



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

ADOPTED MINUTES

LAFCO REGULAR MEETING AGENDA

Wednesday, September 4, 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 9:00 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 Justin Cummings
- Commissioner Manu Koenig (*Vice-Chair*)
- Commissioner Eduardo Montesino (*Arrived at 9:02 a.m.*)
- Commissioner Allan Timms
- Alternate Commissioner Ed Banks
- Alternate Commissioner John Hunt (*Chair*)

Alternate Commissioner Ed Banks will be a voting member on behalf of Commissioner Rachél Lather (District Member).

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 August 7th 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, Roger Anderson Ed Banks, Justin Cummings, Manu Koenig, Eduardo Montesino, and Allan Timms.

AGAINST: None

ABSTAIN: None

MOTION PASSES: 7-0

4. ORAL COMMUNICATIONS

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

Becky Steinbruner, a member of the public, discussed recent actions taken by the board of directors for the Scotts Valley Fire Protection District regarding the Branciforte fire station and their efforts to move from at-large to district-based elections. Additionally, Ms. Steinbruner spoke about the importance of considering water district consolidations.

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

5. SPECIAL PRESENTATION

5a. Central Fire District – “Life After Consolidation”

Chair John Hunt requested staff to provide a post-consolidation update from the district.

Executive Officer Joe Serrano introduced Chief **Jason Nee** and explained that the purpose of the presentation was to provide the Commission with an update on the Central Fire District (CFD) since the 2021 consolidation between Aptos/La Selva and Central Fire Protection Districts.

Chief Jason Nee provided an overview of past consolidations in the county, detailed the district’s current profile, and noted that throughout the State, more and more consolidations are being considered due to increasing financial burdens associated with providing these important municipal services. Chief Nee stated that since the consolidation in 2021, CFD has transitioned to district-based elections, developed a 20-year master plan, as well as establish a five-year strategic plan, and have placed a

general obligation bond for facilities and equipment improvements on the November ballot. Additionally, Chief Nee explained that benefits of consolidation included guiding two legacy agencies towards adopting a single policy and standard operating procedure, enhancing staffing and training capacity, elimination of redundancies, more coverage throughout the district, increased purchasing power and capital reserves, and the achievement of significant cost savings. Chief Nee also noted the importance of timing when planning for a consolidation in terms of aligning with the conclusion of board member terms.

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

Becky Steinbruner, a member of the public, appreciated the presentation and noted the increased workloads created by the consolidation on the administrative and financial departments of the new district in 2021. Additionally, Ms. Steinbruner also reminded the Commission of the disparity in pay and benefits that required special legislation to resolve and spoke on how the agency was able to merge two different cultures.

Chair John Hunt closed public comments and opened the floor for Commission discussion. **Commissioner Eduardo Montesino** asked a question about the assimilation of work cultures since consolidation. **Chief Jason Nee** said that the process to bring two cultures together has not been easy, but staffs have blended well so far. Mr. Montesino inquired about response times. Chief Nee responded that response times have remained the same or have improved slightly due to having additional staffing and equipment capacity out in the field, even with an increase of emergency calls in the past few years.

Commissioner Allan Timms inquired about staffing levels. **Chief Jason Nee** responded that recruitment has been difficult for all fire departments since the early 2000s. Prior to consolidation, some members from both legacy organizations opted to retire while others waited until the consolidation process had been completed. Since consolidation, the agency has lost an average of four employees a year, while some employees have experienced upward mobility.

Commissioner Manu Koenig commended the District on its performance and service to the community. Mr. Koenig asked about the takeaways from their relationship with County Fire and what LAFCO should keep in mind as they consider future consolidations. **Chief Jason Nee** mentioned that in the last 4-5 years, the relationship with County Fire (CalFire) has improved significantly due to leadership from both agencies. Chief Nee emphasized the importance of the agency to ensure that the community receive the services that they need, at a level that is equal or better.

Commissioner Roger Anderson recommended developing an annotated version of the presentation for use by colleagues locally and around the state. **Chief Jason Nee** appreciated the comments and mentioned that after consolidation, the agency had to keep two sets of records until the end of the fiscal year, which added to staff workloads.

Chair John Hunt asked how CDF measured success and what sets of data they relied on. **Chief Jason Nee** explained that staff meet on a quarterly basis to assess and analyze incident data. Chief Nee also added that challenges during the COVID years did not yield reliable data and increased traffic time on highway has also affected response times.

Executive Officer Joe Serrano asked a question on articulating the benefits of consolidations for struggling fire agencies. **Chief Jason Nee** emphasized the importance of adding resources and capacity for agencies that will continue to struggle with limited revenues and growing expenses. Chief Nee also stressed the importance of finding solutions to problems before they become exasperated. Mr. Serrano followed-up with a question about the importance of LAFCO's action and how LAFCO can do more for future changes in organization. Chief Nee mentioned that LAFCO was a valued partner in establishing a transparent and informative process during the 2021 consolidation. Mr. Serrano inquired about future consolidation opportunities for the District. Chief Nee mentioned that the District has held transparent conversations with the City of Santa Cruz and have moved forward with a feasibility study. Mr. Serrano commended the Chief for constantly looking for ways to evolve and improve the services on behalf of their constituents.

Commissioner Justin Cummings asked about feasibility studies that analyze various fire agencies and/or larger consolidations. **Executive Officer Joe Serrano** commented that based on his experience, consolidations and reorganizations are successful when the affected fire agencies are willing participants, and LAFCO should focus on those fire agencies at this time.

Commissioner Jim Anderson shared his experiences with community and outreach events during the initial phases of the consolidation in 2018. **Chief Jason Nee** stressed that the new agency is stronger as one than when it was two separate agencies.

6. PUBLIC HEARINGS

Chair John Hunt noted that there were no public hearing items scheduled today.

7. OTHER BUSINESS

7a. Educational Workshops

Chair John Hunt requested staff to provide a presentation on hosting future educational workshops to help promote more awareness regarding water and road maintenance services.

Executive Officer Joe Serrano reminded the Commission of the successful educational workshops led by LAFCO two years ago to provide special district staff and board members with updated information on the Brown Act, transparency laws, and how to be more efficient as a public agency. The workshops were also an opportunity to build trust or further develop relationships with the special districts. Today, LAFCO has heard from constituents wanting to get more information on water and road service in the county. Mr. Serrano stated that he believes that hosting these timely educational workshops will bring a number of benefits to both LAFCO and constituents countywide. Mr. Serrano also proposed hosting the educational workshops at different locations and audiences throughout the county. Mr. Serrano mentioned that additional information on the workshops will be provided to the Commission at an upcoming meeting and is requesting further direction as staff continues to develop the contents and details of each presentation.

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

Becky Steinbruner, a member of the public, expressed appreciation for the proposed educational workshops and considers the last workshops successful. Ms. Steinbruner also commented that a panel discussion model was more beneficial to the residents as opposed to an open house forum. Finally, Ms. Steinbruner commented on the timeliness and appropriateness of these proposed workshops.

Chair John Hunt closed public comments and requested comments or clarifying questions from the Commission. **Commissioner Justin Cummings** agreed with Ms. Steinbruner on the structure of the workshops and inquired on the format of the presentations. **Executive Officer Joe Serrano** mentioned that the educational workshops will all be the same, while also tailored for the respective audience. Commissioner Cummings then recommended adding a video component to the presentation. Mr. Serrano commented that he would identify locations with updated IT capabilities.

Chair John Hunt asked about potential partners for the event. **Executive Officer Joe Serrano** stated that staff is currently considering local, regional, and state partners to see which agency(ies) best fits the needs of the local communities. **Commissioner Roger Anderson** requested consideration and thought on who the speakers will be for each workshop. Additionally, Mr. Anderson requested a study session on these topics at a LAFCO meeting and suggested hosting the workshop using a hybrid model.

Chair John Hunt called for a motion. **Commissioner Justin Cummings** motioned for approval of staff recommendation and **Commissioner Jim Anderson** seconded the motion.

Chair John Hunt called for a voice vote on the motion based on the staff recommendation: **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.**

MOTION: Justin Cummings

SECOND: Jim Anderson

FOR: Jim Anderson, Roger Anderson, Ed, Banks, Justin Cummings, Manu Koenig, Eduardo Montesino, and Allan Timms.

AGAINST: None

ABSTAIN: None

MOTION PASSES: 7-0

7b. CSA 48 Reorganization Effort

Chair John Hunt requested staff to provide an update on the proposed reorganization involving County Service Area 48 (County Fire).

Executive Officer Joe Serrano informed the Commission that it will receive another update at the October meeting regarding CSA 48 once CalFire and the County have had

an opportunity to provide input on the reorganization plan outline. Since the last LAFCO meeting, the County has transitioned the Fire Department Advisory Committee (FDAC) into an advisory group and LAFCO has continued to coordinate with partner agencies on the proposed transition plan. The county fire master plan will be presented to the Board of Supervisors in late September, and they will also consider providing direction to their staff on working with LAFCO and CalFire to further consider the proposed reorganization of CSA 48.

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

Becky Steinbruner, a member of the public, expressed her thoughts on the county's decision regarding FDAC and requested further clarification on the role and purpose of the new advisory group. Ms. Steinbruner also mentioned that she looks forward to the Board of Supervisors feedback to the proposed transition plan.

Chair John Hunt closed public comments and opened the floor for Commission discussion. **Commissioner Roger Anderson** inquired about information in the staff report and asked for further clarification on the financial data provided. **Executive Officer Joe Serrano** explained that the information is from the feasibility study and the information demonstrates that potential annexation by small districts will have a destabilizing effect on CSA 48.

Commissioner Jim Anderson inquired about waiving LAFCO fees to encourage potential applications for consolidations. **Executive Officer Joe Serrano** reminded the Commission they have full authority over the waiver of fees.

Commissioner Justin Cummings clarified that the decision to transition FDAC stemmed from a recommendation from the body itself and invited **Michael Beaton**, Director of General Services for the County of Santa Cruz, to provide additional information on the decision. Mr. Beaton informed the Commission that the purpose of the advisory body will be considered at an upcoming meeting and the county's master plan will also play a role in defining the role of the advisory group.

Commissioner Justin Cummings motioned for approval of staff recommendation and **Commissioner Jim Anderson** seconded the motion.

Chair John Hunt called for a voice vote on the motion based on the staff recommendation: **Direct staff to continue coordinating with the County of Santa Cruz and CalFire to develop a reorganization plan for CSA 48.**

MOTION: Justin Cummings

SECOND: Jim Anderson

FOR: Roger Anderson, Jim Anderson, Ed Banks, Justin Cummings, Manu Koenig, Eduardo Montesino, and Allan Timms.

AGAINST: None

ABSTAIN: None

MOTION PASSES: 7-0

7c. List of Extraterritorial Service Agreements – Status Update

Chair John Hunt requested staff to provide a status update on all the active extraterritorial service agreements within Santa Cruz County.

Executive Officer Joe Serrano explained that staff aims to provide the Commission with an update on the status of extraterritorial service agreements every two years. The report provides data on the number, size, and potential annexation dates of ESAs throughout the county. Staff believes that ESAs are precursors to future annexation.

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

Chair John Hunt closed public comments and opened the floor for Commission discussion. **Commissioner Jim Anderson** asked about the ESA to be annexed in Watsonville. **Executive Officer Joe Serrano** confirmed that it was the Atkinson/Pippin Lane ESA.

Commissioner Roger Anderson inquired about approved ESA's that were never activated. **Executive Officer Joe Serrano** confirmed that all approved ESA are receiving services.

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

8. WRITTEN CORRESPONDENCE

Chair John Hunt inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** provided the Commission with an update and explanation on the importance of CALAFCO's adoption of a new legislative procedure and recent legislative bill activities. Santa Cruz LAFCO, along with other LAFCOs, sent a letter to CALAFCO requesting to reconsider its decision and hold additional discussions. Mr. Serrano also informed the Commission that staff sent a letter of support for SB 1209 regarding indemnification agreements.

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

Chair John Hunt closed public comments and opened the floor for Commission discussion. **Commissioner Roger Anderson** asked if the changes may lead to potential lobbying. **Executive Officer Joe Serrano** explained that the CALAFCO staff is small, and they are not lobbyists, thus the item warrants more consideration. Mr. Anderson asked a follow-up about the status of the UC Santa Cruz lawsuit. Mr. Serrano mentioned that an article was provided in the agenda packet with an update and informed the Commission that staff had already reached out to the university to schedule a follow-up meeting.

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

9. 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.

10. 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.

11. ADJOURNMENT

Chair John Hunt adjourned the Regular Commission Meeting at 10:41 a.m. to the next regular LAFCO meeting scheduled for Wednesday, October 2, 2024 at 9:00 a.m.



JOHN HUNT, CHAIRPERSON

Attest:



JOE A. SERRANO, EXECUTIVE OFFICER