

PROCEEDINGS OF THE
LOCAL AGENCY FORMATION COMMISSION
SANTA CRUZ COUNTY

Wednesday, January 9, 2008
9:30 a.m.

701 Ocean Street,
Room 525,
Santa Cruz,
California

The January 9, 2008 Santa Cruz Local Agency Formation Commission meeting is called to order by declaration of Chairperson, Tony Campos.

ROLL CALL

Present and Voting: Commissioners Rapoza, Pirie, Roger Anderson, Begun,
Jim Anderson, and Chairperson Campos
Absent: * Barrett
Alternate Present: Reilly
Alternates Absent: Bell, Coonerty, Estrada
Staff: Patrick M. McCormick, Executive Officer
Chris Cheleden, LAFCO Counsel
Debra Means, Secretary-Clerk

MINUTES
December 5, 2007

MOTION AND ACTION

Motion: Jim Anderson Second: Pirie	To approve the minutes for December 5 th . Motion passes with a unanimous voice vote.
--	---

PUBLIC HEARINGS

REVIEW OF SPHERES OF INFLUENCE FOR 65 AGENCIES

Mr. McCormick says State law specifies that this LAFCO Commission must adopt spheres of influence which are plans for probable boundaries and service areas for each agency that LAFCO regulates. LAFCO must review these boundaries on a regular basis. All of these 65 agencies currently have spheres of influence. Some of

them are consistent with the current boundaries and some have planned for additional service territory in their sphere of influence. None of these agencies have any outstanding issues in this periodic review.

It has taken a couple years to prepare for this review by asking the agencies, homeowners associations, and road associations for feedback and the public has been noticed. This is an opportunity for a member of the public to voice any sphere of influence issue that LAFCO, the agency, or any user has not already identified.

There are 65 spheres of influence on the agenda. If there are any issues presented with any of these 65 agencies, he recommends taking the agency off the list and setting a hearing for that agency at a later date during this year.

Ron Rickabaugh, the fire chief for Felton Fire Protection District, says that Felton Fire is included in the 65 agencies that have no changes in their sphere. At the next LAFCO meeting, Ben Lomond and Zayante Fire are looking at some areas within Felton Fire's sphere. He reminds the Commission that there are no changes proposed for Felton Fire's sphere.

MOTION AND ACTION

Motion: Pirie Second: Rapoza	To approve Resolution 2008-1, as recommended by staff. Motion carries with a unanimous voice vote.
---------------------------------	--

AMENDING POLICY TO IMPLEMENT ASSEMBLY BILL 745 CONCERNING DISCLOSURE OF POLITICAL CONTRIBUTIONS AND EXPENDITURES DURING LAFCO PROCEEDINGS

Mr. McCormick reports that a 2007 State law requires a change in the disclosure policies when there is an application pending at LAFCO. The disclosure concerns people who raise or spend money trying to influence the Commission's decision, or those who sign a petition for or against an annexation. The recommended revisions to LAFCO's existing policy conform to the new State law which increases the number of situations where disclosure has to occur.

Gail Pellerin, the County Elections officer, has corrected a section of the policy. She wants to change the title of how she wants her office recognized. The correct wording is "Santa Cruz County Clerk" on the first line of the bottom of page 114 of the agenda packet and "Elections Department" on the second line.

* Commissioner Barrett arrives.

MOTION AND ACTION

Motion: Pirie Second: Roger Anderson	To approve Resolution 2008-4, as recommended by staff. Motion carries with a unanimous voice vote.
--	---

OTHER BUSINESS

BRUZZONE/GLEN CANYON REQUEST FOR EXTRATERRITORIAL WATER SERVICE FROM SCOTTS VALLEY WATER DISTRICT

Mr. McCormick says the applicant has requested a connection to the Scotts Valley water main. Their property is located outside of the Scotts Valley Water District (SVWD) although there is a main that ends in front of their house on Glen Canyon Road. SVWD serves the property across the street. The property owners say that their well is failing and the quality of the water is poor, making it expensive to treat. SVWD has issued a will-serve letter to the property owners.

SVWD is one of many water districts in the County that is struggling to meet its demand without depleting its aquifer. This application would only involve one connection for the existing house. The net water effect on the aquifer is zero because they would stop pumping their well and start using SVWD's water. There is no new construction. It is just a change of service.

Commissioner Roger Anderson asks if the numerous parcels in the area are likely to have similar well problems.

Mr. McCormick does not know. In the last few years, there has not been any other inquiry from this neighborhood. The Commission heard an application across the street six months ago, but it was for sewer service. Environmental Health did not comment on this application.

Commissioner Roger Anderson asks if the .788 acre-feet per year is consistent with what they are pumping now.

Mr. McCormick answers that it is a private well; so, he is not sure they have a good number.

Commissioner Pirie asks if LAFCO will be moving SVWD's sphere of influence to cover this property.

Mr. McCormick answers no. The extraterritorial law is a separate process from annexation. It does not require amending a sphere of influence, but it does require

a health and safety reason.

Commissioner Pirie says that SVWD is not included in the list of 65 agencies with spheres that have no issues.

Mr. McCormick says that LAFCO will look at all aspects of SVWD's sphere of influence at a later date this year. Glen Canyon Road is one of many areas worth looking at.

Commissioner Pirie asks if SVWD serves this property, is there a policy to serve the parcel between it and the district's boundary.

Mr. McCormick answers that with water and sewer agencies, LAFCO does tolerate irregular boundaries. LAFCO will look at the potential to serve other properties and the likelihood that those properties will experience need, such as this property at 3132 Glen Canyon Road. The parcel between this property and the district's boundary is also owned by the proponent, but is not currently being considered for hookup.

LAFCO will be doing an evaluation of increased demand on SVWD cumulative of all other properties.

Commissioner Jim Anderson adds that it might prolong other people's wells if they are not drafting out of the same aquifer; so, there would be some tradeoff.

Commissioner Begun asks if this property gets water from the same aquifer as SVWD.

Mr. McCormick answers that SVWD is taking the lead in studying the aquifer because they are the largest single user of the aquifer. Their hydrologist annually issues opinions and reports about whether the water table is coming up or going down. There is a good chance that the wells on Glen Canyon Road are not intimately connected to the production wells in the well field near the main section of Mount Hermon Road.

In Scotts Valley, there are three aquifers on top of each other that are used by wells. The top aquifer is the Santa Margarita. Historically, it was the most productive aquifer, but it has been depleted.

Berna Bruzzone, the applicant, says the property has a single-family dwelling. She does not know how much water is used on that property. She and her husband have owned all three parcels for thirty years. The back parcel is a ravine and the

parcel on the right has no structure.

Commissioner Barrett asks if the water from the well has ever been used for the vineyards.

Ms. Bruzzone replies that there are no vineyards planted there. She rents this property and has been bandaiding the well for the last fifteen years. The well is not encased, and the well would need to be redone.

Commissioner Barrett asks if the septic system is holding up.

Ms. Bruzzone replies that this property has been hooked up to Scotts Valley Sewer for about ten years. They installed the sewer line from the Camp to the front of the house.

Commissioner Begun asks if there are any wells nearby that are successfully producing acceptable water.

Ms. Bruzzone says there is a well further down Glen Canyon Road that was installed for the vineyard. It was pumping 51 gallons per minute. She says it is not used because there is no need to water the vineyard. It is located about two miles down on the left.

Commissioner Begun asks why not drill another well.

Ms. Bruzzone says it costs about \$150 per foot to drill a well and they would have to drill down at least 250 to 300 feet. There is still no guarantee that there would not be iron and the smell in the water. There is a filter system now that is being changed twice a week just to keep up with the amount of iron that is coming out of the well.

Commissioner Rapoza favors this proposal. He wants to make sure that the well is abandoned properly. He is concerned with the surface water intrusion that goes into the aquifer.

Ms. Bruzzone says that SVWD has made that a condition.

Commissioner Roger Anderson asks if anyone lives on the parcel. LAFCO has to approve this proposal for health and safety reasons. It is an important factor if it is an inhabited property.

Ms. Bruzzone answers that the property is rented by two people with one baby.

Ilia Bulaich, who lives at 305 Second Street in Watsonville, thanks staff for providing the analysis to the Commission on possible consequences of fluoridation mandates which is dependent on their action to this item.

He says there was an article was in Prevention Magazine about the controversy surrounding water fluoridation. Scientific American Magazine has also published an article discussing the contemporary controversies that are lingering with water fluoridation. Water fluoridation is still a current issue. The City of Watsonville recently pursued a remedy of relief from the fluoridation mandate through the court process. The Courts upheld an order to fluoridate Watsonville water.

The State Department of Health has a dilemma, and that is why Watsonville water is still not fluoridated. The State Department of Health is trying to reconcile contradictory factors. They claim preemption rights, the right that they have control over all issues about how to make decisions about water fluoridation. They refuse to identify a specific water fluoridation chemical that fulfills the health claims and goals attributed to the legislative bill that would implement the fluoridation.

Watsonville is still in a reactive mode to see if the State Department of Health will identify a chemical that is proven to accomplish the health goals or they may utilize a form of legislative or judicial fiat to force it.

MOTION AND ACTION

Motion: Barrett Second: J. Anderson	To approve Application No. 923, as recommended by staff. Motion carries with a unanimous voice vote.
--	---

PERSONNEL SALARIES AND BENEFITS

Mr. McCormick says the Personnel Committee reported their recommendations at the last meeting. All personnel actions occur by resolution. Staff has worked with the County's Personnel Department to come up with the appropriate language.

Commissioner Begun understands the figures for the salaries but asks what the costs of the benefits will be.

Mr. McCormick says that each employee contributes part of salary to the PERS pension. The proposed set of rules would change the two employees' contributions so that they would be at the same level as equivalent County positions. The Secretary-Clerk's contribution would decrease and become net money in her

paycheck totaling \$2,141 during the current fiscal year. The Executive Officer's contribution would increase by \$152.64. Those numbers have been built into the total number reported in the staff report as the cost of the proposed action.

Chairperson Campos says those costs are comparable to what the County employees receive. This has been a goal for the Personnel Committee for about four years. In the past, there has been a six-month delay in applying these salary and benefit changes.

Mr. McCormick says the County has several negotiating groups. The main negotiating group is the SEIU general representation unit. The managers have a separate unit and they have negotiated a package that has approximately the same costs, but they are distributed differently between salary and benefits. The managers pay more of their own pension costs than the general representation unit.

Chairperson Campos says these costs reflect those of the bargaining units and what they negotiated with the County.

MOTION AND ACTION

Motion: Pirie Second: Barrett	To approve the draft Resolution No. 2008-2 and 2008-3. Motion carries with a unanimous voice vote.
----------------------------------	---

SELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON FOR 2008

Chairperson Campos distributed his recommendation for Chair to be Jim Rapoza and Vice-Chair to be Ellen Pirie.

MOTION AND ACTION

Motion: Begun Second: Barrett	To have Jim Rapoza as Chairperson and Ellen Pirie as Vice-Chairperson for 2008. Motion carries with a unanimous voice vote.
----------------------------------	--

PRESS ARTICLES

Commissioner Roger Anderson asks Mr. McCormick about recent court cases since the last meeting, particularly the issues with the City of Watsonville.

Mr. McCormick reports that the litigation, which Santa Cruz LAFCO is not a party to, is between the Watsonville Pilots v. City of Watsonville regarding the Buena Vista growth area's General Plan. Superior Court Judge Burdick heard the

substance of the case and issued an oral opinion. There should be a confirmed written opinion February 29, 2008. The judge found that the pilots' complaint had some valid reasons, including compliance with CEQA and compliance with State aeronautics law. It looks like Watsonville cannot proceed with the Buena Vista Plan without going back a few steps, complying with aeronautics law, and fixing the Environmental Impact Report.

As a result, there probably will not be a Buena Vista application before this Commission anytime soon. He will keep the Commission posted about this issue.

Counsel Cheleden adds that the whole new General Plan, in addition to the Buena Vista amendment, was struck down; so, Watsonville will have to work on an EIR that is legally adequate in the eyes of the judge.

Commissioner Begun asks how developments in Watsonville are reviewed in light of the water situation.

Mr. McCormick says that Pajaro Valley has a significant water issue. They are pumping more water than what gets naturally restored. This is an issue with the current pilots' litigation. The City of Watsonville has a large amount of hydraulic capacity to pump water out of the ground and deliver it. They comprise a small percentage of the total water use in the basin. Watsonville is participating with PVWMA with some major reclamation efforts. Watsonville is part of the problem, but they are also contributing to the solution.

Meeting adjourns at 10:05 a.m. The next meeting is scheduled for Wednesday, February 6, 2008.

CHAIRPERSON, TONY CAMPOS

Attest:

Patrick M. McCormick, Executive Officer