



Date: July 29, 2010 for August 4, 2010 Agenda  
To: LAFCO Commissioners  
From: Patrick McCormick, Executive Officer  
Subject: LAFCO Application No. 935, Extraterritorial Sewer Service to 151 Miraflores Road from the City of Scotts Valley

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*Summary: The Commission will consider the extraterritorial service application from the property owner of a house at 151 Miraflores Road, outside the Scotts Valley City limits, to receive sanitary sewer service from the City of Scotts Valley.*

*Recommendation: It is RECOMMENDED that the Commission:  
--Authorize the City of Scotts Valley to Provide Sanitary Sewer Service to 151 Miraflores Road (Assessor's Parcel Number 067-561-04).*

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Jill and Michael Clifton, the owners of a house located at 151 Miraflores Road, in the Mañana Woods neighborhood behind the Scotts Valley Hilton Hotel, have filed LAFCO Application Number 935 requesting authorization for extraterritorial sanitary service from the City of Scotts Valley. The 0.5-acre parcel has a house on it which is experiencing septic failure. The City of Scotts Valley has a sewer main in place along the back property line of the parcel (APN 067-561-04) and has issued a will-serve letter. The City has adequate capacity in their sewer system to serve this property.

To visit the site, exit Highway 17 at Mt. Hermon Road, turn left at the first signal (La Madrona Drive) towards the Scotts Valley Hilton, turn right at the first intersection (Altenitas Road), and turn left at the first intersection (Miraflores Road). The site is located on the left side of Miraflores Road.

The property is designated in the County General Plan for very low density urban uses (1.0 - 4.3 units per acre). The property is within the County's Urban Services Line, and is zoned R-1-15 for single-family residential uses.



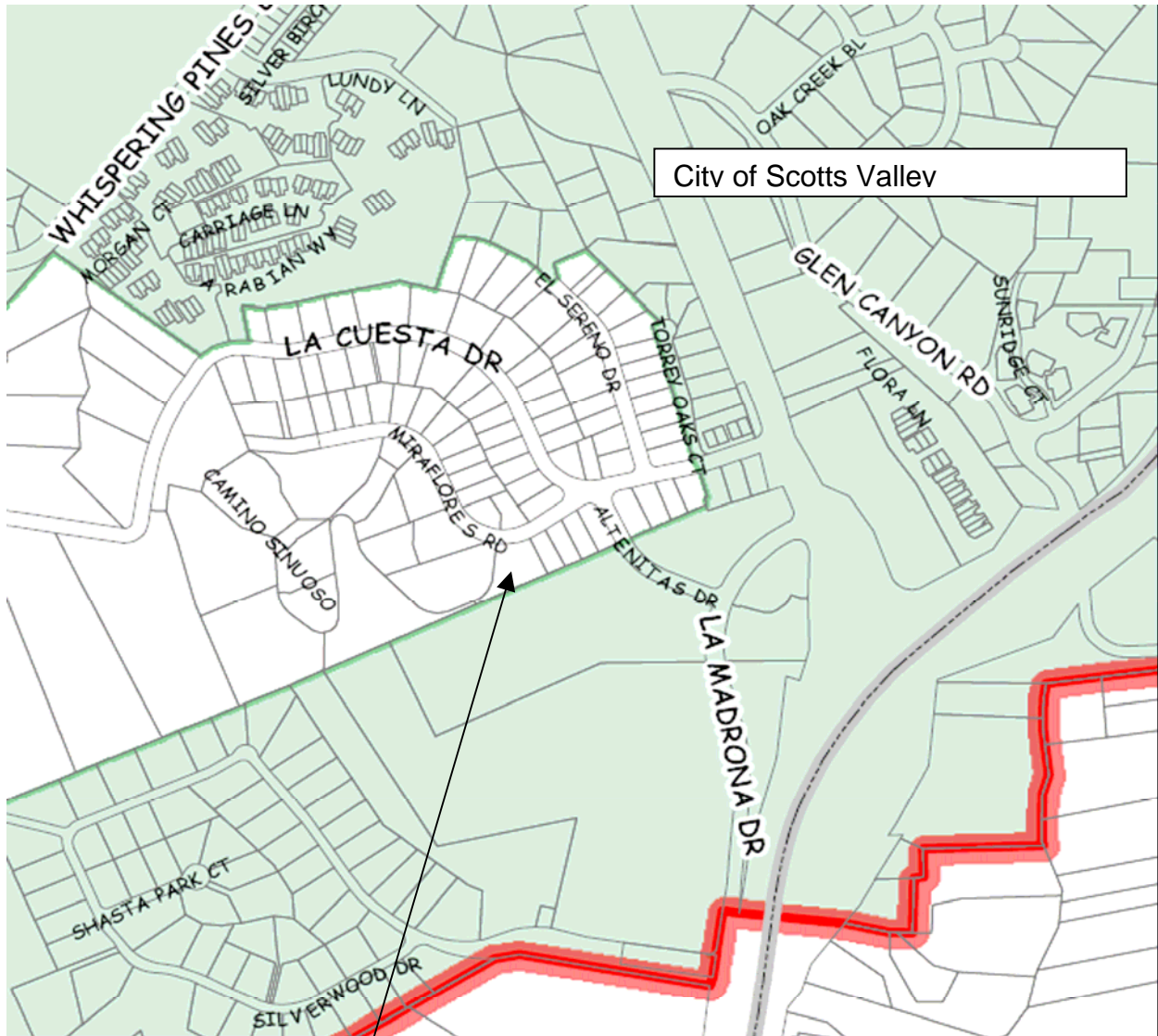
151 Miraflores Road

The surrounding land uses are the Scotts Valley Hilton Hotel immediately to the south of the site, and the single-family residential area of Mañana Woods on the other three sides.



151 Miraflores Road

The property is located within the Sphere of Influence that LAFCO has adopted for the City of Scotts Valley (see map on following page).



City of Scotts Valley

151 Miraflores Road  
 Shaded = July 2010 Scotts Valley City Limits  
 Thick line = City of Scotts Valley Sphere of Influence  
 House at 151 Miraflores Road and adjacent Scotts Valley Hilton

Agency Comment

LAFCO staff has received two agency letters concerning this application. The staff of the Environmental Health unit of the Santa Cruz County Health Services Agency sent a letter dated July 13, 2010 indicating that the septic system on the site was failing and supporting connection to the City sewer. The Scotts Valley City Public Works Department sent a will-serve letter dated July 19, 2010.

### LAFCO Policies

The Commission has adopted Policies and Regulations for Agencies to Provide Services to Private Parties Outside Agency Boundaries (Attachment G). The key policy that relates to the pending application follows:

#### “9) POLICIES

The Cortese-Knox Local Government Reorganization Act of 1985 and this Commission’s adopted policies to implement that act stress the primacy of spheres of influence in coordinating services and protecting resources. Therefore, the Commission intends to reinforce that the standard manner in which services will be extended is by annexation (and sphere of influence amendment, if necessary). The Commission shall limit its extraterritorial service authorizations to public health emergencies and circumstances where:

- a. Facilities are already in place, and
- b. Annexation would not be practical, and
- c. Extraterritorial service is determined by the Commission to be consistent with the policies adopted in and pursuant to the Cortese-Knox Act.”

### Environmental Review

The LAFCO staff has determined that this project is categorically exempt from further review under the California Environmental Quality Act.

### Alternatives

The Commission may take any of the following actions at its January 6, 2010 meeting:

1. Approve, with or without conditions, the application for the City of Scotts Valley to provide sanitary sewer service to 151 Miraflores Road (Assessor’s Parcel Number 067-561-04).
2. Deny the application.
3. Continue the matter to a future LAFCO meeting.

### Discussion and Recommendation

The staff believes that the project meets the Commission’s criteria for approving extraterritorial service requests. The City sewer main is located adjacent to the back property line of the site, and the City is willing and able to provide the service. The site is within the City’s adopted sphere of influence and adjacent to the City limits. The Commission prefers that new services be provided by formal annexation into city’s boundary, rather than extraterritorial authorization of an individual service. The City of Scotts Valley has adopted a fee structure that charges impact fees in excess of \$20,000 to annex to the city. These impact fees came up recently when an annexation was proposed in the Old Coach Road neighborhood of Scotts Valley and the City explored expanding the annexation to include other existing houses on Old Coach Road. In the current case on Miraflores Road, LAFCO staff believes that the Commission should recognize that the city impact fees would render service by annexation financially

impractical for the property owners, and therefore, staff is RECOMMENDING that the Commission authorize the City of Scotts Valley to provide sanitary sewer to 151 Miraflores Road.

The property owners have submitted a letter indicating that they will be unable to attend the August 4 LAFCO meeting. If the Commission is satisfied with the information presented, the property owners hope that the Commission will act affirmatively on their application on August 4<sup>th</sup> so that they can begin the connection work in August. If the Commission wishes additional information, the property owners request a continuance so that they can provide the additional information either in the agenda packet for LAFCO's September 1<sup>st</sup> meeting, or in person at the September 1<sup>st</sup> meeting.

cc: Jill and Michael Clifton  
Scotts Valley Hilton Hotel  
City of Scotts Valley Department of Public Works  
Santa Cruz County Environmental Health  
Santa Cruz County Planning Department

Attachments:

- Health Services Agency Letter
- City of Scotts Valley Will-Serve Letter
- Green Line Report
- Clifton letter of July 19, 2010
- Clifton letter requested approval or continuance (received July 28, 2010)