, Ben Lomond, Zayante, Quail Hollow, Scotts Valley, Whispering Pines, Manana Woods and Felton.

COLANTUONO, HIGHSMITH &amp; WHATLEY PC

GRASS VALLEY | PASADENA | SACRAMENTO | SOLANA BEACH | SONOMA

Newsletter | Summer 2024

COLANTUONO  
HIGHSMITH  
WHATLEY, PC

## Update on Public Law

# Another Loss for Tiered Water Rates

By Michael G. Colantuono, Esq.

The San Diego Court of Appeal recently issued the latest published decision striking down tiered water rates under Proposition 218, *Coziahr v. Otay Water District*. Such rates make water progressively more expensive as use becomes inefficient to encourage efficiency. The District serves communities to the southeast of San Diego. The Court concluded a deferential standard of review applies on appeal (making it difficult to overturn a trial court loss) and that the trial court properly accepted an after-the-fact expert's report to invalidate the rates.

The District raised on appeal many open issues under Proposition 218. This Court rules against government on nearly all of them. The Court's many unwelcome conclusions include: refunds are available in Proposition 218 cases; water rates require firm justification in historical cost data, not reasonable projections and estimates; policy goals like ensuring water affordability and encouraging conservation cannot justify rates; Otay's record showed that tiering rates for residential but not commercial and irrigation customers was discriminatory; refunds could not be based on estimates and projections because historic data could be made available; evidence can be submitted to a court that was not submitted in agency hearings; ratemaking decisions are not "quasi-judicial" such that some judicial deference is appropriate; the issues are not primarily legal so as to allow more searching appellate review; reasonableness of ratemaking judgments is not sufficient to comply with Proposition 218 – firm rooting in "relevant, verifiable data" is needed (disagreeing with earlier published cases); refunds can be established using expert evidence; and a remedy based on average cost (i.e., after-the-fact uniform rates) could not be justified without obtaining customer payment data and historical cost information. Whew! The Court remanded for retrial of damages.

(continued on page 2)

### Class of 2024

CHW's Fall class is arriving between now and October.

Adam Mentzer joins our Pasadena litigation team as a 7<sup>th</sup> year lawyer, bringing deep housing expertise from work in both the Portland City Attorney's Office and the Housing Authorities of the City of Salem and Clackamas County, Oregon. He has licenses in four western states and comes to us from Neighborhood Legal Services in Los Angeles.

Darianne Young, joins us from a "big law" business litigation practice as a soon-to-be 3<sup>rd</sup> year in Pasadena. She has her law degree from the Thurgood Marshall School of Law at the Texas Southern University. She has had diverse experience in civil and administrative litigation.

(continued on page 3)

# SCOTUS Restores Local Power to Regulate Public Places

by Mackenzie D. Anderson, Esq.

The U.S. Supreme Court's recent decision in *City of Grants Pass, Oregon v. Johnson et al.* held that enforcing generally applicable laws restricting camping on public property does not constitute cruel and unusual punishment under the Eighth Amendment of the U.S. Constitution. This means that cities and counties can enforce restrictions on camping in public places (including in vehicles) without evaluating shelter capacity.

The Ninth Circuit's 2019 *Martin v. Boise* decision held the City of Boise, Idaho violated the Eighth Amendment by enforcing anti-camping restrictions against the homeless when the number of unhoused persons exceeded the number of "practically available" shelter beds, as sleeping outside was an involuntary and unavoidable consequence of their homeless status. In 2023, the Ninth Circuit applied *Martin* to prohibit Grants Pass from enforcing its camping regulations against homeless people sleeping in cars or outside when there is no shelter space available in the city.

The Court noted that, although a homeless defendant charged with illegal camping cannot rely on the Eighth Amendment to avoid conviction, she can still invoke the defenses of necessity, insanity, diminished capacity, or duress. And, beyond the Eighth Amendment, the Constitution still protects against unfair notice, unequal treatment under the laws, and selective prosecution.

Local governments may now enforce restrictions on camping in public places. Cities and counties may want to revisit policies or ordinances tailored to the Ninth Circuit's *Martin* and *Grants Pass* decisions.

*Grants Pass* did **not** overturn the Ninth Circuit's decision in *Lavan v. City of Los Angeles*, which prohibits cities from seizing and destroying the personal property of homeless people without providing reasonable notice and an opportunity for owners to reclaim their possessions before they are destroyed.

So, this case restores government's authority to regulate the use of public places and, in appropriate contexts, to use a threat of fines or penalties to induce homeless persons to accept services and come in off the street. But homeless advocates continue to litigate and further developments are likely. Be alert to those. And, of course, we will keep you posted!

For more information, please contact Mackenzie at [MAAnderson@chwlaw.us](mailto:MAAnderson@chwlaw.us) or 916.898.0042.

## Another Loss for Tiered Water Rates *(continued from page 1)*

The case is not yet final. Supreme Court review and depublication (which would preserve the ruling for Otago but eliminate it as precedent for others) are possible. San Diego's tiered rates will soon be argued to the Riverside Court of Appeal, which could disagree with *Coziahr*. And the Legislature is considering bills which disagree with some of these points, including AB 1827 (promoting tiered water rates), AB 2257 (allowing local agencies to require litigants to raise issues in rate hearings before suit), and SB 1072 (stating refunds are not available under Proposition 218), all of which may soon be on the Governor's desk.

The decision is discouraging for those of us who have been working to implement Proposition 218 since 1996. What is a water agency to do? Make sure you get good legal advice when making rates and keep an eye out for new developments in the courts and the Legislature. We'll keep you posted!

For more information, please contact Michael at [MColantuono@chwlaw.us](mailto:MColantuono@chwlaw.us) or 530.432.7357.

# New ADA Rules for Local Governments Online

By: Julia W. Cohene, Esq.

Public agencies must make their web content and mobile apps accessible to individuals with disabilities by April 2026 (cities and counties serving 50,000 or more people) or April 2027 (special districts and smaller cities and counties), according to a Final Rule published by the Department of Justice under the Americans with Disabilities Act (“ADA”).

Under this ambitious new rule, public entities, including special districts, must ensure web content and mobile apps they “provide[] or make[] available, directly or through contractual, licensing, or other arrangements” are accessible to and usable by individuals with disabilities.

Web content means more than “content” as that word is commonly used. It means “the information and sensory experience to be communicated to the user by means of a user agent [e.g., a web browser], including code or markup that defines the content’s structure, presentation, and interactions.” Examples include text, images, sounds, videos, controls, animations, and conventional electronic documents in formats including PDF, Word, PowerPoint, and Excel.

For example, a website must be accessible, including its text, images, and code defining the content’s structure, presentation, and user interactions; as must also be documents posted on it. Live audio captioning will be required for synchronized media, like public meeting broadcasts.

The rule also applies to web content and mobile apps that a public entity makes available through contractual, licensing, or other arrangements. For example, a vendor’s app allowing the public to pay city parking fees by cellphone must be accessible.

Web content also includes social media posts. As to these, public entities will need to use accessibility features provided by social media platforms, such as text descriptions of images.

Public entities can achieve compliance using Web Content Accessibility Guidelines 2.1 (“WCAG 2.1”), Levels A and AA, which are guidelines intended to make

web content accessible for people with disabilities, including blindness and low vision, deafness and hearing loss, limited movement, speech disabilities, and photosensitivity.

Limited exceptions ease the burden. Compliance is not required if a public entity can show compliance would impose an undue financial or administrative burden, or fundamentally change a service, program, or activity. Certain exceptions also apply, including for archived web content and preexisting social media posts.

It may make sense to consult with your technical support and communications teams sooner rather than later.

For more information, please contact Julia at [JCohene@chwlaw.us](mailto:JCohene@chwlaw.us) or 213.542.5736.

---

## Class of 2024 *(continued from page 1)*

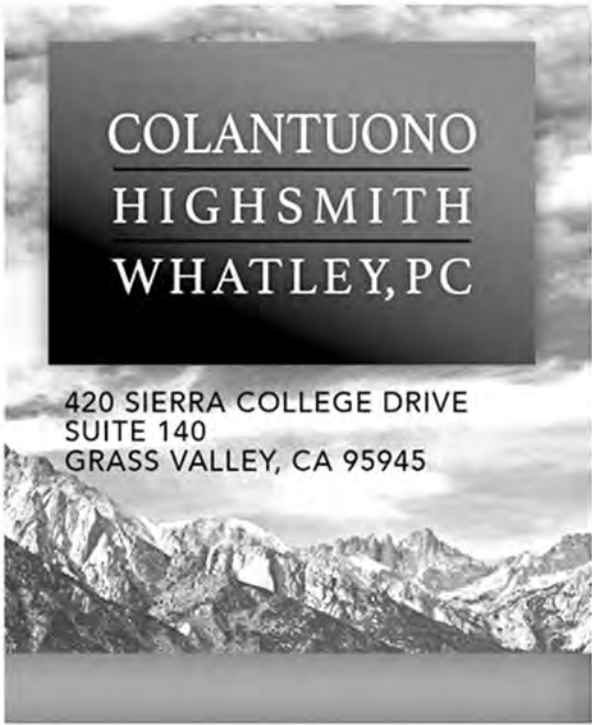
Julia Homaechavarria joins us as a second year in our Pasadena office after completing a clerkship with the Anchorage Superior Court. She will start with a mix of litigation and advisory assignments. She has her J.D. from UC Davis Law School.

We’ll have two Law Clerks joining us soon, too — recent law graduates awaiting the results of the July Bar exam. John Hope comes to us from the McGeorge School of Law where he was a judicial extern to Justice Ronald Robey of the Sacramento District Court of Appeal.

Mihir Karode joins us with his J.D. from UC Davis Law School. He has his B.S. in Environmental Science from the University of Illinois at Urbana-Champaign and has an interest in land use and CEQA. At Davis he was the Senior Articles Editor of the *Environs Environmental law & Policy Journal*.

Welcome, CHW’s class of 2024!





PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE  
PAID  
LOS ANGELES, CA  
PERMIT #200

Are you on our list? To subscribe to our newsletter or to update your information, complete the form below and fax it to 530.432.7356. You can also call Marta Farmer at 530.432.7357 or subscribe via our website at <https://chwlaw.us/newsletter-subscribe/>.

Name \_\_\_\_\_ Title \_\_\_\_\_

Affiliation \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

☐ Mail      ☐ Email      ☐ Both

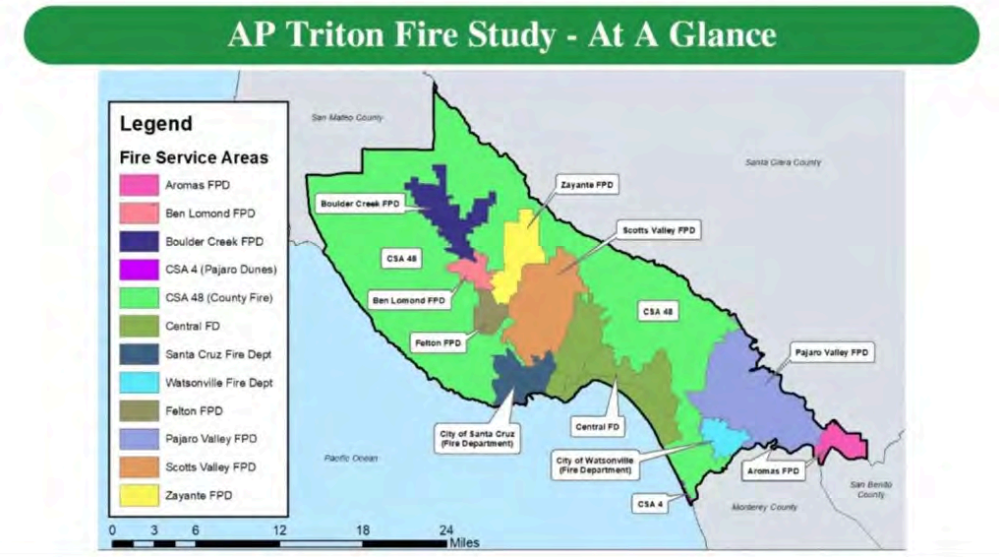
Our newsletter is available as a printed document sent by US Mail and as a PDF file sent by email. Please let us know how you would like to receive your copy.

The contents of this newsletter do not constitute legal advice. You should seek the opinion of qualified counsel regarding your specific situation before acting on the information provided here.  
Copyright © 2024 Colantuono, Highsmith & Whatley, PC. All rights reserved.



NEWS > CRIME AND PUBLIC SAFETY

# Agency considers new fire protection district in county



Santa Cruz County has 12 fire service entities. A new proposal would consider a shakeup of the status quo. (AP Triton via LAFCO — Contributed)



By **JESSICA A. YORK** | [jjork@santacruzsentinel.com](mailto:jjork@santacruzsentinel.com) | Santa Cruz

Sentinel

UPDATED: August 12, 2024 at 5:05 p.m.



Last week, the Santa Cruz Local Agency Formation Commission unanimously voted Wednesday to begin drafting a transition plan with Santa Cruz County and Cal Fire authorities for the future of County Service Area 48 or CSA 48. The Santa Cruz County Board of Supervisors oversees the citizen self-taxing special district serving all unincorporated areas not within a fire district and contracts for fire services with Cal Fire.

LAFCO Executive Officer Joe Serrano recommended that the commission study turning CSA 48 into an independent fire protection district with leadership from its own elected board of directors. The discussion came amidst the unveiling of a two-years-in-the-making fire district boundary feasibility study by consultant AP Triton.

Serrano said some benefits of creating such a new district would be to soft landing for future mergers with existing fire protection districts such as the struggling Felton Fire or Pajaro Valley Fire, which recently reduced its service level and is facing budget shortfalls that could drain the district of funds within 18 months.

A map of CSA 48 shows a large coverage area running largely up and down the borders of Santa Cruz County, from San Mateo County to Monterey County.

“CSA 48, the way it’s currently structured, it’s strategically positioned to be an alternative option for any struggling fire agency in the county because it’s in the right position,” Serrano told the commission.

[Read More](#)

00:00

02:00

Serrano said that even were the feasibility study to lay out an effective plan for creating a new independent fire district, the Board of Supervisors, Cal Fire and the public would still need to get on board. He estimated needed about 18 months to complete the effort.

“This is not going to happen overnight. This is going to be a multiyear process,” Serrano said. “But the first step is to develop this plan. If the plan makes sense, then the next step is to initiate the reorganization.”

Santa Cruz County General Services Director Michael Beaton, speaking to the commission, said he served as the contract administrator for the county fire contract with Cal Fire. About a year ago, he said, his staff began conducting a draft master plan for county fire, which suggests a change of governance for its \$6.8 million in annual fire services. That draft master plan, Beaton said, is due to go before the Board of Supervisors this month or next.

Zayante Fire Chief Jeff Maxwell asked why LAFCO had not considered consolidating with an existing fire district, rather than creating a new one from scratch. Serrano said such a strategy was possible but that it would be difficult to identify any fire district in the county equipped to take over such a large amount of territory.

Commissioner Roger Anderson and community member Becky Steinbruner urged the body to consider delaying a vote so as to have more time to read the AP Triton report. Commissioner Manu Koenig said the commission was not making a final determination with its vote, merely taking the next logical preliminary step.

“I don’t see a world where we choose a different next step or we choose not to take this step a month from now,” Koenig said. “It’s really only beginning to take that step rather than rushing to a conclusion.”

**News as it breaks:** All our breaking news stories, sent as often as we have them.

Email address

SIGN UP

By signing up, you agree to our [Terms of Use](#), [Privacy Policy](#), and to receive emails

[mercurynews.com](https://www.mercurynews.com)

## Rodeo-Hercules Fire District annexation one vote away from final

*Sierra Lopez*

5–6 minutes

---

HERCULES — The Rodeo-Hercules Fire District could be dissolved in under a year — a change enthusiastically backed by district firefighters but protested by some residents — after the special district's directors and the Contra Costa County Board of Supervisors agreed to move forward with annexation into Contra Costa Fire District.

A final vote on whether the Rodeo-Hercules Fire District will become part of ConFire will take place Nov. 12 after district directors and the Contra Costa County Board of Supervisors, which provides oversight over ConFire, both voted to send an application for annexation to the Local Agency Formation Commission.

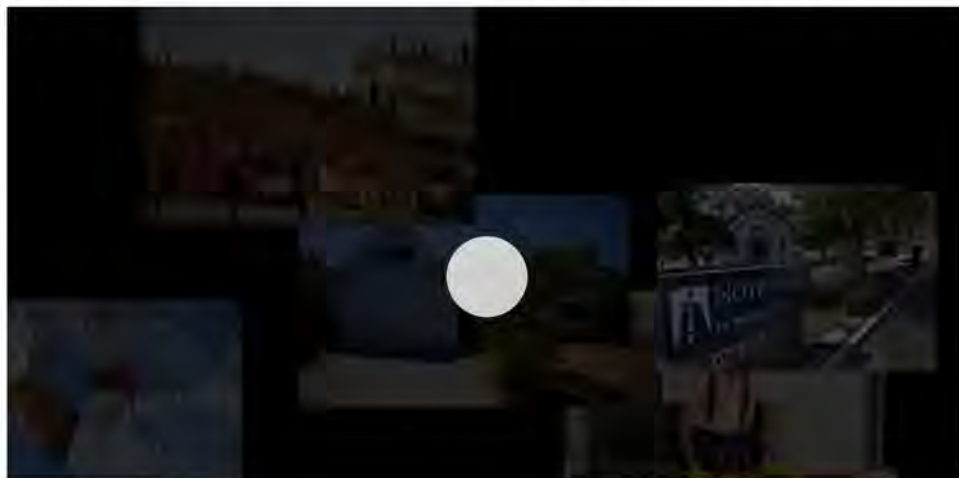
"I will leave much more comfortable knowing the firefighters as well as the community will be well served," said Supervisor Federal Glover, who will retire at the end of his term this December after 23 years in the role.

Both bodies said the decision is meant to benefit district residents by giving current RHFD employees access to existing ConFire resources from training opportunities to a greater number of staff. All current RHFD employees except for interim Fire Chief Rebecca Ramirez will have the choice to join ConFire if annexation is allowed.

Officials have argued annexation would also bring financial stability to the district which is estimated to bring in revenue of \$10 million to \$12.3 million between 2024 and 2030, while spending \$10 million to \$13.3 million over the same timeframe, officials said. RHFD has only \$7 million in reserves and about \$12 million in unfunded pension liability. If annexation occurs, those reserve funds would be used to pay down pension liabilities.



"We've spent tens of thousands of dollars of your money to study this," RHFD Director Steve Hill said during a July 31 meeting. "We studied it. We studied it again. We've done everything I believe that our residents have asked us to do over the last several years, and then some. We've spent time and money on things that we knew never had a hope of paying off but we did it anyway because we didn't want anyone to accuse us of not turning over every possible stone. We've been at this a long time."



0:00/0:00

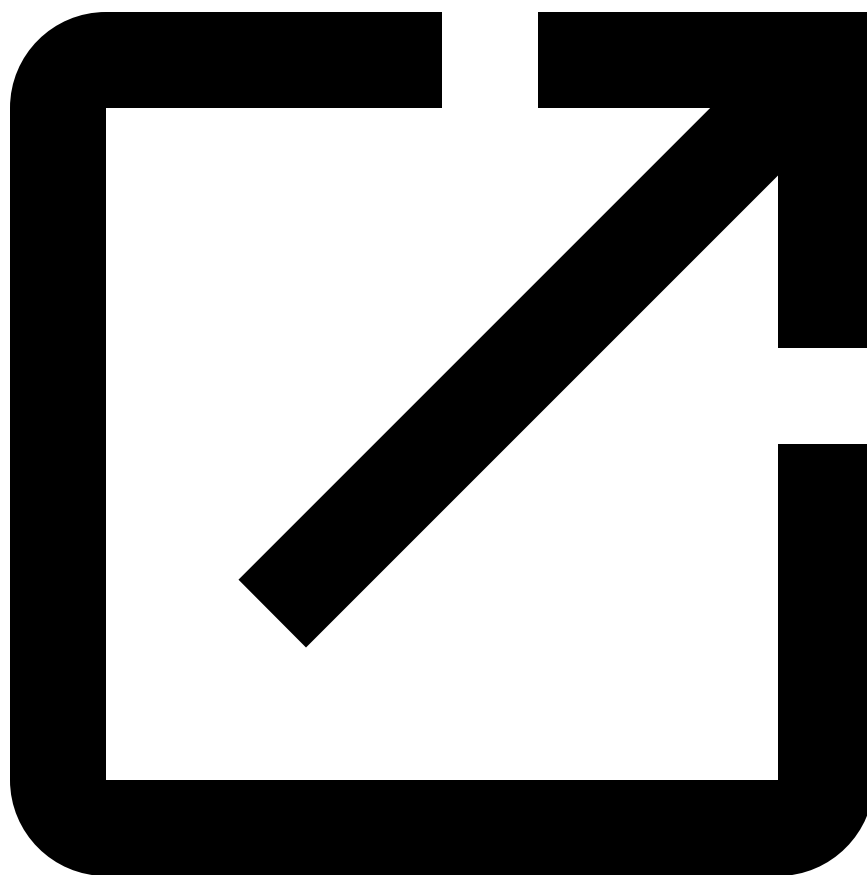


0:00/0:00



0:00/0:00





Visit Advertiser website [GO TO PAGE](#)

The agency employs 23 people across two fire stations and dates back to 1937, when it was known as the Rodeo Fire District. It annexed Hercules in the late 1970s as the population in the city known for its dynamite plant began to explode.

Still, the move toward annexation has faced pushback from district residents and members on the Measure O Oversight Committee, a body of five residents tasked with monitoring the spending of a parcel tax approved by RHFD voters in 2016 to support the district's two fire stations.

Three members of the oversight committee — Elizabeth Genai, Maureen Brennan and Tara Shaia — submitted resignation letters to the board of directors in late July, citing the annexation process and what they described as disrespectful, vitriolic treatment of Brennan.

Brennan has staunchly opposed annexation, asserting the district has a stable financial footing that could be strengthened by reviewing potential grant opportunities and investigating whether the district has lost out on funds from a tax on the Phillips 66 refinery. Brennan and others have also

argued the district and its residents will be ignored within the larger ConFire system, given that its oversight is provided by the county.

“We have lost the confidence of this annexation-driven board, as they have lost sight of a multitude of public concerns. Our voice no longer matters, and in fact is ridiculed,” Brennan wrote in her resignation letter.

Two RHFD directors agreed, at least in part, with some of the concerns raised. Director Charles Davidson said he isn’t against annexation but couldn’t vote in favor of the move because he still had questions regarding district budgeting and finances. Vice Chair Marie Bowman also voted against submitting the annexation application, arguing residents should get to vote on the measure.

Those opposed to annexation can file protests with LAFCo, ahead of the Nov. 12 vote, officials said. If written protest statements are submitted by at least 25 percent of registered voters or at least 25 percent of landowners owning at least 25 percent of assessed property within RHFD’s jurisdiction, an election will be held on the matter, according to LAFCo’s procedures for processing boundary changes. The application would be thrown out if at least 50 percent of registered voters file protests.

If annexation is approved, a change backed by RHFD employees, ConFire Chief Lewis Broschard said the target date for completing the transition is July 1, 2025.

“This is us saying how can we make our community safer, how can we keep our firefighters safer,” Supervisor Diane Burgis during an Aug. 6 meeting. “For those not happy about this, we are all invested in making sure you are getting the best services you can get and you’re going to benefit from the region getting stronger.”

Originally Published: August 16, 2024 at 7:00 a.m.

*The* PAJARONIAN

## Tamara Vides tapped for Watsonville City Manager

BY TODD GUILD - August 21, 2024



Tamara Vides (Contributed)

The Watsonville City Council on Tuesday will consider appointing Tamara Vides as its new City Manager.

Vides served as interim City Manager in 2021 and more recently in April.

She has held various positions during her 15-year career with the city. This includes Deputy City Manager in 2018 and Assistant City Manager since October 2020.

"After a thorough search for top talent to fill the vacant City Manager position, the council selected the candidate they felt was best suited for the role," said Watsonville Mayor Vanessa Quiroz-Carter.

Vides is an Argentinian native who holds a Master of Science in Recreation Management from San José State University.

"In recent years, her abilities and experience have allowed her to tackle critical challenges, including homelessness, the complexities of the COVID-19 pandemic, and the effects of natural disasters, guiding the City through difficult times," city spokeswoman Michelle Pulido stated in a press release.

Vides did not immediately return a call for comment Wednesday afternoon.

The Watsonville City Council will meet on Aug. 27 at 5:30pm in the City Council Chambers at 275 Main Street.

---

---

#### **TODD GUILD**

General assignment reporter, covering nearly every beat. I specialize in feature stories, but equally skilled in hard and spot news. Pajaronian/Good Times/Press Banner reporter honored by CSBA.  
<https://pajaronian.com/r-p-reporter-honored-by-csba/>





[lookout.co](https://lookout.co)

## Judge: UC Santa Cruz failed to gauge impact of enrollment growth

*Hillary Ojeda*

5–6 minutes



UC Santa Cruz students walking on campus, on April 29, 2024.

Credit: Kevin Painchaud/Lookout Santa Cruz

### Quick take:

A Santa Cruz County Superior Court judge published a decision on Monday in favor of the City of Santa Cruz in a lawsuit filed against the University of California, Santa Cruz, and the UC Board of Regents. City of Santa Cruz Attorney Anthony Condotti told Lookout the judge agreed with the city's argument that the university's environmental analysis of its enrollment growth was insufficient.

Santa Cruz County Superior Court Judge Timothy Schmal sided with the city of Santa Cruz Monday in a suit filed against UC Santa Cruz over the impact increased student enrollment would have on housing affordability and other community issues. Schmal ruled that an environmental analysis UCSC submitted with its [Long Range Development Plan](#) was “deficient.”

City Attorney Anthony Condotti said a hearing on the case is scheduled for Thursday. Condotti expects the judge will lay out next steps, including likely calling on the UC Board of Regents to rescind its approval of the environmental analysis, known as an environmental impact report, or EIR, and the Long Range Development Plan.

“It’s certainly gratifying that the court recognized our concerns with regard to the adequacy of the EIR,” he told Lookout Monday.

In February 2022, the City of Santa Cruz filed a lawsuit against UCSC over the university’s plan to increase enrollment by an additional 8,500 students by 2040. The plan, called the Long Range Development Plan, or LRDP, and its environmental impact report were [approved by the Board of Regents in 2021](#). After the approvals, the [city, county and a local group](#) filed lawsuits – since consolidated into one lawsuit – over potential worsening impacts on the region’s housing market.

Advertisement



PROMOTED CONTENT

 **Community action: 10 volunteer opportunities to support Santa Cruz County’s housing crisis this August**

This month, the Volunteer Center of Santa Cruz County has put together a list of 10 ways you can take action to support housing equity and offer direct support to people affected by homelessness.

[CLICK TO READ](#)

 **VolunteerCenter**  
Be the difference

They argued that UCSC’s plans don’t sufficiently analyze and

consider the impact on the surrounding community if the university failed to create housing for all of its projected additional students.

“As the university has expanded its student population and faculty, it has not built the housing necessary to accommodate that, which obviously, of necessity, places additional pressure on our already very tight housing market,” said Condotti. “And additional pressure, both in terms of the ability of people to even find a place to rent, and, of course, additional pressure in terms of the rental market and the cost of renting a home in Santa Cruz. So it’s a very important issue for the city.”

Schmal summarizes his 59-page decision in several points:

- “1. The EIR’s analysis of housing impacts is inadequate, because of the unsupported assumption that the goal of housing 100% of the new students on campus will be achieved, and the EIR’s further reliance on this unidentified mitigation measure for its significance determination as to the impact of increased student population on the demand for regional housing;**
- 2. The analysis of the 2021 LRDP’s wildfire impacts with respect to evacuation is inadequate, because it only considers the temporary impact of construction activities, and relies on a successful campus evacuation during the pandemic when the campus population was greatly reduced;**
- 3. The analysis of the LRDP’s consistency with regional land use policies is inadequate, because it relies on the unsupported ‘belief’ that LAFCO approval is unnecessary for the City to supply extra territorial water to areas of new growth under the LRDP;**

Advertisement

**THE PARISH PUB & APTOS**

**Cocktails for Canines!**

**SEPTEMBER 22ND 12-5PM**

**\$20 COVER**  
WILL GO DIRECTLY TO THE SPCA

**CLICK HERE!**

**SPONSORED & Organized by**  
**BY LOREN MORSE**  
831-345-8912

**exp REALTY**

**SANTA CRUZ SPCA**

COME DRINK SOME COCKTAILS & BEERS, PET SOME DOGGIES, WIN RAFFLE PRIZES & DANCE TO THE JOINT CHEIFS FOR A GOOD CAUSE!

4. The EIR's mitigation measure for the LRDP's impacts to wildfire with respect to evacuation routes is ineffective;

5. The EIR failed to adequately respond to the City's proposed mitigation measure for the significant impacts to the City's tight housing market, by an ongoing contribution from the University to the City's AFHTF; and failed to demonstrate that this proposed mitigation measure is facially infeasible."

Condotti thinks it's likely that the Board of Regents will appeal the decision.

UCSC spokesperson Scott Hernandez-Jason didn't immediately respond to a request for comment.



After three years of reporting on public safety in Iowa, Hillary joins Lookout Santa Cruz with a curious eye toward the county's education beat. At the Iowa City Press-Citizen, she focused on how local... [More by Hillary Ojeda](#)