



PROCEEDINGS OF THE LOCAL AGENCY FORMATION COMMISSION SANTA CRUZ COUNTY

Room 525

Wednesday, January 7, 2015
9:30 a.m.

701 Ocean Street
Santa Cruz, California

The January 7, 2015 Santa Cruz Local Agency Formation Commission meeting is called to order by declaration of Chairperson Jim Anderson.

ROLL CALL

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| Present and Voting: | Commissioners Leopold, R. Anderson, Smith, Bottorff, Lind, Friend, and Chairperson J. Anderson |
| Absent: | None |
| Alternates Present: | Bobbe |
| Alternates Absent: | None |
| Staff: | Patrick M. McCormick, Executive Officer Brooke Miller, LAFCO Counsel Debra Means, Secretary-Clerk |

MINUTES

MOTION AND ACTION

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| Motion: R. Anderson Second: Smith | To approve November 5, 2014 minutes. Motion carries with Commissioners Bottorff, Friend, and Lind abstaining. |
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PUBLIC HEARING

LAFCO No. 955, WEST ZAYANTE / BUTLER ANNEXATION TO THE SAN LORENZO VALLEY WATER DISTRICT

Mr. McCormick reports that the proposal involves parcel number 073-071-06. It is part of two parcels that shares an address of 8201 West Zayante Road. There are some properties in the East and West Zayante Road area with great water and some properties with water problems. LAFCO has seen a number of applications over the last several years in this area.

The subject property of about one acre is located at the corner of Newton and West Zayante Roads and to the south is McEnergy Road. The Commission prefers to annex more than one parcel at a time if possible. Staff has noticed every owner on lower McEnergy Road and asked them if they want to join in on this annexation. They all share a small community water system which has a good water source, and it is inexpensive for them to use, so no one in this area has indicated any interest in becoming a part of this annexation. The head of the water system contacted LAFCO staff and said the water system is in great shape and he would be surprised if anyone would be interested.

The project qualifies for a categorical exemption under CEQA and it is within the sphere of influence of the San Lorenzo Valley Water District (SLVWD). SLVWD is willing to annex subject to their normal service requirements.

The analysis form that starts on page 19 of the agenda packet is incorrect. The correct analysis has been distributed to the Commissioners.

Alternate Bobbe asks where the new main is.

Mr. McCormick replies that the new main is in West Zayante Road right in front of the property. SLVWD has had partial main coverage on West Zayante Road over the last 30 years. There has been a main coming down from the north and one coming up from the south along West Zayante Road.

Commissioner Roger Anderson notices that the parcel looks bigger than one acre. He asks if there has been a lot split, and if a house will be built on the one-acre portion.

Mr. McCormick replies that the current property owner, Mr. Patrick, owns the application parcel and an adjacent parcel. The house on the adjacent parcel is already in the water district and part of Olympia Circle. Mr. Butler, the applicant, plans to acquire the property from Mr. Patrick and build a house.

Commissioner Leopold asks if Mr. Butler owns the property.

Dave Butler, the applicant, answers that it has been in escrow. He has been trading work to buy this parcel over the last ten years. It is not a completed escrow until it is officially buildable.

Mr. McCormick adds that Mr. Patrick signed the application form as the applicant and designated Mr. Butler as his representative.

MOTION AND ACTION

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| Motion: Leopold Second: Friend | To approve LAFCO No. 955, as recommended by staff. Motion carries with a unanimous voice vote. |
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STATUS OF PROPOSALS

Mr. McCormick reports that this Commission authorized the Lompico Reorganization subject to a successful bond election. The County is the sponsoring body for the bond election. The ballots will go out in the mail in January and will be due back in February.

There are ballot arguments pro and con. In Superior Court this last Monday, some of the parties that were involved in submitting ballot arguments contested the ballot arguments in court. LAFCO is not a party but he went to observe the results. The opponents of the merger and the bond were challenging the ballot arguments of the proponents of the merger and the bond.

The case was heard in Judge Connolly's court. She heard all of the substantive issues in the complaint and found none of them to be compelling. This means the election will be going forward on schedule. The ballot measures, both pro and con, will read as the drafting parties submitted them.

Lompico Water is an important issue and it has taken up a lot of staff time. There are other items on the work program that need attention, and soon there will be time to work on them.

Commissioner Smith asks if the election process involves just the parcel owners.

Mr. McCormick replies that it is a Mello-Roos Community Facilities Bond and it is secured by a tax. Because it is a tax, it is the registered voters who will be voting on the bond. It will take a two-thirds vote to pass the bond.

Commissioner Leopold wonders about the Municipal Service Review (MSR) work that is on the work program. He asks about the timeline for the MSRs since they may be out of compliance.

Mr. McCormick answers that he did not anticipate Lompico being so time consuming. The first project to tackle will be an MSR for the Resource Conservation District (RCD). There will be some collaborative options involving the adjacent RCDs in four counties. It will take some outreach to talk about collaboration options.

The next project will be to consider whether there should be a major study for this Commission to sponsor using the MSR as the format. The subject could be water, sewer, or fire. He will continue to talk to agency managers to see if they are interested in jointly pursuing a worthwhile big-picture study.

Commissioner Leopold asks if MSRs will be done on eight small districts this year.

Mr. McCormick replies that the eight small districts will be worked on in-house after the Resource Conservation District. The big study would involve hiring a consultant.

Commissioner Leopold asks if the small district MSRs will be completed before the end of the fiscal year.

Mr. McCormick answers yes. The Commission has the discretion whether to instruct staff to work on the small districts before or after the RCD.

Commissioner Leopold realizes that Mr. McCormick put a considerable amount of time into Lompico's issue. It was important to compile complete and accurate information to help Lompico come up with the best decision.

Mr. McCormick is not aware of any new applications in the near future. The work load should soon die down to make room to work on MSRs.

LEGISLATION

Mr. McCormick says that it is the beginning of the legislative session.

Commissioner Leopold notes that CALAFCO went through a multi-year process on Government Code section 56133 regarding extraterritorial services to see if there were some changes that could be made. CALAFCO eventually decided to drop it because there was not enough agreement among the LAFCO regions. A LAFCO Commissioner from Napa, Bill Dodd, was promoting these changes and he got elected to the State Assembly. He is intending to bring this to the legislation. This could have some effect on Santa Cruz County.

Regarding the article on page 33 of the agenda packet, CALAFCO has written to the Assembly Member, Das Williams, to try to work with him on this legislation so he does not create something outside the LAFCO process.

RESOLUTIONS OF APPRECIATION

Commissioner Leopold has been on LAFCO for six years. When he started, he was new to LAFCO. Mr. Rapoza helped him understand how issues affected the environment and the importance of people being heard as part of the process. Mr. Rapoza has been a steady hand for a variety of issues over these last six years. He appreciated Mr. Rapoza's leadership and mentorship on the Commission. He will miss working with him on LAFCO.

Mr. Rapoza adds that he will miss being on LAFCO. He cannot believe he was on LAFCO for more than 14 years. This County is blessed with a tremendous LAFCO staff.

LAFCO gets single applicants such as wanting water for a single parcel as well as bigger applications such as UC Santa Cruz. He remembers the Manabe Ow application in Watsonville. He remembers the Cal-Am Felton annexation. The LAFCO process ranges from impacting a whole community to impacting a single person. What he has enjoyed the most is working on these applications, and he thinks this Commission does a great job.

Commissioner Roger Anderson states that Mr. Rapoza is quite exceptional. He was an education board member. He was later elected to the SLVWD board and served for a long time. LAFCO has been lucky to have Mr. Rapoza spend so much of his time working on LAFCO issues. He will miss having Mr. Rapoza on the Commission.

Chairperson Jim Anderson remembers a gentleman coming to LAFCO with a CD for all of the Commissioners. He told the Commission they were all inept except for Mr. Rapoza. Mr. Rapoza has been a great resource, especially about water.

Commissioner Lind echoes most of the comments made about Mr. Rapoza. She appreciated being able to get guidance and input from Mr. Rapoza during her six years with LAFCO. She worked with Mr. Rapoza in his prior career with the probation and the police departments.

Mr. McCormick thanks Mr. Rapoza for his compliments. He is the longest term special district member on Santa Cruz LAFCO.

Alternate Bobbe adds that she met Mr. Rapoza in 1975. She was a fledgling probation officer and he was one of her mentors and her best ally.

MOTION AND ACTION

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| Motion: Leopold Second: Smith | To approve all Resolutions of Appreciation: 2015-1 for Neal Coonerty, 2015-2 for Daniel Dodge, and 2105-3 for Jim Rapoza. Motion carries with a unanimous voice vote. |
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MEETING SCHEDULE FOR 2105

Mr. McCormick says the Commission normally meets the first Wednesday of each month except July. He recommends a slightly different calendar for 2015. He recommends no LAFCO meeting in September and having a the December meeting on the second Wednesday instead of the first Wednesday due to several other Conferences scheduled in September and December.

MOTION AND ACTION

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| Motion: Leopold Second: Friend | To approve the 2105 LAFCO Meeting Schedule. Motion carries with a unanimous voice vote. |
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SELECTION OF LAFCO CHAIRPERSON AND VICE-CHAIRPERSON

MOTION AND ACTION

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| Motion: R. Anderson Second: Leopold | To nominate Zach Friend as Chairperson. Motion carries with a unanimous voice vote. |
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MOTION AND ACTION

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| Motion: Leopold Second: Friend | To nominate Roger Anderson as Vice-Chairperson. Motion carries with a unanimous voice vote. |
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WRITTEN CORRESPONDENCE

Mr. McCormick says he gets a letter every other year to look over the County's farmland map and data. Santa Cruz County compares favorably with most agricultural counties in the State regarding the amount of land that is converted to other uses. Many people use this information as a tool. The maps have been getting progressively better. Most of the changes in the last two years have involved more accurate map interpretation.

Commissioner Leopold has never seen this data before and is glad this County looks good comparatively. He does not understand the conversions from irrigated to non-irrigated farmland and the nine changes. It says the number of changes was small and none of them were greater than 20 acres.

Mr. McCormick answers that the state office is trying to provide enough documentation so that people can go back and figure out what changes were made and why. This information is valuable for discussing State trends. Santa Cruz County is small and there is not that much of a change. There are places in California where urbanization is happening rapidly, or the unavailability of water is going to drive large amounts of acreage out of commercial production. Tracking this will be an important tool.

Commissioner Roger Anderson notices that there was not any change in the water area. He thinks with the slough restorations, there may have been an acre or two that would have changed.

Mr. McCormick will look over those types of changes in the future. Water includes areas such as Pinto Lake, Corcoran Lagoon, and the Aptos Creek estuary. Much of the wetlands show up as native vegetation.

Meeting is adjourned at 10:22 a.m.

CHAIRPERSON ZACH FRIEND

Attest:

Patrick M. McCormick, Executive Officer