



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

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**ADOPTED MINUTES**

**LAFCO REGULAR MEETING AGENDA**

**Wednesday, February 4, 2026**

**Start Time - 9:00 a.m.**

**1. ROLL CALL**

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

The following Commissioners were present:

- Commissioner Jim Anderson
- Commissioner Roger Anderson
- Commissioner Joe Clarke
- Commissioner Kimberly De Serpa
- Commissioner Manu Koenig (*Chair*)
- Commissioner Rachél Lather (*Vice Chair*)
- Commissioner Eduardo Montesino
- Alternate Commissioner Lani Faulkner
- Alternate Commissioner John Hunt

*Alternate Commissioner Kimberly De Serpa will be a voting member on behalf of Commissioner Justin Cummings (County).*

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** welcomed everyone to the Capitola City Chambers and 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 Manu Koenig** moved on to the next agenda item.

### **3. ADOPTION OF MINUTES**

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

**Chair Manu Koenig** called for a motion. **Commissioner Roger Anderson** motioned for approval of the November 5th Meeting Minutes and **Commissioner Jim Anderson** seconded the motion.

**Chair Manu Koenig** called for a voice vote on the approval of the draft minutes.

**MOTION: Roger Anderson**

**SECOND: Jim Anderson**

**FOR: Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES: 7-0**

### **4. ORAL COMMUNICATIONS**

**Chair Manu Koenig** requested public comments on any non-agenda items. **Executive Officer Joe Serrano** noted one request to provide public comment.

**Becky Steinbruner**, a member of the public, provided comments to the Commission.

**Chair Manu Koenig** closed public comment and moved on to the next agenda item.

### **5. PUBLIC HEARINGS**

#### **5a. "San Andreas Mutual Water Company Extraterritorial Service Agreement"**

**Chair Manu Koenig** requested staff to provide a presentation on the proposed extraterritorial service agreement involving the Soquel Creek Water District for an emergency intertie connection.

**Executive Officer Joe Serrano** explained that LAFCO received an application from the San Andreas Mutual Water Company (SAMWC) for an extraterritorial service agreement (ESA). The ESA will allow SAMWC to receive adequate water service through an emergency intertie connection with Soquel Creek Water District (SqCWD). Both agencies are currently cooperating through an existing Memorandum of Interest adopted in 2025. Executive Officer Serrano recommended the Commission adopt the draft Resolution (No. 2026-01) approving the ESA involving the SqCWD and the SAMWC.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions. **Commissioner John Hunt** inquired about defining the term "emergency." **Executive Officer Joe Serrano** summarized Government Code Section 56133 and explained how the proposed ESA would address a health and safety issue.

**Chair Manu Koenig** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there were two requests to address the Commission.

**Becky Steinbruner**, a member of the public, spoke on her experience as a customer of a private water system and provided comments on the proposed ESA.

**Paul Lego**, representative of SAMWC, supported staff's recommendation and offered to answer any Commission questions.

**Chair Manu Koenig** closed public comment and requested a motion approving staff recommendation. **Commissioner Rachél Lather** made the motion and **Commissioner Eduardo Montesino** seconded the motion.

**Chair Manu Koenig** called for a voice vote on staff recommendation: **Adopt the draft resolution (No. 2026-01) approving extraterritorial service agreement involving the Soquel Creek Water District for an emergency intertie connection.**

**MOTION:** Rachél Lather

**SECOND:** Eduardo Montesino

**FOR:** Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSES: 7-0**

### **5b. Comprehensive Sanitation Service and Sphere Review (Continued Item)**

**Chair Manu Koenig** requested staff to provide a presentation on the draft Comprehensive Sanitation Service and Sphere Review.

**Executive Officer Joe Serrano** explained that in October 2025, the Commission directed staff to work with Community Development and Infrastructure (CDI) staff on clarifying financial information from the report. Along with an ad-hoc committee composed of LAFCO Commissioners, staff met with County representatives to discuss and further clarify the financial status of each agency. Executive Officer Serrano stated that the municipal service review had been updated with the requested changes and that the draft report was now ready for Commission consideration. Executive Officer Serrano recommended adopting the draft resolution (LAFCO No. 2025-11) approving the 2026 Comprehensive Sanitation Service and Sphere Review with its identified conditions.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions. **Commissioner Jim Anderson** inquired about Bear Creek Estates. **Executive Officer Joe Serrano** explained how rates were determined by the San Lorenzo Valley Water District (SLVWD), who operates the small sewer system.

**Commissioner Roger Anderson** provided comments on the Bear Creek Estates rates and potential governance options. **Executive Officer Joe Serrano** noted that SLVWD has expressed interest in transferring sewer service responsibilities to another local agency, such as the County.

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

**Becky Steinbruner**, a member of the public, spoke on her experiences with assessment and rate increases, Proposition 4 funds, the Big Basin Water Company, and the draft report.

**Chair Manu Koenig** closed public comment and requested a motion approving staff recommendation. **Commissioner Eduardo Montesino** made the motion and **Commissioner Jim Anderson** seconded the motion.

**Chair Manu Koenig** called for a voice vote on staff recommendation: **Adopt the draft resolution (No. 2025-11) approving the 2026 Comprehensive Sanitation Service and Sphere Review, with its identified terms and conditions.**

**MOTION:** Eduardo Montesino

**SECOND:** Jim Anderson

**FOR:** Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSES: 7-0**

## **6. OTHER BUSINESS**

### **6a. Appoint New Chair and Vice-Chair**

**Chair Manu Koenig** requested staff to provide a presentation on the appointment of the Chair and Vice Chair for the calendar year.

**Executive Officer Joe Serrano** explained that in accordance with the Commission's Meeting Rules Policy, the Commission appoints a new Chair and Vice Chair at the first meeting of each year. Executive Officer Serrano also indicated that there is no rule of succession or rotation, however, the acting Vice Chair has historically been elected as the new Chair. Staff recommended the Commission discuss and appoint a new Chair and Vice Chair for the remainder of the year.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions on the item. There were no requests from the Commission.

**Chair Manu Koenig** requested public comments on the item. **Executive Officer Joe Serrano** noted no requests to address the Commission on this item.

**Chair Manu Koenig** closed public comment and requested nominations for Chair and Vice Chair. **Commissioner Roger Anderson** motioned to nominate **Commissioner Rachél Lather** as Chair and **Chair Manu Koenig** seconded the motion.

**Chair Manu Koenig** called for a voice vote on the motion: **Appoint Commissioner Rachél Lather as LAFCO Chairperson for the 2026 calendar year.**

**MOTION:** Roger Anderson  
**SECOND:** Manu Koenig  
**FOR:** Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 7-0**

**Chair Manu Koenig** nominated **Commissioner Joe Clarke** as Vice Chair of the Commission and **Commissioner Kim De Serpa** seconded the motion.

**Chair Manu Koenig** called for a voice vote on the motion: **Appoint Commissioner Joe Clarke as LAFCO Vice Chairperson for the 2026 calendar year.**

**MOTION:** Manu Koenig  
**SECOND:** Kim De Serpa  
**FOR:** Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 7-0**

#### **6b. Appoint New Personnel Committee**

**Chair Manu Koenig** requested staff to provide a presentation to consider selecting members for the personnel committee.

**Executive Officer Joe Serrano** explained to the Commission the purpose and responsibilities of the personnel committee which includes assessing staff performance. Executive Officer Serrano recommended the Commission appoint new members to the personnel committee for a two-year term.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions on the item. There were no requests from the Commission.

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

**Commissioner Rachél Lather** and **Commissioner Roger Anderson** both indicated their willingness to continue serving on the personnel committee.

**Commissioner Jim Anderson** nominated **Commissioner Rachél Lather** and **Commissioner Roger Anderson** to the personnel committee. **Commissioner Kim De Serpa** seconded the motion.

**Chair Manu Koenig** called for a voice vote on the motion: **Appoint Commissioner Roger Anderson and Rachél Lather to the personnel committee for a two-year term ending in December 2027.**

**MOTION:** Jim Anderson  
**SECOND:** Kim De Serpa  
**FOR:** Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.  
**AGAINST:** None  
**ABSTAIN:** None

**MOTION PASSES: 7-0**

**6c. Shared Services Agreement – Placer LAFCO**

**Chair Manu Koenig** requested staff to provide a presentation to consider providing temporary recruitment support to Placer LAFCO to search for a new executive officer.

**Executive Officer Joe Serrano** provided the Commission with an overview of past shared services agreements and explained how Santa Cruz LAFCO will assist Placer LAFCO in selecting a new executive officer. Executive Officer Serrano emphasized that productivity would not be affected by this agreement and recommended approval.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions on the item. **Commissioner Roger Anderson** asked about a timeline for the contracted services and asked how it would impact staff's current workload. **Executive Officer Joe Serrano** explained how the agreement will be implemented and stated that the goal is for Placer to have a new executive officer by the start of the upcoming fiscal year.

**Commissioner Jim Anderson** inquired about the cost of providing these services. **Executive Officer Joe Serrano** provided financial information on the proposal and explained how these agencies will be invoiced.

**Commissioner Lani Faulkner** asked about follow-up services. **Executive Officer Joe Serrano** explained the benefits of establishing these types of shared agreement proposals between LAFCOs.

**Chair Manu Koenig** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there was a request to address the Commission.

**Becky Steinbruner**, a member of the public, provided comments on the current workload and projects for Santa Cruz LAFCO, and spoke on the potential obstacles. **Executive Officer Joe Serrano** stated that Santa Cruz projects will always be the top priority.

**Chair Manu Koenig** asked if Santa Cruz LAFCO would make a profit providing services to Placer LAFCO. **Executive Officer Serrano** stated that the agency would not profit from the proposed services and payments will cover services rendered.

**Commissioner Rachél Lather** requested staff to provide presentations to other LAFCOs on the shared services process. **Executive Officer Joe Serrano** stated that such discussions have been covered at previous CALAFCO annual conferences.

**Chair Manu Koenig** asked for a motion from the Commission. **Commissioner Eduardo Montesino** motioned to approve staff recommendation and **Commissioner Jim Anderson**.

**Chair Manu Koenig** called for a voice vote on the motion: **Adopt the draft contract approving temporary assistance to Placer LAFCO.**

**MOTION: Eduardo Montesino**

**SECOND: Jim Anderson**

**FOR: Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES 7-0**

#### **6d. CALAFCO Update**

**Chair Manu Koenig** requested an update on upcoming meetings and membership actions from CALAFCO.

**Executive Officer Joe Serrano** summarized the recent actions CALAFCO has taken in the past year to address ongoing issues with the member agencies. One of the changes has included adding executive officers (specifically the four regional officers) to the board as voting members. There is a special meeting scheduled in late February for the membership to discuss and consider additional changes. The purpose of the amendments is to bring back LAFCOs that have left the statewide organization. Executive Officer Serrano recommended designating voting delegates for the February 23<sup>rd</sup> Special Meeting.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions on the item. **Commissioner Roger Anderson** provided comments on the proposed changes to the CALAFCO bylaws and structure of the board and shared his concerns. **Executive Officer Joe Serrano** added historical context on past changes to CALAFCO and why these specific changes were proposed.

**Commissioner Jim Anderson** commented on the needs and limited influence of smaller districts on the CALAFCO board due to their size.

**Chair Manu Koenig** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there was no request to address the Commission on this item.

**Chair Manu Koenig** closed public comments and requested a motion from the Commission. **Commissioner Rachél Lather** asked about LAFCO members that left CAALFCO. **Executive Officer Joe Serrano** stated that those agencies have been kept appraised and the goal is to have them rejoin CALAFCO.

**Chair Manu Koenig** nominated **Commissioner Roger Anderson** as the regular voting member for the upcoming meeting and **Executive Officer Joe Serrano** as the alternate voting member. **Commissioner Jim Anderson** seconded the motion.

**Chair Manu Koenig** called for a voice vote on the motion: **Appoint Commissioner Roger Anderson and Executive Officer Joe Serrano as the regular voting member and alternate voting member, respectively, for the upcoming CALAFCO Special Meeting.**

**MOTION: Manu Koenig**

**SECOND: Jim Anderson**

**FOR: Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES 7-0**

### **6e. Fire-Related Projects (Status Update)**

**Chair Manu Koenig** requested an update on ongoing reorganization efforts involving CSA 48 and other fire agencies.

**Executive Officer Joe Serrano** provided the Commission with updates for the proposed reorganizations of CSA 48 and Pajaro Valley Fire Protection District (PVFPD), the fire memorandum of understanding between the City of Santa Cruz/Central Fire District/Scotts Valley Fire Protection District, and the Felton Fire Protection District (FFPD) governance options report.

**Jed Wilson**, County Fire Chief, provided additional financial data and background information for the proposed PVFPD reorganization. Executive Officer Serrano recommended hosting an educational workshop to inform the PVFPD community on the ongoing reorganization, service delivery levels, and fiscal impacts. Executive Officer Serrano also recommended establishing an ad hoc committee with commissioners to provide expertise and direction on each fire-related project.

**Chair Manu Koenig** opened the floor to Commission comments or clarifying questions on the item. **Commissioner Jim Anderson** asked about the Cal Fire contract and financial projections for PVFPD. **Jed Wilson**, County Fire Chief, provided financial information on the District. **Executive Officer Joe Serrano** added that the reorganization must make financial sense to the County before it can provide a Will-Serve letter. Commissioner Anderson followed up with insights on the financial situation for fire districts around the state.

**Commissioner Lani Faulkner** commented on potential fund excess for the proposed PVFPD reorganization. **Jed Wilson**, County Fire Chief, provided clarification on the use of the projected carryover funds resulting from the reorganization. **Executive Officer Joe Serrano** added that the projections for the reorganization were meant to provide a high-level overview of the finances, but further analysis would be needed.

**Commissioner Jim Anderson** asked about the cost for potential paramedic services. **Executive Officer Joe Serrano** emphasized the need to inform impacted communities about the purpose of the proposed reorganization. **Jed Wilson**, County Fire Chief, provided additional information on paramedic services.

**Commissioner Lani Faulkner** asked about flow units. **Jed Wilson**, County Fire Chief, stated it was connected and based on the area requesting the services.

**Commissioner Kimberly De Serpa** asked about contracting paramedic services. **Jed Wilson**, County Fire Chief, explained how single contracts function and how levels of services can be improved. Commissioner De Serpa explained the challenges with leading Proposition 218 processes and expressed interest in joining the ad hoc committee. **Executive Officer Joe Serrano** clarified that an alternate voting commissioner can join the ad hoc committee.

**Commissioner Jim Anderson** provided additional comments on potential paramedic services. **Commissioner Lani Faulkner** added that she is also interested in serving on the ad hoc committee.

**Chair Manu Koenig** requested public comments on the item. **Executive Officer Joe Serrano** indicated that there were four requests to address the Commission.

**Dave Martone**, Chair of the PVFPD, supported Commissioner Kim De Serpa joining the ad hoc committee and provided historical context for the proposed fire reorganization.

**Liz Taylor-Selling**, a member of the public, provided comments on efforts by Felton residents to support the ongoing fire reorganization process.

**Becky Steinbruner**, a member of the public, provided comments on Proposition 172 funding, assessment information from the report, the District's contract with the City of Watsonville, and other fire-related challenges across the county.

**Don Jarvis**, a member of the public, provided comments about the five-year financial projections and asked the Commission to consider the impact on constituents.

**Jed Wilson**, County Fire Chief, provided clarification on the contract between PVFPD and the City of Watsonville, PERS liabilities, and on the PVFPD working group.

**Commissioner Joe Clarke** expressed interest in joining the proposed ad hoc committee. **Executive Officer Joe Serrano** clarified requirements for membership of the committee. **Commissioner Kimberly De Serpa** recommended **Commissioner Eduardo Montersino** join the ad hoc committee. **Chair Manu Koenig** asked for clarification regarding membership. Executive Officer Serrano explained that the Commission must consider the Brown Act. **Commissioner Lani Faulkner** and **Commissioner Jim Anderson** expressed interest in joining the ad hoc committee.

**Commissioner Eduardo Montesino** motioned to nominate **Commissioner Jim Anderson**, **Commissioner Kimberly De Serpa**, and himself to serve on the ad hoc committee, and to direct staff to coordinate the educational workshop for PVFPD residents. **Commissioner Kimberly De Serpa** seconded the motion.

**Chair Manu Koenig** called for a voice vote on the motion: **(1) Appoint Commissioners Jim Anderson, Kimberly De Serpa, and Eduardo Montesino on the fire-related ad hoc committee; and (2) Direct staff to coordinate with PVFPD, CAL Fire, and the**

**County to conduct an educational workshop to the Pajaro Valley community about the proposed reorganization, service delivery levels, and fiscal impacts.**

**MOTION: Eduardo Montesino**

**SECOND: Kimberly De Serpa**

**FOR: Jim Anderson, Roger Anderson, Joe Clarke, Kimberly De Serpa, Manu Koenig, Rachél Lather, and Eduardo Montesino.**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSES 7-0**

#### **6f. Comprehensive Quarterly Report – Second Quarter (FY 2025-26)**

**Chair Manu Koenig** requested staff to provide an update on all staff activities.

**Executive Officer Joe Serrano** noted that this report is meant to keep the Commission informed about all LAFCO-related activities, including the status of active proposals, the schedule of upcoming service reviews, the current financial performance of LAFCO's adopted budget, and other projects. Executive Officer Serrano addressed these areas, highlighted meetings held and reported that approximately 36% of the Commission's anticipated annual expenditures had been incurred during the first six months of the fiscal year, reflecting a favorable budgetary position.

**Chair Manu Koenig** moved to the next item since no Commission action was required.

### **7. WRITTEN CORRESPONDENCE**

**Chair Manu Koenig** inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** indicated that no written correspondences had been submitted.

**Chair Manu Koenig** moved to the next item since no Commission action was required.

### **8. PRESS ARTICLES**

**Chair Manu Koenig** 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 Manu Koenig** moved to the next item since no Commission action was required.

### **9. COMMISSIONERS' BUSINESS**

**Chair Manu Koenig** inquired whether any Commissioner would like to share any information. There was one request from the Commission.

**Commissioner Rachél Lather** provided an update on the activities of the recently created local chapter of the California Special Districts' Association.

**Chair Manu Koenig** moved to the next item since no Commission action was required.

## **10. ADJOURNMENT**

**Chair Manu Koenig** adjourned the Regular Commission Meeting at 11:07 a.m. for the next regular LAFCO meeting scheduled for Wednesday, March 4, 2026 at 9:00 a.m. in the Watsonville City Chambers.



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RACHÉL LATHER, CHAIRPERSON

Attest:



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FRANCISCO ESTRADA, LAFCO ANALYST