

Resource Conservation District of Santa Cruz County

Service and Sphere of Influence Review



Adopted Version (September 3, 2025)

Local Agency Formation Commission of Santa Cruz County

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EXECUTIVE SUMMARY

Introduction

This Service and Sphere of Influence Review provides information about the services and boundaries of the Resource Conservation District of Santa Cruz County. The report will be used by the Local Agency Formation Commission to conduct a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that the Commission conduct periodic reviews and updates of Spheres of Influence for all cities and districts in Santa Cruz County (Government Code section 56425). It also requires LAFCO to conduct a review of municipal services before adopting Sphere updates (Government Code section 56430). The District's last service review was adopted on October 7, 2020.

The service review process does not require LAFCO to initiate changes of organization based on service review conclusions or findings; it only requires that LAFCO make determinations regarding the delivery of public services in accordance with Government Code Section 56430. However, LAFCO, local agencies, and the public may subsequently use the determinations and related analysis to consider whether to pursue changes in service delivery, government organization, or spheres of influence.

Service and sphere reviews are informational documents and are generally exempt from environmental review. LAFCO staff has conducted an environmental review of the District's existing sphere of influence pursuant to the California Environmental Quality Act (CEQA) and determined that this report is exempt from CEQA. Such an exemption is due to the fact that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (Section 15061[b][3]).

District Overview

The Resource Conservation District of Santa Cruz County ("RCD" or "District") was formed as an independent special district in December 1977 to help people protect, conserve, and restore natural resources through information, education, and technical assistance programs. The RCD has ongoing projects that promote natural resource conservation in relation to farming and ranching operations and watershed-based habitat restoration. The District's services and programs focus on reducing soil erosion, off-farm sediment transport, non-point source pollution, salmonid and wildlife recovery, and improving ecosystem health. The District encompasses the unincorporated county lands as well as the City of Capitola. The Cities of Santa Cruz, Scotts Valley, and Watsonville are excluded from RCD's jurisdictional boundary. An overview map is shown as **Figure 1** on page 5.

Sphere of Influence

Santa Cruz LAFCO adopted the first sphere of influence for RCD on December 19, 1983. The District's sphere is the entire County of Santa Cruz, including all four cities. The last sphere update occurred in August 2015. **Figure 8** on page 24 shows the current sphere of influence boundary. LAFCO staff is recommending that the sphere boundary be reaffirmed as part of this service and sphere review.

Key Findings

The following are key findings of the 2025 Service and Sphere of Influence Review for the Resource Conservation District of Santa Cruz County:

1. The District provides services countywide.

The RCD was formed in 1977 following the consolidation of two existing conservation districts: Pajaro Soil and Redwood Soil Conservation Districts. In 1983, the City of Capitola was annexed into the District. While the remaining three cities are not within the District's jurisdiction, RCD has developed strategic partnerships with those cities and other local governments to help protect, conserve, and restore natural resources through various services and programs. At present, RCD has over 60 strategic partnerships at the local, state and federal level.

2. The District offers timely resources involving wildfire prevention, resiliency, and recovery.

The RCD has a long history of collaborating with local community and agency stakeholders to provide residents with educational and cost share assistance to reduce wildfire threat. The District also collaborates with CAL FIRE, Fire Districts, Fire Safe Councils, and others to identify high priority areas for fire breaks and other fuel management projects as outlined in the Community Wildfire Protection Plan, and the newly developed Regional Priority Plan of the Santa Cruz Mountains. The Forest Health and Wildfire Resiliency Program also provides a number of services to residents, including chipping, fuel load reduction around homes and structures, fire breaks in wildlands, ecosystem restoration to reduce risk of catastrophic wildfire, wildfire awareness and resilience education, and post-fire recovery of the land.

3. The District is financially sound.

The RCD's primary source of revenue is from Grants. In FY 2023-24, Grant funds represented approximately 70% of the District's entire revenue source. Based on LAFCO's analysis, RCD has experienced a surplus in four consecutive years (2020 to 2024). LAFCO staff believes the positive trend may continue as the District focuses on obtaining substantial grant funding while keeping costs down on an annual basis.

4. The District is complying with website requirements under State law.

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. It outlines minimum website data requirements agencies must provide including contact information, financial reports, and meeting agendas/minutes. While RCD maintains a website, it does not meet all of the requirements outlined in SB 929. At present, the website is missing five of the 20 statutory benchmarks. LAFCO recommends that the District update their website for more transparency and awareness for its constituents by no later than August 31, 2026.

5. The District's sphere of influence is countywide.

Santa Cruz LAFCO designated the first sphere of influence for RCD in December 1983. The District's sphere is the entire County of Santa Cruz, including unincorporated and incorporated areas. The last sphere review occurred in October 2020. The sphere boundary has remained unchanged since its original adoption. Staff is recommending that the sphere for RCD be reaffirmed as part of this service review.

Recommended Actions

Based on the analysis and findings in the 2025 Service and Sphere of Influence Review for the Resource Conservation District of Santa Cruz County, the Executive Officer recommends that the Commission:

1. Find that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, LAFCO determined that the sphere of influence review is not subject to the environmental impact evaluation process because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment and the activity is not subject to CEQA;
2. Determine, pursuant to Government Code Section 56425, the Local Agency Formation Commission of Santa Cruz County is required to develop and determine a sphere of influence for the Resource Conservation District of Santa Cruz County, and review and update, as necessary;
3. Determine, pursuant to Government Code Section 56430, the Local Agency Formation Commission of Santa Cruz County is required to conduct a service review before, or in conjunction with an action to establish or update a sphere of influence; and
4. Adopt a Resolution (LAFCO No. 2025-09) approving the 2025 Service and Sphere of Influence Review for Resource Conservation District of Santa Cruz County with the following conditions:
 - a. Reaffirm the District's current sphere of influence;
 - b. Update the District's website to fulfill the statutory requirements under Senate Bill 929 no later than August 31, 2026 and provide a status update to the Commission on the District's website no later than September 2, 2026; and
 - c. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the Resource Conservation District for their records and to include on their website.

Figure 1: Vicinity Map



DISTRICT OVERVIEW

History

The Resource Conservation District of Santa Cruz County is an independent special district that operates pursuant to the Resource Conservation District Act (California Resources Code Section 9151 et seq.). The formation of this public agency was a result of a consolidation between two conservation districts: Pajaro Soil and Redwood Soil Resource Conservations Districts. The Pajaro Soil RCD was originally formed in 1941 and served the southern portion of the County. The Redwood Soil RCD was originally formed in 1949 and served the central portion of the County. In 1977, the Directors of the two Districts petitioned the Board of Supervisors and LAFCO to consolidate the two agencies and extend the boundaries countywide. The Commission approved the consolidation on December 29, 1977. The City of Capitola was later annexed into the District in 1983. The District's service area (encompassing about 419 square miles) has remained the same since 1983, as shown in **Figure 1** on page 5.

Services and Operations

While RCD has no regulatory or enforcement functions, its mission focuses on helping residents protect, conserve, and restore natural resources through information, education, and technical assistance programs. The RCD has ongoing projects that promote natural resource conservation in relation to farming and ranching operations and watershed-based habitat restoration. These projects fall within three main program areas: Watershed Restoration, Stewardship in Agriculture, and Forest Health & Wildfire Resiliency. Projects focus on reducing soil erosion, water conservation on farms, off-farm sediment transport, non-point source pollution, salmonid and wildlife recovery, and improving ecosystem health and resilience to climate change. The District carries out various core programs and services focused on conservation, restoration, and technical support across the unincorporated areas of Santa Cruz County. RCD's primary business and governmental emphasis are summarized below. These services and programs are listed in **Figures 2 and 3** on pages 8 and 9. These efforts are also emphasized in the District's adopted strategic plan, shown in **Appendix A**.

Technical and Educational Assistance

RCD provides non-regulatory, voluntary guidance and planning for private landowners, farmers, and rural communities on natural resource issues such as erosion control, soil conservation, water quality, water conservation, habitat management, and watershed health. RCD also offers conservation education for landowners, agricultural producers, and the community addressing topics like fire fuels management, stormwater, and irrigation efficiency, among others.

Grant Writing, Project Design & Funding Coordination

RCD develops resource conservation plans, feasibility studies, and grant proposals to secure funding from local, state and federal agencies and private sources on behalf of landowners, agencies, and municipalities. In many cases, RCD acts as a grant manager and coordinates multi-million-dollar grant funds to support local implementations across multiple properties, while receiving a fraction of that amount from property taxes

(approximately \$42,000/year). While it varies from year to year, the RCD leverages each tax dollar, on average, to bring over \$33 of state, federal and other funds to Santa Cruz County. For example, in June 2025, the RCD secured a \$7 million grant from CAL FIRE to implement forest health interventions across 830 acres of public and private lands in the Santa Cruz Mountains.

Regulatory & Permit Coordination

RCD created a “one-stop-shop” Permit Coordination Program (Partners in Restoration) to streamline CEQA compliance and expedite approvals from multiple agencies such as the State Regional Water Boards, Coastal Commission, and county authorities. The RCD also developed a Forest Health and Fire Resiliency Public Works Plan which provides cost-effective, programmatic permitting for forest health and fuels management projects to reduce the threat of catastrophic wildfire and improve ecological conditions for forests, woodlands, and grasslands specifically within the coastal zone.

Habitat Enhancement & Watershed Restoration

RCD leads watershed and habitat restoration efforts, such as streambank stabilization, wetland enhancement, tributary restoration, forest health and rare habitat management. The District supports endangered species recovery including but not limited to salmonids and the Santa Cruz long-toed salamander. RCD also champions the Integrated Watershed Restoration Program (IWRP), which includes county-wide assessment, design, outreach, monitoring, and coordinated implementation of watershed restoration projects. In July 2025, RCD, in partnership with the San Lorenzo Valley Water District, held a public tour of the Habitat and Wildfire Resilience Project they completed in partnership near Felton. This project removed invasive vegetation to reduce wildfire risk and protect endangered Sandhills habitat while ensuring water supply protection.

Erosion Control, Rural Roads & Fire Fuels Management

RCD provides technical assistance for rural road design, drainage improvements, sediment basin installation, and erosion control to reduce runoff and protect water quality. The District also implements wildfire prevention and fuel load reduction programs, including funds from CAL FIRE for forest health treatments, prescribed burning, thinning, invasive species removal, and post-fire restoration across forested areas.

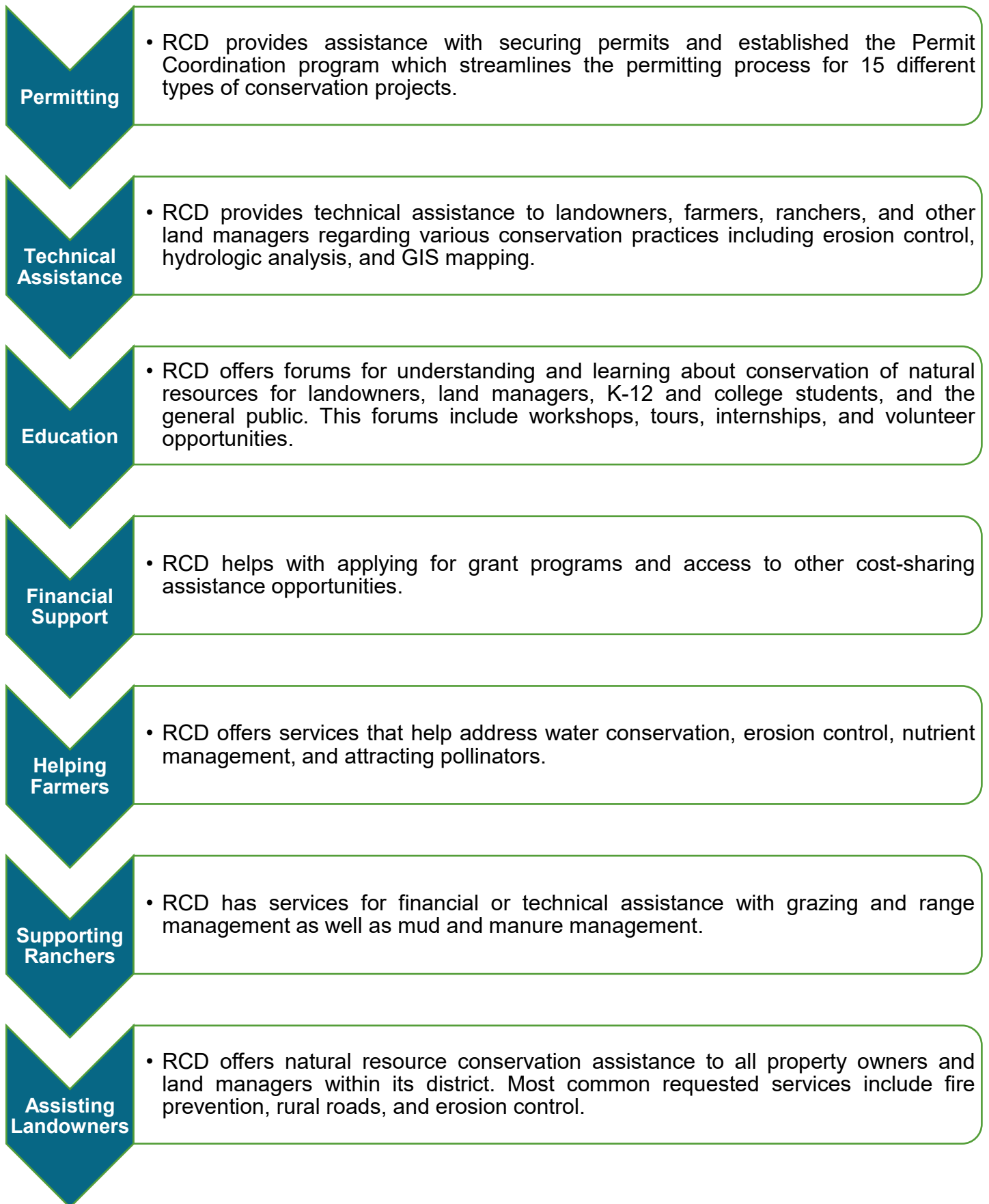
Aquifer Recharge & Stormwater Management

RCD advises on stormwater management practices and managed aquifer recharge as part of improving groundwater resilience and water quality within agricultural and rural lands.

Community Outreach & Engagement

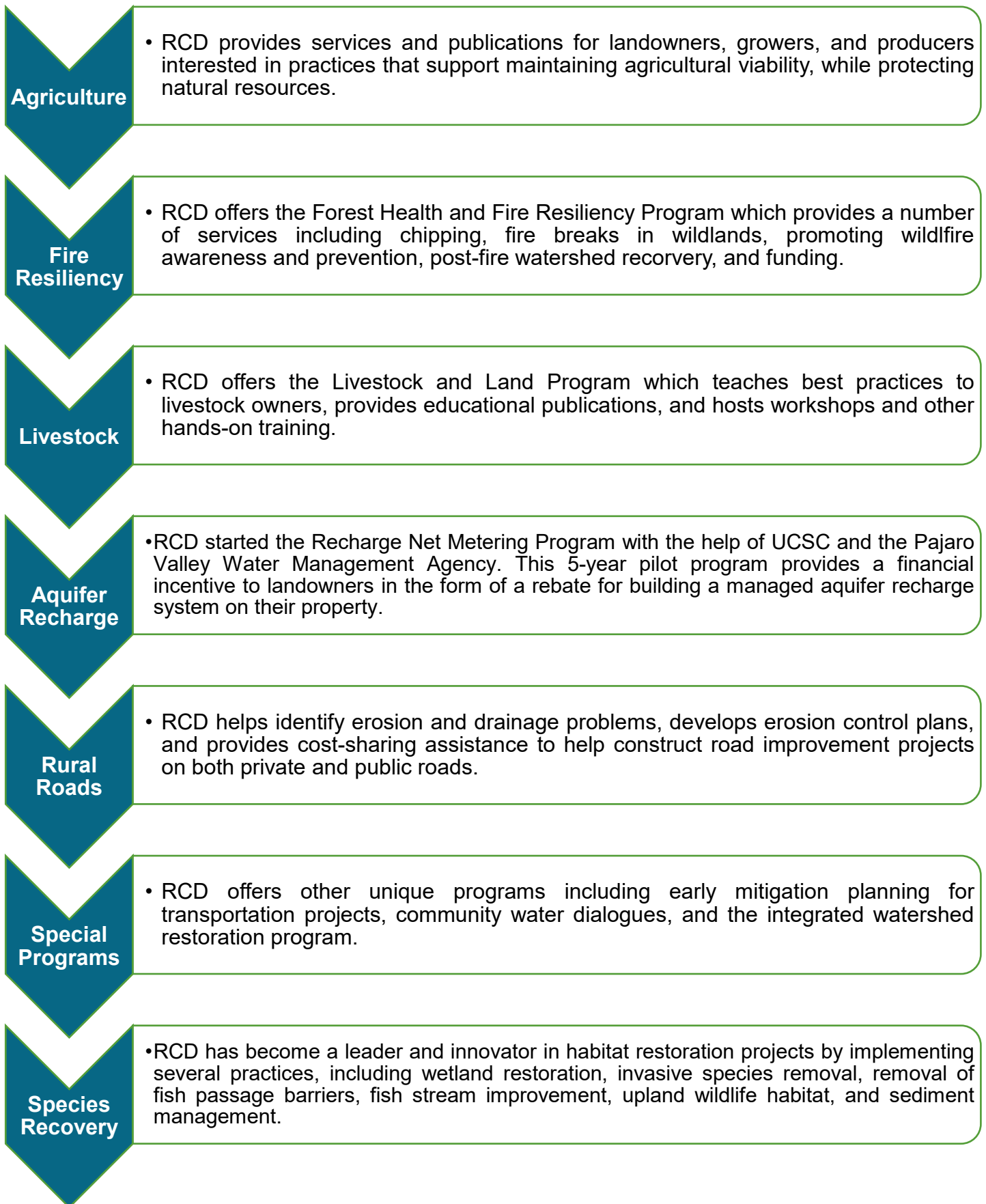
RCD offers educational resources, newsletters, workshops, public outreach forums, and volunteer opportunities including but not limited to habitat planting events or invasive species removal on local lands. Additionally, RCD offers free or reimbursed wood-chipping services for homeowners living in wildfire-prone areas for defensible space creation. The RCD served over 400 households with the chipping program in 2024.

Figure 2: RCD Services¹



¹ RCD Webpages: <https://www.rcdsantacruz.org/request-services>

Figure 3: RCD Programs²



² RCD Webpages: <https://www.rcdsantacruz.org/programs-and-projects>

Program Highlight: Forest Health and Wildfire Resiliency

Santa Cruz County is continually threatened by catastrophic wildfire, particularly in the wildland-urban interface. Local topography and fuels make the County subject to periodic wildfires. Combined with 100 years of effective fire suppression, these conditions have led to uncharacteristically high fuel loads. This threat has been felt countywide due to the recent fires. The RCD has a long history of collaborating with local community and agency stakeholders to provide County residents with educational, technical and financial assistance to reduce wildfire threat and to collaborate with Cal Fire and other local experts and stakeholders to identify high priority areas for fire breaks as outlined in the Community Wildfire Protection Plan and the newly developed Regional Priority Plan of the Santa Cruz Mountains. The Forest Health and Wildfire Resiliency Program provides a number of services to Santa Cruz residents, including:

- **Chipping:** Once vegetation is cleared around homes and neighbors for compliance with defensible space guidelines, the material can be chipped and spread on-site to reduce the risks of wildfire to homes in fire prone areas.
- **Fuel Load Reduction around homes and structures:** State Law requires that any person that owns, leases, controls, operates, or maintains a building or structure in, upon or adjoining any land covered with flammable material shall at all times maintain 100 feet of defensible space. The RCD can provide assistance to landowners that require clearing of flammable materials or creating defensible space on their property, while ensuring that sensitive habitats are considered.
- **Fuel Load Reduction/Fire Breaks in Wildlands:** The RCD employs fuels management to reduce the threat of wildfire on private and public forestland. Hazardous fuels are reduced through a variety of treatments which remove or modify wildland fuels, thereby reducing the potential for severe wildland fire behavior, lessening post-fire damage, minimizing soil erosion and the impacts to water quality, enhancing wildlife habitat, and limiting the spread of invasive species and diseases.
- **Promoting wildfire awareness and prevention:** The RCD promotes wildfire awareness and prevention by creating and distributing educational outreach materials to County residents and partner agencies. These resources, including the Living with Fire in Santa Cruz County Guide, RCD Chipper Program Flyer, Defensible Space Trifold and Firescaping with Appropriate Plant Lists, are available on the District website. The RCD also works with partner organizations to sponsor workshops to provide information and cost share assistance for wildfire prevention and recovery strategies.
- **Post-Fire Recovery:** Working closely with their federal partner, the UDSA Natural Resources Conservation Service, the RCD offers post-fire recovery to the community in times of need. These services include on-site technical and planning services to assess post-fire land conditions and recommend appropriate actions, concerning potential harmful debris runoff, erosion and drainage issues, stream impacts, tree health, winter preparedness, private road and culvert damage, and hillslope stability. The RCD can also provide permit assistance for post-recovery actions and help agricultural and forest landowners find and navigate potential funding resources to reduce the cost burden of restoring and protecting the land.

Population and Growth

Based on staff's analysis, the population of the RCD service area in 2025 is estimated to be 148,000. The Association of Bay Area Governments (ABAG) and the Association of Monterey Bay Area Governments (AMBAG) provide population projections for cities and counties in the Coastal Region. Official growth projections are not available for special districts. In general, the Coastal Region is anticipated to have a slow growth over the next twenty years. **Table A** shows the anticipated population for each local agency within RCD. The average rate of change is 1.18%.

Population Projection

Based on the projections for Santa Cruz County and the City of Capitola within the District's service area, LAFCO staff was able to develop a population forecast for RCD. Staff increased the District's 2025 population amount by 1.18% each year. Under this assumption, LAFCO staff projects that the entire population of the RCD service area will be approximately 152,000 by 2040.

Table A: Projected Population

| | 2025 | 2030 | 2035 | 2040 | Average Rate of Change |
|---|----------------|----------------|----------------|----------------|------------------------|
| Santa Cruz County (unincorporated area) | 137,896 | 139,105 | 140,356 | 141,645 | 0.96% |
| City of Capitola | <u>10,312</u> | <u>10,451</u> | <u>10,622</u> | <u>10,809</u> | <u>1.39%</u> |
| Resource Conservation District | 148,208 | 149,556 | 150,978 | 152,454 | 1.18% |

Source: AMBAG 2018 Regional Growth Forecast

Disadvantaged Unincorporated Communities

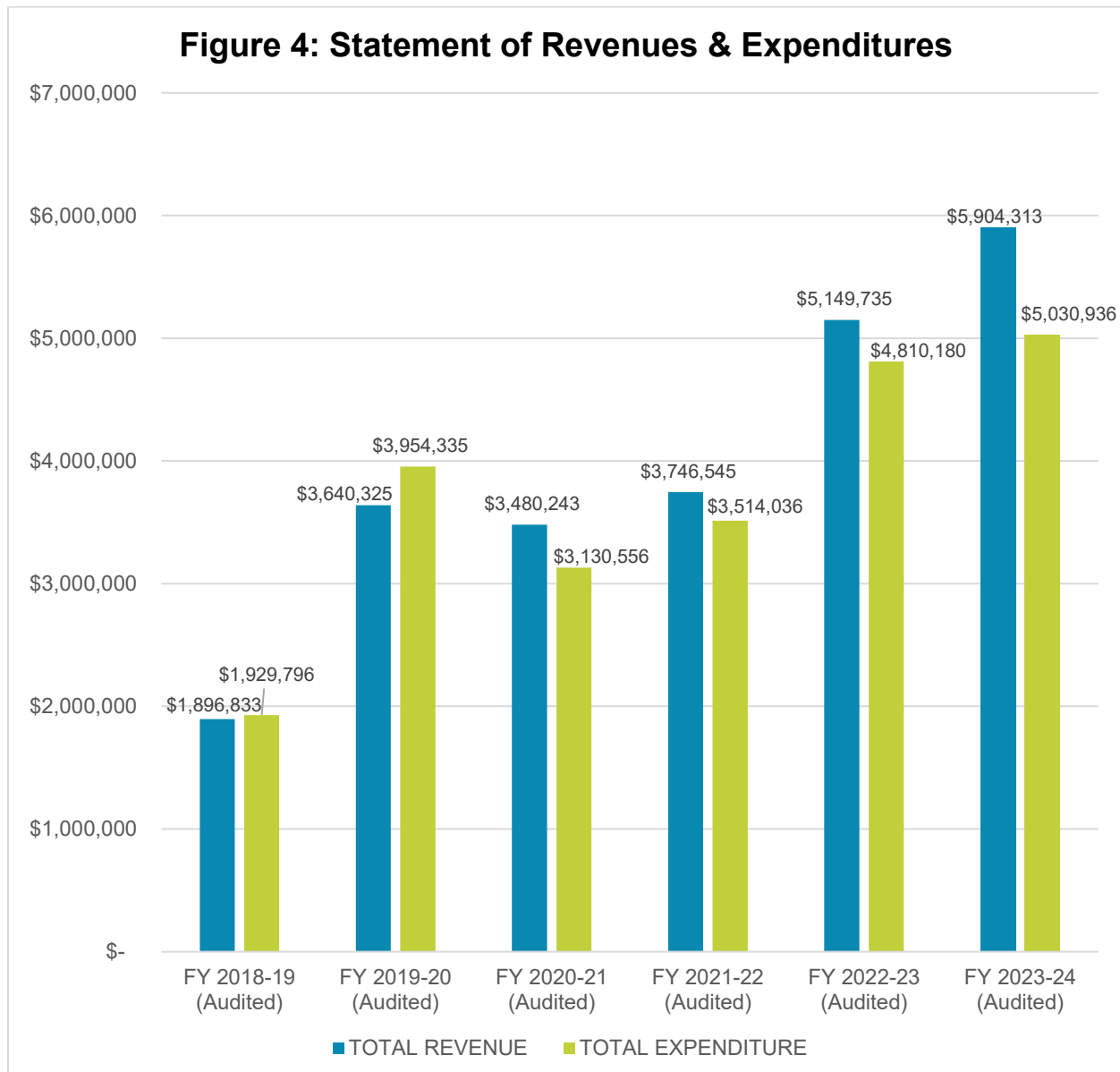
State law requires LAFCO to identify and describe all "disadvantaged unincorporated communities" (DUCs) located within or contiguous to the existing spheres of influence of cities and special districts that provide fire protection, sewer, and/or water services. DUCs are defined as inhabited unincorporated areas within an annual median household income that is 80% or less than the statewide annual median household income.

In 2025, the California statewide annual median household income was \$109,266, and 80% of that is \$87,413. LAFCO staff utilized the ArcGIS mapping program to locate potential DUCs in Santa Cruz County. It is important to note that the RCD is not subject to SB 244 because it does not provide water, sewer, or fire service, and therefore, no further analysis is required. While the District does not fall under the purview of SB 244, RCD has implemented several projects and programs that benefit disadvantaged communities, such as Davenport, areas surrounding Boulder Creek, and the City of Watsonville. Many of these projects were implemented in partnership with several non-governmental organizations, including the Watsonville Wetlands Watch and the Land Trust of Santa Cruz County. Projects have included technical studies, wetlands and stream restoration. Many of these projects have multiple benefits that not only address resource concerns, but also provide recreational opportunities and open space for the City's residents. The District has also worked extensively with the agricultural community surrounding the City of Watsonville to address serious water supply concerns that could affect sustainability of the agricultural industry that supports many of the jobs in the community. Much of this work has targeted Spanish speaking growers.

FINANCES

This section will highlight the District's financial performance during the most recent fiscal years. Fiscal Year 2023-24 is the latest audited financial statement available. LAFCO evaluated RCD's financial health from 2018 to 2024. A comprehensive analysis of the District's financial performance during the past six years is shown in **Tables C-D** on pages 16 and 17. The sources used by LAFCO are available on RCD's website: <https://www.rcdsantacruz.org/annual-reports-and-financials>.

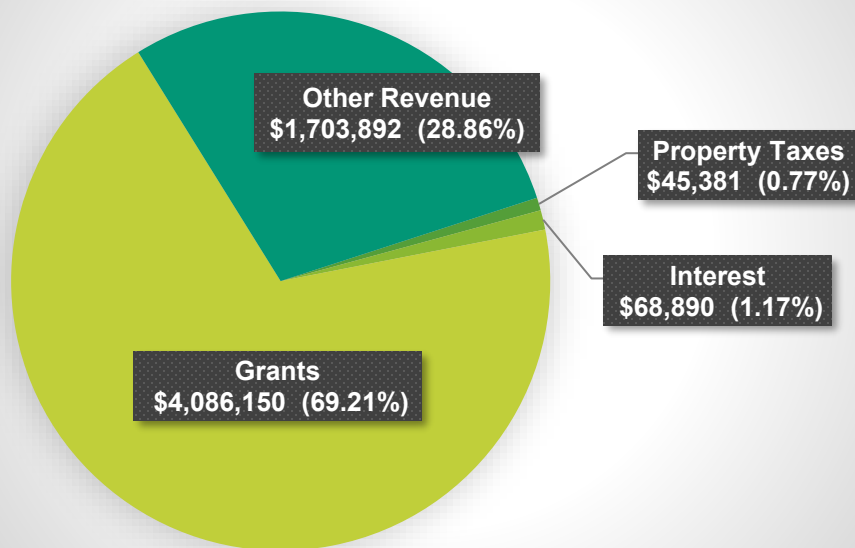
At the end of Fiscal Year 2023-24, total revenue collected was approximately \$5.9 million, representing a 15% increase from the previous year (\$5.1 million in FY 22-23). Total expenses for FY 2023-24 were approximately \$5.0 million, which increased from the previous year by 5% (\$4.8 million in FY 22-23). While the District ended in a deficit during FY 2018-19 and FY 2019-20, the last four fiscal years have ended in a surplus, as shown in **Figure 4. c**



Revenues

RCD's primary source of revenue is from Grants. In FY 2023-24, Grants totaled approximately \$4 million which represents 69% of the District's entire revenue stream. Other revenue sources include property taxes, interest, and other revenue. **Figure 5** provides a breakdown each revenue stream.

Figure 5: Total Revenue (FY 2023-24)

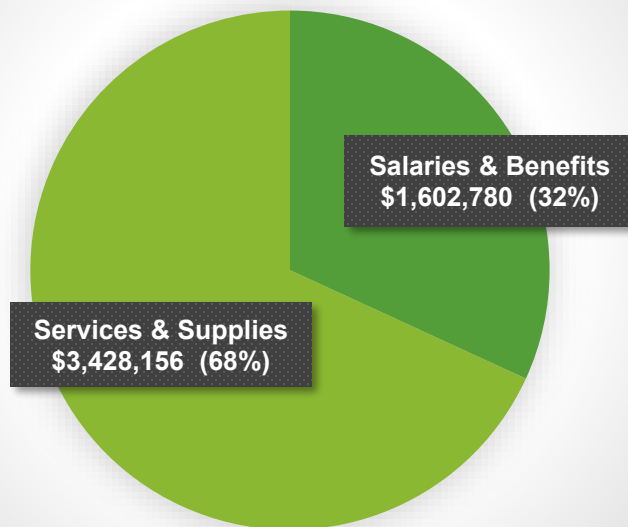


Footnote: Other revenue includes Special District Augmentation Fund, Contributions & Donations, and RDA Pass-Throughs.

Expenditures

RCD's total expenditures can be categorized into two budgetary groups: Salaries and Benefits and Services and Supplies. **Figure 6** shows that Services and Supplies represented approximately 68% of the District's entire operational expenses in FY 2023-24. The remaining expenditures are based on Salaries and Employee Benefits (32%).

Figure 6: Total Expenditure (FY 2023-24)

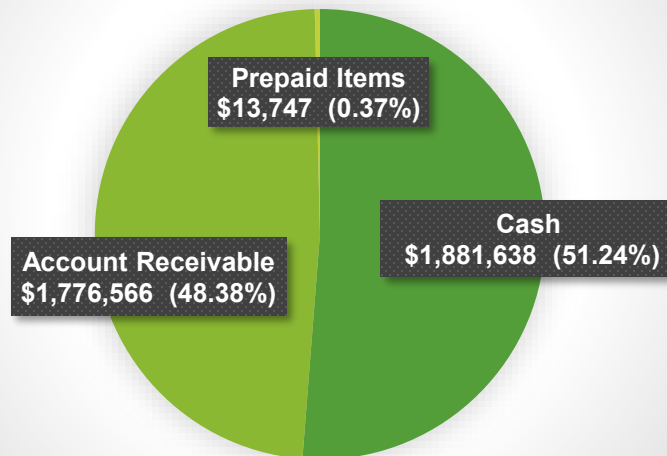


Assets & Liabilities

District Assets

As of June 30, 2024, the District had approximately \$3.7 million in total assets. This represents a decrease of approximately \$359,000 or 9% from FY 2022-23's total assets of \$4.0 million. Total assets can be categorized into three types: Cash, Account Receivable, and Prepaid Items. As shown in **Figure 7**, cash represented 51% of total assets.

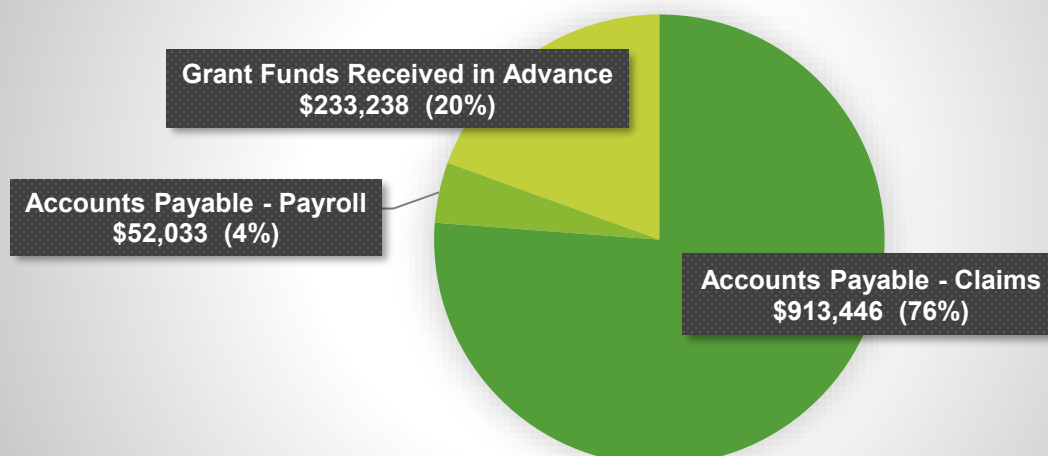
Figure 7: Total Assets (FY 2023-24)



District Liabilities

As of June 30, 2024, the District had approximately \$1.2 million in total liabilities. This represents a decrease of approximately \$983,000 or 45% from FY 2022-23's total liabilities of \$2.2 million. Total liabilities can be categorized into three types: Accounts Payable (Claims), Accounts Payable (Payroll), and Grant Funds Received in Advance. As shown in **Figure 8**, Claims represented 76% of total liabilities.

Figure 8: Total Liabilities (FY 2023-24)



Fund Balance / Net Position

As of June 30, 2024, the total net position balance ended with approximately \$2.4 million. The following table highlights the net position balance from 2018 to 2024. As shown in **Table B**, the District's fund balance has experienced a steady increase since 2018.

Table B: Net Position (2018 to 2024)

| | FY 18-19 | FY 19-20 | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 |
|-------------------|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|---------------------------|
| Beginning Balance | \$371,867 | \$354,700 | \$458,621 | \$817,545 | \$1,123,644 | \$1,800,288 |
| Ending Balance | <u>\$354,700</u> | <u>\$458,621</u> | <u>\$817,545</u> | <u>\$1,123,644</u> | <u>\$1,800,288</u> | <u>\$2,417,354</u> |
| Difference | | +\$103,921 | +\$358,924 | +\$306,099 | +\$676,644 | +\$676,644 |



Table C: Total Revenues & Expenditures

| | FY 2018-19 (Audited) | FY 2019-20 (Audited) | FY 2020-21 (Audited) | FY 2021-22 (Audited) | FY 2022-23 (Audited) | FY 2023-24 (Audited) |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| REVENUE | | | | | | |
| Property Taxes | | | | | | |
| Current Secured | \$ 31,516 | \$ 33,151 | \$ 34,844 | \$ 36,170 | \$ 38,763 | \$ 40,845 |
| Current Unsecured | \$ 633 | \$ 648 | \$ 590 | \$ 668 | \$ 718 | \$ 808 |
| Current Secured - Supplemental | \$ 956 | \$ 620 | \$ 401 | \$ 1,190 | \$ 1,140 | \$ 493 |
| Current Unsecured - Supplemental | \$ 42 | \$ 8 | \$ 18 | \$ 15 | \$ 49 | \$ 36 |
| Residual Distribution | \$ 3,416 | \$ 3,633 | \$ 2,425 | \$ 2,272 | \$ 3,125 | \$ 2,978 |
| Prior Years | \$ 82 | \$ 128 | \$ 178 | \$ 104 | \$ 149 | \$ 197 |
| In-Lieu Taxes Other | \$ 10 | \$ 5 | \$ 23 | \$ 14 | \$ 13 | \$ 24 |
| Total Property Taxes | \$ 36,655 | \$ 38,193 | \$ 38,479 | \$ 40,433 | \$ 43,957 | \$ 45,381 |
| Use of Money and Property | | | | | | |
| Interest | \$ 9,003 | \$ 12,091 | \$ 3,428 | \$ 5,637 | \$ 25,674 | \$ 68,890 |
| Total Use of Money and Property | \$ 9,003 | \$ 12,091 | \$ 3,428 | \$ 5,637 | \$ 25,674 | \$ 68,890 |
| Aid from Other Govt Agencies | | | | | | |
| Homeowners' Property Tax Relief | \$ 186 | \$ 187 | \$ 185 | \$ 182 | \$ 158 | \$ 194 |
| Contribution from Other Govt Agencies | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Aid from Other Govt Agencies | \$ 186 | \$ 187 | \$ 185 | \$ 182 | \$ 158 | \$ 194 |
| Grants | | | | | | |
| State Department of Parks & Rec | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 72,213 |
| State Water Resources Control Board | \$ 117,404 | \$ 812,804 | \$ 243,669 | \$ 114,082 | \$ 45,769 | \$ 277,213 |
| State - Other | \$ 869,663 | \$ 2,000,800 | \$ 2,080,452 | \$ 1,633,919 | \$ 3,509,923 | \$ 3,622,789 |
| Federal - Other | \$ 160,423 | \$ 132,358 | \$ 153,758 | \$ 191,083 | \$ 254,571 | \$ 113,935 |
| Total Grants | \$1,147,490 | \$2,945,962 | \$2,477,879 | \$1,939,084 | \$3,810,263 | \$ 4,086,150 |
| Other Revenues | | | | | | |
| Other Taxes - Special Dist Augmentati | \$ 41,289 | \$ 41,289 | \$ 41,289 | \$ 41,289 | \$ 41,289 | \$ 41,289 |
| Contributions and Donations | \$ 2,517 | \$ 1,831 | \$ 2,073 | \$ 12,298 | \$ 21,594 | \$ 1,250 |
| RDA Pass-Throughs | \$ 97 | \$ 436 | \$ 56 | \$ 100 | \$ 106 | \$ 51 |
| Other Revenue | \$ 659,596 | \$ 600,336 | \$ 916,854 | \$1,707,522 | \$1,206,694 | \$ 1,661,108 |
| Total Other Revenues | \$ 703,499 | \$ 643,892 | \$ 960,272 | \$1,761,209 | \$1,269,683 | \$ 1,703,698 |
| TOTAL REVENUE | \$1,896,833 | \$3,640,325 | \$3,480,243 | \$3,746,545 | \$5,149,735 | \$ 5,904,313 |
| EXPENDITURE | | | | | | |
| Salaries and Employee Benefits | | | | | | |
| Regular Pay | \$ 621,827 | \$ 762,484 | \$ 835,639 | \$ 915,302 | \$1,098,996 | \$ 1,291,444 |
| Social Security | \$ 46,250 | \$ 57,262 | \$ 62,445 | \$ 69,472 | \$ 82,462 | \$ 97,225 |
| Employee Insurance and Benefits | \$ 81,784 | \$ 89,995 | \$ 90,891 | \$ 113,779 | \$ 137,541 | \$ 187,120 |
| Unemployment Insurance | \$ 4,359 | \$ 4,476 | \$ 3,968 | \$ 4,852 | \$ 5,644 | \$ 5,761 |
| Workers' Compensation | \$ 3,239 | \$ 4,828 | \$ 10,269 | \$ 9,755 | \$ 29,721 | \$ 8,820 |
| Other Benefits Misc | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,410 |
| Total Salaries and Employee Benefits | \$ 757,459 | \$ 919,045 | \$1,003,212 | \$1,113,160 | \$1,354,364 | \$ 1,602,780 |
| Services and Supplies | | | | | | |
| Telephone | \$ 5,526 | \$ 7,106 | \$ 8,064 | \$ 9,086 | \$ 9,561 | \$ 2,206 |
| Insurance | \$ 9,616 | \$ 9,740 | \$ 14,646 | \$ 14,106 | \$ 14,579 | \$ 17,287 |
| Memberships | \$ 1,195 | \$ 2,427 | \$ 2,949 | \$ 5,456 | \$ 5,573 | \$ 4,358 |
| Postage | \$ 529 | \$ - | \$ 7 | \$ 249 | \$ 20 | \$ - |
| Supplies | \$ 1,082 | \$ 127 | \$ 170 | \$ 478 | \$ 425 | \$ - |
| Accounting and Auditing | \$ 27,296 | \$ 24,163 | \$ 32,333 | \$ 32,240 | \$ 30,420 | \$ 36,299 |
| Legal Services | \$ 10,450 | \$ 10,619 | \$ 12,997 | \$ 16,002 | \$ 7,425 | \$ 29,614 |
| Professional Services | \$ 980,945 | \$2,724,332 | \$1,877,140 | \$2,149,822 | \$3,173,610 | \$ 3,050,725 |
| Publication Printing Costs | \$ - | \$ - | \$ - | \$ - | \$ 383 | \$ - |
| Legal Notices | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Rents and Leases - Structures | \$ 46,833 | \$ 45,118 | \$ 40,825 | \$ 37,869 | \$ 43,771 | \$ 44,326 |
| Special District Expense - Services | \$ 80,977 | \$ 203,512 | \$ 131,333 | \$ 125,152 | \$ 151,989 | \$ 225,130 |
| Mileage | \$ 4,725 | \$ 4,155 | \$ 4,106 | \$ 7,078 | \$ 14,097 | \$ 14,464 |
| Utilities | \$ 3,139 | \$ 2,613 | \$ 2,545 | \$ 2,887 | \$ 3,173 | \$ 3,404 |
| Credit Card Fees | \$ 24 | \$ 5 | \$ 229 | \$ 451 | \$ 790 | \$ 343 |
| COVID 19 Expenses | \$ - | \$ 1,373 | \$ - | \$ - | \$ - | \$ - |
| Total Services and Supplies | \$1,172,337 | \$3,035,290 | \$2,127,344 | \$2,400,876 | \$3,455,816 | \$ 3,428,156 |
| Retirement of Other L/T Debt | | | | | | |
| Principal on Long-Term Deb | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fixed Assets | | | | | | |
| Equipment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fixed Assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Appropriations for Contingencies | | | | | | |
| Contingencies | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Appropriations for Contingencies | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL EXPENDITURE | \$1,929,796 | \$3,954,335 | \$3,130,556 | \$3,514,036 | \$4,810,180 | \$ 5,030,936 |
| Surplus/(Deficit) | \$ (32,963) | \$ (314,010) | \$ 349,687 | \$ 232,509 | \$ 339,555 | \$ 873,377 |
| NET POSITION | | | | | | |
| Beginning of Year | \$ 371,867 | \$ 354,700 | \$ 458,621 | \$ 817,545 | \$1,123,644 | \$ 1,800,288 |
| End of Year | \$ 354,700 | \$ 458,621 | \$ 817,545 | \$1,123,644 | \$1,800,288 | \$ 2,417,354 |

Table D: Total Assets & Liabilities

| | FY 2017-18 (Audited) | FY 2018-19 (Audited) | FY 2019-20 (Audited) | FY 2020-21 (Audited) | FY 2021-22 (Audited) | FY 2022-23 (Audited) | FY 2023-24 (Audited) |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| ASSETS | | | | | | | |
| Cash | \$ 305,850 | \$ 556,260 | \$ 618,100 | \$ 550,439 | \$ 966,783 | \$2,250,502 | \$1,881,638 |
| Account Receivable | \$ 609,262 | \$ 704,789 | \$1,175,480 | \$1,528,521 | \$1,474,973 | \$1,770,031 | \$1,776,566 |
| Prepaid Items | \$ 21,003 | \$ 1,100 | \$ 1,100 | \$ 1,100 | \$ 7,367 | \$ 9,920 | \$ 13,747 |
| TOTAL ASSETS | <u>\$ 936,115</u> | <u>\$1,262,149</u> | <u>\$1,794,680</u> | <u>\$2,080,060</u> | <u>\$2,449,123</u> | <u>\$4,030,453</u> | <u>\$3,671,951</u> |
| LIABILITIES | | | | | | | |
| Accounts Payable - Claims | \$ 416,967 | \$ 377,111 | \$ 812,012 | \$ 655,959 | \$ 819,202 | \$1,850,005 | \$ 913,446 |
| Accounts Payable - Payroll | \$ 26,910 | \$ 31,703 | \$ 48,461 | \$ 29,903 | \$ 16,050 | \$ 33,782 | \$ 52,033 |
| Grant Funds Received in Advance | \$ 95,016 | \$ 463,758 | \$ 429,452 | \$ 535,807 | \$ 448,245 | \$ 297,577 | \$ 233,238 |
| TOTAL LIABILITIES | <u>\$ 538,893</u> | <u>\$ 872,572</u> | <u>\$1,289,925</u> | <u>\$1,221,669</u> | <u>\$1,283,497</u> | <u>\$2,181,364</u> | <u>\$1,198,717</u> |
| Deferred Inflows of Resources: | | | | | | | |
| Unavailable Revenue | \$ 503,719 | \$ 529,037 | \$ 958,225 | \$ 962,174 | \$1,036,900 | \$1,380,808 | \$1,131,576 |
| Total Deferred Inflows of Resources | \$ 503,719 | \$ 529,037 | \$ 958,225 | \$ 962,174 | \$1,036,900 | \$1,380,808 | \$1,131,576 |
| Fund Balances: | | | | | | | |
| Prepaid Items | \$ 21,003 | \$ 1,100 | \$ 1,100 | \$ 1,100 | \$ 7,367 | \$ 9,920 | \$ 13,747 |
| Unassigned | \$ (127,500) | \$ (140,560) | \$ (454,570) | \$ (104,883) | \$ 121,359 | \$ 458,361 | \$1,327,911 |
| Total Fund Balances | \$ (106,497) | \$ (139,460) | \$ (453,470) | \$ (103,783) | \$ 128,726 | \$ 468,281 | \$1,341,658 |
| TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | <u>\$ 936,115</u> | <u>\$1,262,149</u> | <u>\$1,794,680</u> | <u>\$2,080,060</u> | <u>\$2,449,123</u> | <u>\$4,030,453</u> | <u>\$3,671,951</u> |

Legal Authority

The Resource Conservation District of Santa Cruz County operates according to Public Resources Code Sections 9000 et seq. and is authorized to: conduct surveys and research relating to conservation of resources, prevention and control measures and improvements needed; development and distribution of water; make improvements or conduct operations on public or private lands in furtherance of erosion control, water conservation and distribution, agricultural and wildlife enhancement, erosion stabilization, including but not limited to terraces, ditches, levees, and dams or other structures and the planting of trees, shrubs, grasses or other vegetation; and provide public education and technical assistance. As a public resource agency, the District does not have regulatory power but is designated by the Board of Supervisors to review applications for grading permit exemptions related to development in unincorporated areas.

The RCD collaborates with landowners and managers, technical advisors, local jurisdictions, government agencies, and others to protect, conserve and restore natural resources in Santa Cruz County. The District includes several acres of mostly rural, agricultural and open space lands, and includes all watersheds in Santa Cruz County. RCDs have a close working relationship with the USDA Natural Resource Conservation Service (NRCS) and through the local RCD, an NRCS conservationist and other specialists provide local landowners technical assistance. The RCD acts as a liaison between local property owners and land management organizations and the NRCS federal program administration. The California Association of Resource Conservation Districts describes the relationships of local conservation districts and the NRCS as: a unique partnership to work with private landowners and operators to deliver the technical and financial assistance needed to help them apply complex conservation treatments to control erosion and improve the quality of our soil resources; protect and improve water and air quality; enhance fish and wildlife habitat; and manage woodlands, pasturelands and rangelands.



Local Accountability & Structure

RCD is governed by a seven-member Board of Directors, which is appointed by the Santa Cruz County Board of Supervisors. In 1996, the Board of Supervisors accepted responsibility for appointing Directors to the Resource Conservation District. The current Board is as follows:

Table E: Board of Directors

| Board Member | Term of Office |
|---------------------------------------|--|
| Jim McKenna, President | First Appointed: 1986 Term Limit Ends: General 2026 |
| Michael Manfre, Vice-President | First Appointed: 2000 Term Limit Ends: General 2028 |
| Howard Liebenberg | First Appointed: 1996 Term Limit Ends: General 2028 |
| John Ricker | First Appointed: 2000 Term Limit Ends: General 2028 |
| Kelley K. Bell | First Appointed: 2018 Term Limit Ends: General 2026 |
| Robert Ketley | First Appointed: 2014 Term Limit Ends: General 2026 |
| Michael Eaton | First Appointed: 2020 Term Limit Ends: General 2028 |

The Board holds regularly-scheduled meetings on the second Wednesday of each month at 6:30 PM in the RCD's office in Capitola or other publicly-noticed local location. Board meetings are hybrid in-person and online to allow broader public access and participation. Public notice is provided through posting, and website. The District's Long Range Conservation Program states that all meetings are to be conducted in accordance with "Roberts Rules of Order" and all meetings shall follow the guidelines set forth in the Brown Act. Meeting agendas are emailed out to a listserv, posted on the window of the District's office and posted on the District's website at least three days (72 hours) in advance of any meeting. RCD traditionally adopts an annual report including comprehensive overviews, permit coordination programs, and financials (budget and audits). These reports are also available on the District's website: <https://www.rcdsantacruz.org/annual-reports-and-financials>.

Management Efficiencies

The Santa Cruz County Resource Conservation District officially began operations January 1, 1978, in conformity with Santa Cruz County Board of Supervisors Resolution 744-77. This resolution authorized the consolidation of the Pajaro Resource Conservation District and the Redwood Conservation District to form the Santa Cruz County Resource Conservation District. The District is comprised of the land areas of the former Pajaro and Redwood Resource Conservation Districts. In September 2007, the Santa Cruz County Resource Conservation District was renamed Resource Conservation District of Santa Cruz County. The mission of the District is to help people protect, conserve, and restore natural resources through information, education, and technical assistance programs. At present, staffing includes 13 full-time staff (defined as 30+ hours a week) with an additional 2 part-time staff with occasional interns. The following link provides an overview of all the key staff members for the District: <https://www.rcdsantacruz.org/staff>.

Opportunities and Challenges

RCD is authorized to provide a broad range of conservation-related services that provide benefit throughout the District's service area. The District's boundaries currently exclude the incorporated cities of Santa Cruz, Scotts Valley, and Watsonville. However, RCD has developed a network of strategic partnerships beyond its boundaries. This has led to recent achievements, best practices, and other success stories. The following section discusses how the District can continue exploring opportunities to improve efficiencies while addressing current and future challenges.

Local and Regional Collaborations

Strategic partnerships are a critical component to RCD. The District specializes in bridging gaps between private landowners and public agencies, and solving problems through the creation of partnerships, traditional and non-traditional. **Appendix B** depicts the various partnerships. At present, RCD has over 60 strategic partnerships at the local, state and federal level. Such collaboration is a great example of collaborative efforts among local agencies in pursuit of economies of scale, service efficiency, and overall "good government." These partnerships are based on separate contracts or agreements and based in informal, trust-based relationships.

For example, the District has formed a "Durable Collaboration" with San Mateo, Monterey County, and Upper Salinas-Las Tablas RCD to strengthen their ability to share staff, skills, and resources. This partnership also improves their ability to address regional priorities like forest health, watershed management, and species recovery through collaborative programs and grant proposals. LAFCO staff believes that it may be beneficial to explore additional opportunities to combine or establish a regional agreement through various methods.

- **Memorandum of Understanding** - A Memorandum of Understanding describes an agreement between two or more parties: in this case, the local agencies' overarching conservation goals. The purpose of a MOU is to formally agree on the objectives, roles and ground rules of the partnership between the local governments that holds the mandate for service provision and the implementing organization. Establishing a clear agreement can help prevent conflict and reputational harm because expectations discussed, agreed and documented at an early stage leaves less room for misinterpretation. It also increases transparency in the relationship with the public authority and allows holding either party accountable to their commitments.
- **Joint Powers Authority** – A JPA is defined by the California State Legislature Senate Local Government Committee as a formal, legal agreement between two or more public agencies that share a common power and want to jointly implement programs, build facilities, or deliver services. Officials from those public agencies formally approve a cooperative arrangement. JPAs offer another way for governments to deliver services. With a joint powers agreement, a member agency agrees to be responsible for delivering a service on behalf of the other member agencies.

- **Potential LAFCO Partnership** - Alameda LAFCO has collaborated with the Alameda County Resource Conservation District (ACRCD) to protect and promote the conservation of agricultural and natural-resource lands in the county through the Alameda County Agricultural Resiliency Project (ACARP). This effort is funded by the California Climate Investments program via the Department of Conservation and its goals include forming a countywide stakeholder coalition to review local agricultural policies and map out priority areas at risk of being converted to more intensive greenhouse gas-emitting land uses. This collaborative partnership could be replicated in Santa Cruz County, if warranted.

LAFCO Staff Recommendation: *The District should continue collaborating with other local agencies to maximize efficiencies and/or explore other cost-saving opportunities.*

Governance Options

The original purpose of resource conservation districts was to manage soil and water resources for conservation, these powers were expanded in the early 1970s to include related resources, including fish and wildlife habitat. This expansion of powers was reflected in the change of name from Soil Conservation Districts to Resource Conservation Districts in 1971. As the understanding of resource challenges has expanded over the years, the scope of services has also shifted to addressing impacts of urbanized areas, as well as the governance structure of these agencies. The RCD of Santa Cruz County was a direct result of a consolidation. This governance restructuring allowed for further utilization of existing facilities, maximization of economies of scale, and cost-savings towards internal and external operations. Since RCD offers programs and services that benefit landowners in the incorporated cities of Santa Cruz, Scotts Valley, and Watsonville, and the RCD has developed strategic partnerships and working relationships with these municipalities, agencies, and community-based organizations within them, it may be beneficial to explore annexation. The following summarizes the benefits of regional annexation.

- **Annexation** – Pursuant to state law, RCD may consider annexing the incorporated cities of Santa Cruz, Scotts Valley, and Watsonville. Annexation may increase levels of service and programs within incorporated areas. The District provides a broad range of conservation services and could provide services that improve environmental quality and address resource concerns in the incorporated cities. Additionally, grant awards to the RCD for this work could result in lower costs for water quality, species recovery or flood management that are ultimately borne by taxpayers. It may also provide a greater opportunity for implementing watershed plans and programs on a watershed-based approach that is not constrained by political boundaries.

LAFCO Staff Recommendation: *The District should continue exploring governance options, including annexation, which may help reduce costs, improve service provisions, and expand its conservation efforts throughout the coastal region.*

Website Requirements

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 identifies several components that must be found within an agency's website. Additionally, the Special District Leadership Foundation (SDLF), an independent, non-profit organization formed to promote good governance and best practices among California's special districts, has also outlined recommended website elements as part of its District Transparency Certificate of Excellence. This program was created as an effort to promote transparency in the operations and governance of special districts to the public.

LAFCO conducted a thorough review of the District's website based on SB 929's criteria and the recommendations set by the SDLF. **Table F** below summarizes staff's findings on whether their website meets the statutory requirements. At present, RCD does not meet all the benchmarks. While the District has a website in place, it must consider adding more useful information and resources that are easily accessible to the public.

Table F: Website Transparency

| Website Components | Status (Yes = ✓) |
|---|------------------|
| Required Items (SB 929 Criteria and SDLF Benchmarks) | |
| 1. Names and Contact Information of Board Members* | ✓ |
| 2. Board Member Term Limits | |
| 3. Names of Key Staff, including General Manager | ✓ |
| 4. Contact Information for Staff | ✓ |
| 5. Election/Appointment Procedure & Deadlines | |
| 6. Board Meeting Schedule* | ✓ |
| 7. Mission Statement | ✓ |
| 8. Description of District's Services/Functions and Service Area | ✓ |
| 9. Authorizing Statute/Enabling Act | ✓ |
| 10. Adopted District Budgets* | ✓ |
| 11. Financial Audits* | ✓ |
| 12. Archive of Board Meeting Agendas & Minutes* | ✓ |
| 13. Link to State Controller's Webpages for District's reported Board Member and Staff Compensation | ✓ |
| 14. Link to State Controller's Webpages for District's reported Financial Transaction Report | ✓ |
| 15. Reimbursement & Compensation Policy / Annual Policies | |
| 16. Home Page Link to Agendas/Board Packets | ✓ |
| 17. SB 272 - Compliance-Enterprise Catalogs | ✓ |
| 18. Machine Readable/Searchable Agendas | |
| 19. Recipients of Grant Funding or Assistance | ✓ |
| 20. Link or Copies of LAFCO's Service & Sphere Reviews | |
| Total Score (out of a possible 20) | 15 (75%) |

LAFCO Staff Recommendation: *The District must update its website to fulfill the legal requirements under SB 929 by August 31, 2026.*

SPHERE OF INFLUENCE

Cortese-Knox-Hertzberg Act

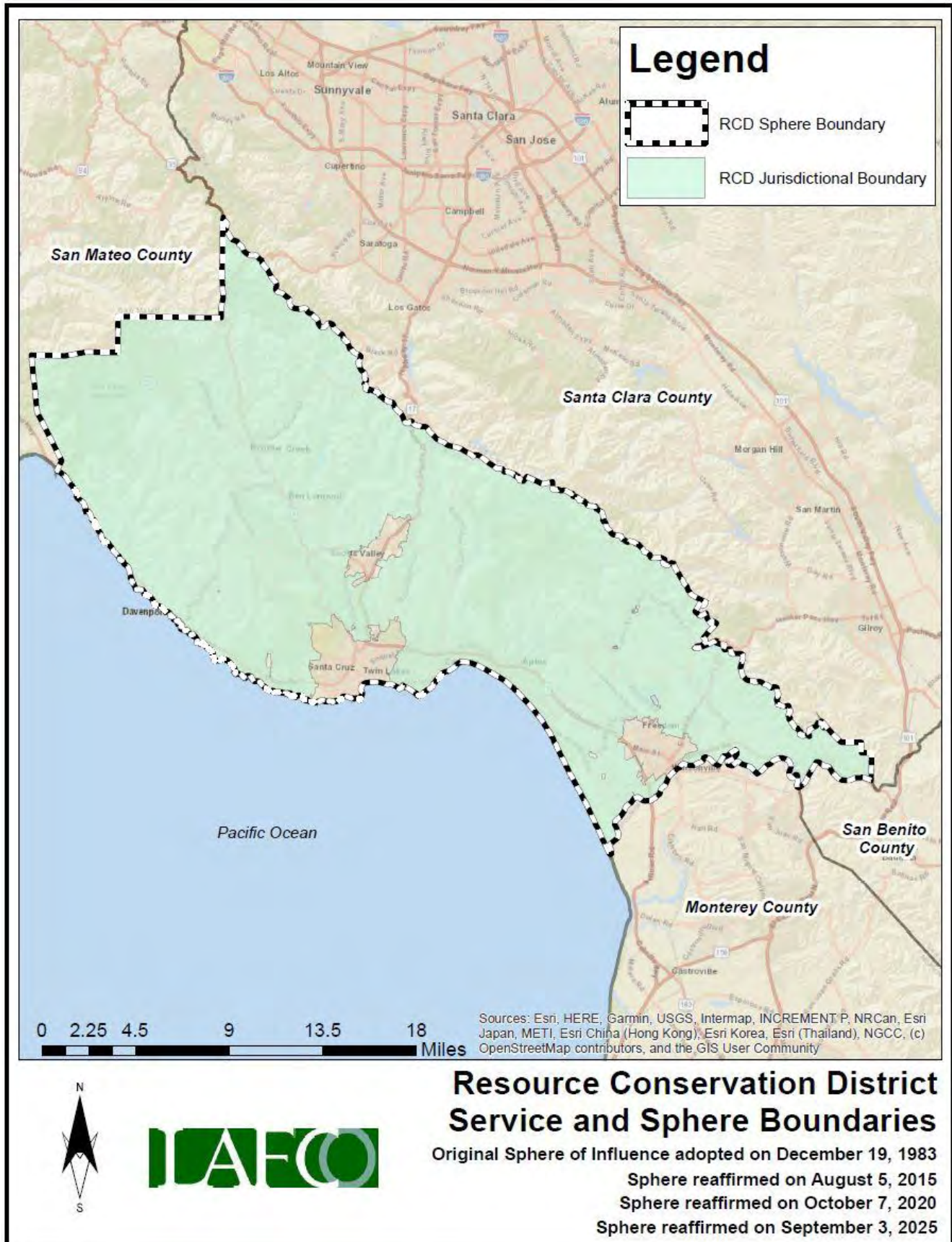
City and special district spheres of influence define the probable physical boundaries and service area of a local agency, as determined by the Commission (Government Code Section 56076). The law requires that spheres be updated at least once every five years either concurrently or subsequently to the preparation of Municipal Service Reviews. Spheres are determined and amended solely at the discretion of the Commission. In determining the sphere of influence for each local agency, the Commission is required by Government Code Section 56425(e) to consider certain factors, including:

- The present and planned uses in the area, including agricultural and open-space lands;
- The present and probable need for public facilities and services in the area;
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency; and
- For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

Current Sphere Boundary

Santa Cruz LAFCO adopted the first sphere of influence for RCD on December 19, 1983. The adopted sphere of influence is watershed-based. It includes the entire watersheds of the North Coast streams, the San Lorenzo River, Soquel Creek, Aptos Creek, and the portion of the Pajaro River watershed located in Santa Cruz County. As a result, the District's sphere is the entire County of Santa Cruz, including all four cities. The last sphere update occurred in October 2020, which resulted in the reaffirmation of the existing sphere boundary. **Figure 9** on page 24 shows the current sphere of influence. LAFCO staff is recommending that the sphere boundary be reaffirmed once again as part of this service and sphere review.

Figure 9: District Sphere Map



DISTRICT SUMMARY

| Resource Conservation District of Santa Cruz County | |
|---|--|
| Formation | California Public Resources Code §9000 et seq. (Resource Conservation District Act) |
| Board of Directors | Governed by a seven-member Board of Directors. Board members are appointed to four-year terms by the Santa Cruz County Board of Supervisors. |
| Contact Person | Lisa Lurie, Executive Director |
| Employees | 13 full-time employees (defined as 30+ hours per week) and 2 part-time staff members |
| District Area | Entire County, excluding the Cities of Santa Cruz, Scotts Valley and Watsonville (Approximately 419 square miles) |
| Sphere of Influence | The sphere boundary is countywide and coterminous with the District's jurisdictional limits. |
| FY 2023-24 Audit | <p>Total Revenue = \$5,904,313</p> <p>Total Expenditure = \$5,030,936</p> <p>Projected Net Position (Ending Balance) = \$2,418,354</p> |
| Contact Information | <p>Mailing Address: 820 Bay Avenue, Suite 136, Capitola, CA 95010</p> <p>Phone Number: 831-464-2950</p> <p>Email Address: info@rcdsantacruz.org</p> <p>Website: http://www.rcdsantacruz.org/</p> |
| Public Meetings | Meetings are typically held on the second Wednesday of the month, at 6:30 pm. These Board meetings are typically held at the RCD's administrative office in Capitola or other publicly noticed local location and are open to the public. |
| Mission Statement | The mission of the Resource Conservation District of Santa Cruz County is to help people protect, conserve, and restore natural resources through information, education, and technical assistance programs. |

SERVICE AND SPHERE REVIEW DETERMINATIONS

The following service and sphere review determinations fulfill the requirements outlined in the Cortese-Knox-Hertzberg Act.

Service Provision Determinations

Government Code Section 56430 requires LAFCO to conduct a municipal service review before, or in conjunction with, an action to establish or update a sphere boundary. Written statements of determination must be prepared with respect to each of the following:

1. Growth and population projections for the affected area.

RCD encompasses over 400 square miles. It is estimated that approximately 148,000 residents currently live within the District's jurisdiction. LAFCO staff projects that the District's population may reach 152,000 by 2040.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

RCD is not subject to SB 244 because it does not provide water, sewer, or fire service.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

RCD provides non-discriminatory assistance and educational opportunities to agricultural producers, land users, educators, and anyone with land-based resource conservation needs. RCD's services include conservation education, soil erosion control, water quality enhancement, wildfire resilience, and watershed enhancement.

4. Financial ability of agencies to provide services.

RCD's primary source of revenue is from Grants. The District has experienced an annual surplus from FY202-21 to FY 2023-24. Net position ended with a balance of \$2.4 million during FY 2023-24.

5. Status of, and opportunities for, shared facilities.

At present, RCD has over 60 strategic partnerships at the local, state and federal level. Such collaboration is a great example of collaborative efforts among local agencies in pursuit of economies of scale, service efficiency, and overall "good government."

6. Accountability for community service needs, including governmental structure and operational efficiencies.

RCD is highly reliant on irregular grants. The District should continue sharing expertise and explore sharing staffing with RCDs in the adjacent counties.

7. Any other matter related to effective or efficient service delivery, as required by commission policy.

No additional local LAFCO policies are specifically relevant to this service review.

Sphere of Influence Determinations

Government Code Section 56425 requires LAFCO to periodically review and update spheres of influence in concert with conducting municipal service reviews. Spheres are used as regional planning tools to discourage urban sprawl and encourage orderly growth. Written statements of determination must be prepared with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open-space lands.

The present and planned land uses are based on the general plans from the County and the City of Capitola, which range from urban to rural uses. General plans anticipate growth centered on existing urban areas and the maintenance of agricultural production, rural residential uses, and environmental protection in rural areas. The planned land uses within the five applicable general plans are a mix of urban, rural and mountain residential, agricultural, timber, public recreation, and open-space lands.

2. The present and probable need for public facilities and services in the area.

The area within the adopted sphere of influence needs, and will continue to need, the soil management, wildland fuel load reduction, riparian restoration, and watershed management services provided by the District.

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The services and programs of RCD substantially rely on grant funding, which may vary on an annual basis. The District's services may change based upon the types and levels of grant funds received during any given year.

4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The adopted sphere of influence is watershed-based. It includes the entire watersheds of the North Coast streams, the San Lorenzo River, Soquel Creek, Aptos Creek, and the portion of the Pajaro River watershed located in Santa Cruz County.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The District does not provide services related to sewers, municipal and industrial water, or structural fire protection. Therefore, this determination is not applicable.

APPENDICES

Appendix A: Strategic Plan (2020-2024)

Appendix B: Strategic Partnerships (List)

Appendix C: Coastal Region RCDs (Map)



APPENDIX A:

Strategic Plan (2020-2024)

Resource Conservation District of Santa Cruz County
Strategic Direction

Adopted by the RCDSCC Board May 13, 2020



Board of Directors

Steve Auten

Kelley Bell

Robert Ketley

Howard Liebenberg

Mike Manfre, Vice President

Jim McKenna, President

John Ricker

Staff

Kelli Camara, Technical Director (consultant)

Angie Carreras, Program Specialist

Tangi Chapman, Executive Assistant

Sharon Corkrean, Director of Finance

Karl Fieberling, Program Specialist

Angie Gruys, Program Specialist

Sacha Lozano, Program Manager

Lisa Lurie, Executive Director

Erin McCarthy, Program Specialist

Arianne Rettinger, Grants Manager

Gerry Spinelli, Program Specialist

Developed with support from Solid Ground Consulting and funding from the Community Foundation of Santa Cruz County

Our Mission

The mission of the Resource Conservation District of Santa Cruz County is to inspire and assist the people and communities of Santa Cruz County to protect, conserve, and restore our natural resources.

Our Vision

At the Resource Conservation District of Santa Cruz County, we envision our county as a place where natural resources and the communities and economies that depend upon them are thriving and resilient.

We believe protecting natural resources meets the needs of people, the community, and the environment—for water, food, clean air, connection, and a diversity of landscapes that are necessary for all life to thrive.

Ecosystem health and its connection to a thriving community is demonstrated by:

- A community where all residents, landowners, land users and leaders understand and are empowered to contribute to the stewardship of natural resources;
- Healthy, productive watersheds and lands;
- The recovery and flourishing of native wildlife and plants;
- Plentiful clean water; and
- Natural and human systems that are resilient to climate change.

The Resource Conservation District is a valuable and reliable partner dedicated to helping our community realize this vision and achieve results. We strive to serve as:

- **A go-to resource for land stewardship and natural resource issues in Santa Cruz County.** Our skilled and passionate staff members and board of directors offer science-based assistance and education to support our community in learning about and caring for our natural environment. Our expertise centers on stewardship in agriculture and watershed restoration and management. Our core program areas are water management, land & soil stewardship, habitat restoration & species recovery, forest health & fire resiliency, multi-objective planning, and regulatory assistance.
- **A nimble, collaborative partner and a hub of creative problem solving.** We strive to be known and trusted by leaders, landowners, land users, farmers, residents, and cooperating organizations throughout the county. We serve as a connector and a bridge, understanding diverse perspectives and goals and bringing people together to collaborate, build trust, and develop solutions that benefit all. We focus on action on-the-ground, helping to remove barriers to conservation and staying ready to act to meet the changing needs of our community.
- **A stable, sustainably funded organization.** We strive to secure stable and ongoing funding as a result of being a valuable and reliable partner that gets results. Stable funding enables the RCD to fulfill its vital role with consistency and quality. We will work with our allies, partners, and supporters to secure the financial resources needed to achieve our goals.

- **A place of fun and celebration.** We are a dedicated team who are having fun changing the world! We celebrate our successes, reflect on our experiences and support each other to learn, grow, and live our mission.

2020-2024 Goals and Strategies

| Goal #1: The RCD implements effective watershed health programs to promote ecosystems that are thriving and resilient to climate change. | |
|--|--|
| Strategies | Potential Outcomes |
| <ol style="list-style-type: none"> 1. Work with partners to implement a watershed-based approach to water management. <ol style="list-style-type: none"> 1.1. Utilize the Integrated Watershed Restoration Program (IWRP) to identify, prioritize, and implement watershed restoration and protection actions on public and private lands. 1.2. Review and update existing watershed plans. 1.3. Participate in regional urban stormwater management planning efforts to identify and advance projects. 1.4. Participate in Integrated Regional Water Management Program to incorporate watershed restoration efforts in water management projects (supply, flood mitigation, etc.) 1.5. Implement watershed-based planning and action strategies (including but not limited to the following activities: rural road erosion control, stormwater management, home drainage, water use efficiency, etc.) 1.6. Partner with Groundwater Sustainability Agencies and landowners to develop and implement local solutions for sustaining groundwater supplies, including managed aquifer recharge, water use efficiency, etc. 1.7. Conduct watershed education and outreach to private landowners and land users to encourage watershed stewardship. 2. Work with partners to develop and implement a countywide ecological restoration and stewardship program for species recovery. <ol style="list-style-type: none"> 2.1. Utilize the Integrated Watershed Restoration Program (IWRP) to identify, prioritize, and implement watershed restoration and protection actions on public and private lands. | <ul style="list-style-type: none"> ■ Watershed and regional conservation plans are updated/created and include metrics to guide actions. ■ Data for water quality, water quantity, and habitat parameters show trends of improvement. ■ Focal species are down listed. ■ A multi-objective approach to forest health and fire resiliency is well defined and guiding projects of the RCD and our partners. ■ Climate resiliency is integrated into RCD programs and projects. |

| | |
|---|--|
| <ul style="list-style-type: none"> 2.2. Review and update existing and/or develop local recovery and watershed plans for habitat restoration, enhancement and creation. 2.3. Conduct education and outreach to private landowners and land users to encourage species recovery actions. 2.4. Coordinate with local, state and federal partners to modify regulations and ordinances to encourage landowner actions to support species on their property. 3. Work with partners to develop and implement a pro-active forest health and fire resiliency program bringing a multi-objective approach. <ul style="list-style-type: none"> 3.1. Participate in regional forest health planning and project prioritization. 3.2. Support the countywide firesafe council in their mission to educate and mobilize the people of Santa Cruz County to protect their community, homes, and environment from wildfire. 3.3. Implement small and large scale forest health and fire resiliency projects. 4. Work with partners to identify and reduce barriers to implementation of conservation projects on private lands. <ul style="list-style-type: none"> 4.1. Utilize and promote the Partners in Restoration permit coordination program to improve the ease of permitting conservation projects. 4.2. Understand and work to reduce where possible landowner liability related to conservation project implementation. 5. Work with partners to develop new and updated conservation approaches at a regional scale and within Santa Cruz County. <ul style="list-style-type: none"> 5.1. Build on existing processes to support and implement advanced mitigation planning. 5.2. Identify additional mechanisms to facilitate large scale, high impact projects. 6. Evaluate RCD programs to ensure climate resiliency is addressed. | |
|---|--|

Goal #2: Conservation actions on agricultural working lands support the environmental health and economic drivers of Santa Cruz County to be viable and resilient to climate change.

| Strategies | Potential Outcomes |
|--|---|
| <ol style="list-style-type: none"> 1. Partner with Groundwater Sustainability Agencies (GSAs) and growers to develop and implement local solutions for sustaining groundwater supplies, including managed aquifer recharge, irrigation efficiency, covered fallow, and soil health. <ol style="list-style-type: none"> 1.1. Partner with the Pajaro Basin GSA to reduce groundwater overdraft with three additional Managed Aquifer Recharge (MAR) basins in the Pajaro Basin. 1.2. Incorporate additional MAR into the Pajaro Valley Basin Management Plan. 1.3. Coordinate partners to address water rights aspects of MAR. 1.4. Inform GSAs on diverse practices to improve water use on farms (such as covered fallow, soil health). 1.5. Continue to engage with partners on desired incentives and strategies to implement incentives. 1.6. Share successes and lessons learned from the Pajaro Valley with other GSA's within the District and across the state. 2. Provide sustained on-farm technical assistance for improving water quality, water supply, and soil health, including: <ol style="list-style-type: none"> 2.1. Irrigation and nutrient management, 2.2. Soil erosion control and winter cover crop, and 2.3. Carbon farm planning to implement on-farm practices that reduce greenhouse gas emissions and maximize carbon sequestration on farms. 3. Establish monitoring programs to evaluate progress. 4. Support grower compliance with environmental regulations (including record keeping, conservation planning, best management practice implementation, and third-party collaborative alternative approaches). <ol style="list-style-type: none"> 4.1. Engage with partners to explore cooperative compliance models. | <ul style="list-style-type: none"> ■ MAR projects contribute an additional 700 acre-feet per year of aquifer recharge. ■ Pajaro Valley basin-wide data show a decreasing trend in agricultural water use. ■ 20 farms are actively implementing soil management practices that augment soil carbon. ■ Water quality monitoring data show improving trends. ■ Participation in RCD ag technical assistance programs is increasing. |

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| <p>4.2. Work with regulatory and agencies and the community to promote practices that are workable and effective.</p> <p>5. Provide outreach to growers to connect with technical and financial assistance.</p> | |
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| Goal #3: Community members understand and participate in RCD efforts in Santa Cruz County | |
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| Strategies | Potential Outcomes |
| <ol style="list-style-type: none"> 1. Understand community needs and priorities. <ol style="list-style-type: none"> 1.1. Meet with partners to understand their needs and their constituents' needs and potential alignment with the RCD. 1.2. Convene at least one community meeting each year. 2. Improve the ease of access and participation in RCD programs by the broader community. <ol style="list-style-type: none"> 2.1. Identify and reach out to new partners, community members, and agencies who have not worked with the RCD in the past. 2.2. Nurture priority partnerships including building relationships with equity and social justice organizations and understanding where alignment exists. 3. Develop systems and tools for effectively communicating about the RCD and its work. <ol style="list-style-type: none"> 3.1. Gather information about the RCD's successes. 3.2. Develop and implement a communications plan for the RCD, including key messages by audience. 3.3. Train all staff and board to use key messages. 3.4. Increase staff capacity in marketing and communications. 3.5. Develop printed and electronic promotional and education materials and branded RCD gear to support consistent RCD communications. 3.6. Use digital communications, video, and social media to promote the RCD's programs and messages. 3.7. Be present and visible at community events and activities that align with our strategic goals | <ul style="list-style-type: none"> ▪ Target audiences (as defined in the RCD's communications plan) have high awareness of the RCD and our work. ▪ Participation in RCD programs reflects the diversity of our community. ▪ We develop new partners that view the RCD as a trusted, sought-after partner. |

| Goal #4: Stable and sufficient revenue allows the RCD to advance its mission and vision. | |
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| Strategies | Potential Outcomes |
| <ol style="list-style-type: none"> 1. Recover full costs of program implementation. <ol style="list-style-type: none"> 1.1. Develop an updated cost allocation plan for the RCD. 1.2. Inform funders to improve funding programs to fully cover indirect costs, reduce administrative costs, create more sustained programmatic funding, and provide baseline funding. 1.3. Continue to keep RCD indirect costs in line with OMB principles 2. Seek capacity building funds to develop a full business plan / revenue plan for the RCD. 3. Investigate and pursue new, diverse funding sources. <ol style="list-style-type: none"> 3.1. Research funding models of other RCDs. 3.2. Research and analyze funder/partner needs and strategic alignment (local agencies, foundation and individual funders, landowners and ag innovators). 3.3. Research new fundraising mechanisms including the potential of developing a 501c3 support organization. 3.4. Research passive income opportunities. 3.5. Continue to explore opportunities for a local funding measure to support bundled services (water quality, fire resiliency, stormwater, etc.). 3.6. Diversify funding to provide on-the-ground services without creating excessive administrative burden. 3.7. Explore opportunities to bring cities and city funding into the District. 3.8. Increase applications for private foundation grants. 3.9. Develop a plan to seek funding from major donors. 4. Develop stronger relationships with local agencies including County Departments to advocate for increased support for work that aligns with their priorities. | <ul style="list-style-type: none"> ▪ The RCD prioritizes grants that fully cover indirect operating costs. ▪ By 2024, 20% of the RCD's personnel budget is unrestricted and supports external and internal planning, professional development, and program evaluation. ▪ The RCD's core programs are sustained over time. ▪ The RCD will implement one visible, revenue generating project. ▪ The fund source to staff ratio will decrease (i.e. we will seek and secure larger grants). ▪ The RCD will have sufficient funds to maintain staff pay on par with a competitive job market. |

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| <ul style="list-style-type: none">5. Identify and pro-actively fund core emergency response services (such as stormwater management, fire preparedness, post fire recovery, and drought response) that the RCD needs to maintain and offer to the community for immediate response to natural disasters.<ul style="list-style-type: none">5.1. Develop a funding emergency plan – how to maintain core functions in times of funding drought.6. Investigate expanding fee-for-service programs.<ul style="list-style-type: none">6.1. Operationalize the In-Lieu Fee Mitigation program.6.2. Research competitive pricing for potential fee for service opportunities.6.3. Develop business plans for services to ag innovators and landowners.7. Pursue funding opportunities based on a cost-benefit analysis with an aim to achieve more efficient administration.<ul style="list-style-type: none">7.1. Pursue fewer, larger grants | |
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| Goal #5: The RCD Board of Directors and staff have the capacity, tools, and culture needed to implement the strategic plan goals. | |
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| Strategies | Potential Outcomes |
| <ol style="list-style-type: none"> 1. Enable a skilled and engaged Board of Directors. <ol style="list-style-type: none"> 1.1. Use board meetings efficiently by engaging in strategic discussion and going deep on topics that take advantage of the collective experience and diverse perspectives of the board to provide staff with thought-partnership that enhances their work. 1.2. Regularly inform the board of the work of the RCD staff. 1.3. Engage the board in outreach as ambassadors to key stakeholders and potential funders. 1.4. Identify and recruit Directors and Associate Directors with key skills, connections, and demographics that align with our strategic goals and reflect the various perspectives within the community. 2. Continue to hire and retain a highly skilled professional staff. <ol style="list-style-type: none"> 2.1. Secure funding for professional development for staff. 2.2. Refine RCD staff structure to streamline operations. 2.3. Implement an effective performance review process that evaluates and encourages staff progress relative to individual and strategic plan goals. 2.4. Ensure competitive pay and recognition of staff achievements. 3. Enable a cohesive and productive organizational culture. <ol style="list-style-type: none"> 3.1. Seek unrestricted funding to enable time for planning, reflection, and evaluation. 3.2. Celebrate successes. 3.3. Continue to encourage innovation and creativity. 3.4. Encourage collaboration across RCD programs. 4. Create an RCD that is welcoming, inclusive, and diverse. | <ul style="list-style-type: none"> ▪ The Board is active and engaged as ambassadors, advocates and strategic thought partners for the RCD. ▪ RCD staff feel supported, valued, and satisfied in their work. ▪ The board and staff of the RCD reflect the diversity of our community. |

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| <ul style="list-style-type: none">4.1. Provide training to board and staff on becoming a more diverse, equitable, and inclusive organization.4.2. Update the RCD's policies as needed.4.3. Learn and follow best practices for recruitment of a diverse staff and board.4.4. Maintain an intentional culture that supports all members of the team to achieve their best. | |
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APPENDIX B:

Strategic Partnerships (List)

| State and Federal Agencies | | | |
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| AmeriCorps | CA Department of Parks & Recreation | State Coastal Commission | US Department of Agriculture |
| CAL FIRE | CA Department of Conservation | State Coastal Conservancy | US Forest Service |
| CA Conservation Corps | CA Department of Water Resources | State Water Resources Control Board | USFWS Coastal Program |
| CA Department of Fish & Wildlife | Natural Resources Conservation Service | US Bureau of Land Management | - |
| CA Department of Food & Agriculture | National Oceanic and Atmospheric Administration (NOAA) | US Army Corps of Engineers | - |
| Local and Regional Agencies | | | |
| City of Capitola | Loma Prieta Resource Conservation District | San Benito County Water District | Santa Clara Valley Water District |
| City of Santa Cruz | Pajaro Valley Water Management Agency | San Lorenzo Valley and Soquel Creek Water Districts | Santa Cruz County Fish & Game Commission |
| City of Watsonville | Regional Water Quality Control Board (Central Coast Region) | San Mateo County Resource Conservation District | Santa Cruz County Regional Transportation Commission |
| Santa Cruz County | San Benito County Resource Conservation District | Santa Clara Open Space Authority | Sonoma County Agricultural Preservation and Open Space District |
| Schools and Educational Institutions | | | |
| Cal Poly San Luis Obispo, Swanton Pacific Ranch | Live Oak Elementary and Soquel Union School Districts | Pacific Elementary School | Santa Cruz City Schools |
| Cal State University, Monterey Bay | Monterey Institute of International Studies | San Lorenzo Valley Unified School District | UC Cooperative Extension and UCSC |
| Non-Profit Organizations, Local Businesses, and Community Groups | | | |
| American Conservation Experience (ACE) | David and Lucile Packard Foundation | Friends of State Parks | Santa Cruz County Farm Bureau |
| Bonny Doon Fire Safe Council | Ecology Action | Gordon and Betty Moore Foundation | Santa Cruz County Horsemen's Association |
| CA Association of Resource Conservation Districts (CARCD) | Eco Farm | James Irvine Foundation | Save Our Shores |
| CA Native Plant Society | El Mercado Popular | Land Trust of Santa Cruz County | Sempervirens Fund |
| Coastal Watershed Council | Farm Link | Moore Family Foundation | South Skyline Fire Safe Council |
| Community Foundation of Santa Cruz County | Friends of Soquel Creek | San Lorenzo Valley Women's Club | Watsonville Wetlands Watch |

APPENDIX C:

Coastal Region RCDs (Map)

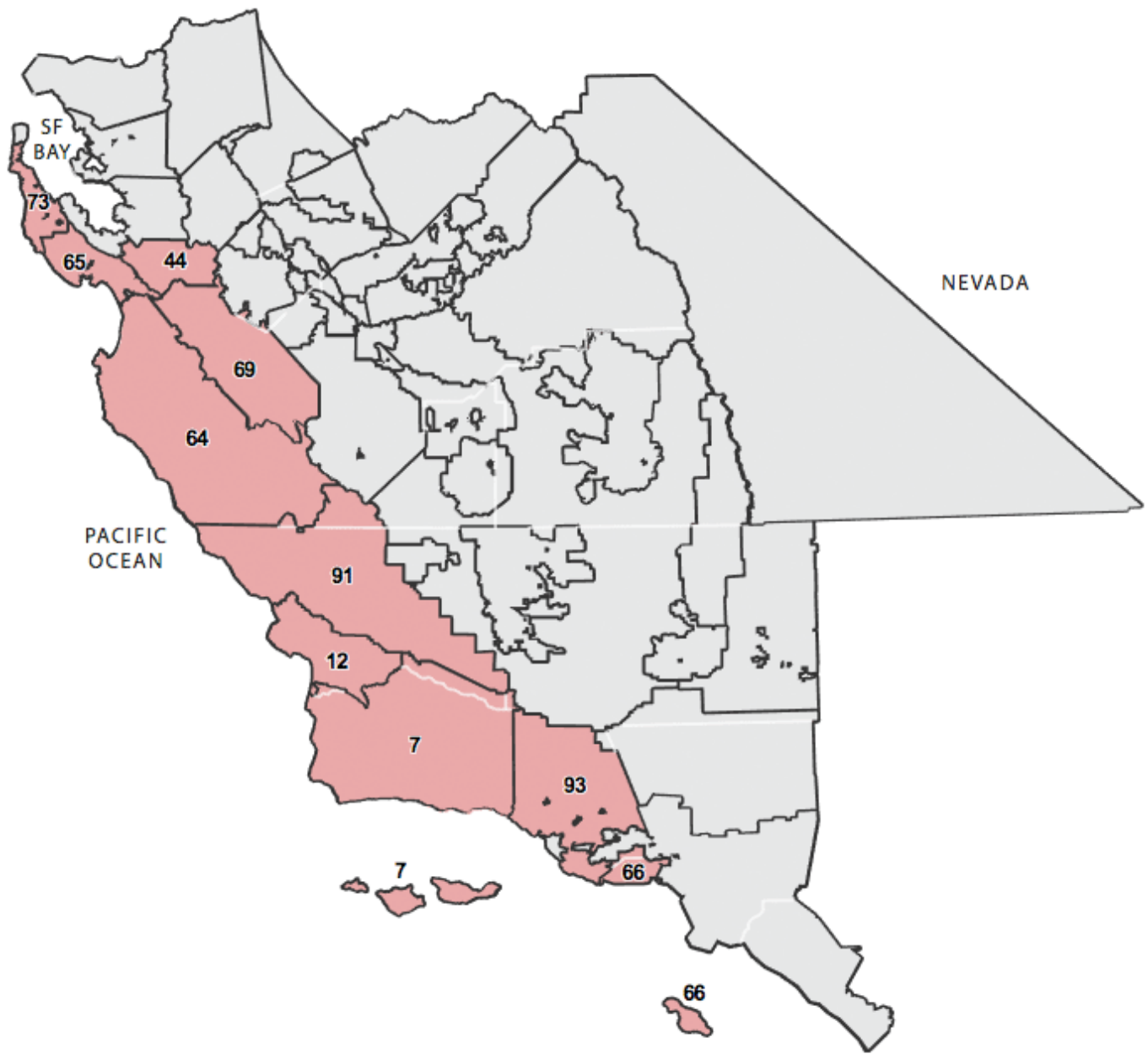


Central Coast Region

RCDs in the Central Coast Region

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| 7 CACHUMA RCD (805) 868-4013 | 65 RCD OF SANTA CRUZ COUNTY (831) 464-2950 | 73 SAN MATEO COUNTY RCD (415) 317-7399 |
| 12 COASTAL SAN LUIS RCD (805) 704-9119 | 66 RCD OF THE SANTA MONICA MOUNTAINS (323) 309-0842 | 91 UPPER SALINAS-LAS TABLAS RCD (805) 536-3196 |
| 44 LOMA PRIETA RCD (831) 801-8776 | 69 SAN BENITO RCD (805) 772-4398 | 93 VENTURA COUNTY RCD (805) 386-4489 |
| 64 RCD OF MONTEREY COUNTY (831) 236-1740 | | |

Map of Central Coast Region RCDs



RESOURCE CONSERVATION DISTRICTS

- What are RCDs?
- Find Your Local RCD
- Impact Stories
- Conservation Resources

MEMBER DASHBOARD ↗

We have COVID-19 resources for RCDs. [See Resources](#)



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MEMBER DASHBOARD >

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