



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

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**REGULAR MEETING AGENDA**

**Board of Supervisors Chambers  
701 Ocean Street, Fifth Floor (Room 525) Santa Cruz, California**

**Wednesday, August 4 2021  
9:00 a.m.**

**1. ROLL CALL**

**2. EXECUTIVE OFFICER'S MESSAGE**

The Executive Officer may make brief announcements in the form of a written report or verbal update, and may not require Commission action.

**a. In-Person Meeting Protocol**

The Commission will receive a verbal update on transitioning back to in-person LAFCO Meetings.

Recommended Action: No action required; Informational item only.

**b. Request for Proposal**

The Commission will receive a verbal update on the recent distribution of a request for proposal regarding legal services.

Recommended Action: No action required; Informational item only.

**c. Countywide Fire Report**

The Commission will receive a verbal update on the upcoming countywide service and sphere review regarding fire protection.

Recommended Action: No action required; Informational item only.

**3. ADOPTION OF MINUTES**

The Commission will consider approving the minutes from the June 2, 2021 Regular LAFCO Meeting.

Recommended Action: Approve the minutes as presented with any desired changes.

**4. ORAL COMMUNICATIONS**

This is an opportunity for members of the public to address the Commission on items not on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on an off-agenda item(s) unless authorized by law.

## 5. PUBLIC HEARINGS

Public hearing items require expanded public notification per provisions in State law, directives of the Commission, or are those voluntarily placed by the Executive Officer to facilitate broader discussion.

### a. “De Somer Annexation” to CSA 10 (LAFCO Project No. DA 21-10)

The Commission will consider the annexation of one parcel into County Service Area 10 for sewer service.

Recommended Action: Adopt the draft resolution (No. 2021-15) approve the 0.50-acre annexation to CSA 10.

### b. Countywide Park & Recreation Service and Sphere Review

The Commission will consider the adoption of a service and sphere of influence review for the four park and recreation districts in Santa Cruz County.

#### Recommended Actions:

- 1) Find, pursuant to Section 15061(b)(3) of the State CEQA Guidelines, that LAFCO determined that the service and 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, that LAFCO is required to develop and determine a sphere of influence for the four districts, and review and update, as necessary;
- 3) Determine, pursuant to Government Code Section 56430, that LAFCO 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 LAFCO Resolution (No. 2021-16) approving the 2021 Countywide Park and Recreation Service and Sphere of Influence Review with the following conditions:
  - a. Reaffirm the spheres of influence for the Boulder Creek Recreation and Park District and the La Selva Beach Recreation District;
  - b. Adopt a zero sphere of influence for the Alba Recreation and Park District and the Opal Cliffs Recreation District for dissolution by August 2022;
  - c. Require the affected District Board and/or the County to initiate the dissolution of Alba Recreation and Park District and Opal Cliffs Recreation District with a concurrent annexation into County Service Area 10 by December 2021. If neither affected party initiates, then the Commission should consider initiating dissolution in accordance with Government Code Section 56375(a)(2)(B); and
  - d. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the four park and recreation districts and any other interested or affected parties, including but not limited to Santa Cruz County.

## **6. OTHER BUSINESS**

Other business items involve administrative, budgetary, legislative, or personnel matters and may or may not be subject to public hearings.

### **a. CALAFCO Update**

The Commission will receive an update on CALAFCO's upcoming annual conference and other CALAFCO-related news.

#### Recommended Actions:

- 1) Discuss attendance at the upcoming CALAFCO Annual Conference;
- 2) Reschedule the October 6th LAFCO Meeting to a different date;
- 3) Designate a Voting Member and Alternate for the Regional Caucus and Business Meeting;
- 4) Approve the nomination for the Mike Gotch Excellence in Public Service Award.

### **b. Legislative Update**

The Commission will receive a status update on LAFCO-related legislation.

Recommended Action: No action required; Informational item only.

### **c. Comprehensive Quarterly Report – Fourth Quarter (FY 2020-21)**

The Commission will receive an update on active proposals, multi-year work program, adopted budget, recent and upcoming meetings, and other activities.

Recommended Action: No action required; Informational item only.

## **7. WRITTEN CORRESPONDENCE**

LAFCO staff receives written correspondence and other materials on occasion that may or may not be related to a specific agenda item. Any correspondence presented to the Commission will also be made available to the general public. Any written correspondence distributed to the Commission less than 72 hours prior to the meeting will be made available for inspection at the hearing and posted on LAFCO's website.

## **8. PRESS ARTICLES**

LAFCO staff monitors newspapers, publications, and other media outlets for any news affecting local cities, districts, and communities in Santa Cruz County. Articles are presented to the Commission on a periodic basis.

### **a. Press Articles during the Months of June and July**

The Commission will receive an update on recent LAFCO-related news occurring around the county and throughout California.

Recommended Action: No action required; Informational item only.

## 9. COMMISSIONERS' BUSINESS

This is an opportunity for Commissioners to comment briefly on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No discussion or action may occur or be taken, except to place the item on a future agenda if approved by Commission majority. The public may address the Commission on these informational matters.

## 10. LEGAL COUNSEL'S REPORT

LAFCO's Legal Counsel may make brief announcements in the form of a written report or verbal update, and may not require Commission action.

## 11. ADJOURNMENT

LAFCO's next regular meeting is scheduled for Wednesday, September 1, 2021 at 9:00 a.m.

### ADDITIONAL NOTICES:

#### Campaign Contributions

State law (Government Code Section 84308) requires that a LAFCO Commissioner disqualify themselves from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from an applicant, any financially interested person who actively supports or opposes an application, or an agency (such as an attorney, engineer, or planning consultant) representing an applicant or interested participant. The law also requires any applicant or other participant in a LAFCO proceeding to disclose the amount and name of the recipient Commissioner on the official record of the proceeding.

The Commission prefers that the disclosure be made on a standard form that is filed with the Commission Clerk at least 24 hours before the LAFCO hearing begins. If this is not possible, a written or oral disclosure can be made at the beginning of the hearing. The law also prohibits an applicant or other participant from making a contribution of \$250 or more to a LAFCO Commissioner while a proceeding is pending or for 3 months afterward. Disclosure forms and further information can be obtained from the LAFCO office at Room 318-D, 701 Ocean Street, Santa Cruz CA 95060 (phone 831-454-2055).

#### Contributions and Expenditures Supporting and Opposing Proposals

Pursuant to Government Code Sections §56100.1, §56300(b), §56700.1, §59009, and §81000 et seq., and Santa Cruz LAFCO's Policies and Procedures for the Disclosures of Contributions and Expenditures in Support of and Opposition to proposals, any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of or opposition to a LAFCO Proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Santa Cruz County Elections Department, 701 Ocean Street, Room 210, Santa Cruz CA 95060 (phone 831-454-2060).

More information on the scope of the required disclosures is available at the web site of the Fair Political Practices Commission: [www.fppc.ca.gov](http://www.fppc.ca.gov). Questions regarding FPPC material, including FPPC forms, should be directed to the FPPC's advice line at 1-866-ASK-FPPC (1-866-275-3772).

#### Accommodating People with Disabilities

The Santa Cruz Local Agency Formation Commission does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. The Commission meetings are held in an accessible facility. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at 831-454-2055 at least 72 hours in advance of the meeting to make arrangements. For TDD service the California State Relay Service 1-800-735-2929 will provide a link between the caller and the LAFCO staff.

#### Late Agenda Materials

Pursuant to Government Code Section 54957.5 public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be available to the public at Santa Cruz LAFCO offices at 701 Ocean Street, #318D Santa Cruz CA 95060 during regular business hours. These records when possible will also be made available on the LAFCO website at [www.santacruzlafco.org](http://www.santacruzlafco.org). To review written materials submitted after the agenda packet is published, contact the Commission Clerk at the LAFCO office or in the meeting room before or after the meeting.





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

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**DRAFT MINUTES**

**LAFCO REGULAR MEETING AGENDA**

**Wednesday, June 2, 2021  
Start Time - 9:00 a.m.**

*Due to COVID-19, this meeting was conducted remotely pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspended certain requirements of the Ralph M. Brown Act.*

**1. ROLL CALL**

**Chair Justin Cummings** called the meeting of the Local Agency Formation Commission of Santa Cruz County (LAFCO) to order at 9:01 a.m. and welcomed everyone in attendance. He asked the Commission Clerk to conduct roll call.

The following Commissioners were present:

- Chair Justin Cummings
- Vice-Chair Rachél Lather
- Commissioner Jim Anderson (arrived at 9:57am)
- Commissioner Roger Anderson
- Commissioner Ryan Coonerty
- Commissioner Francisco Estrada
- Commissioner Manu Koenig
- Alternate Commissioner Ed Banks
- Alternate Commissioner John Hunt (arrived at 9:10am)

The following LAFCO staff members were present:

- Executive Officer Joe Serrano
- Commission Clerk Chris Carpenter
- Legal Counsel Daniel Zazueta

## 2. EXECUTIVE OFFICER'S MESSAGE

**Executive Officer Joe Serrano** announced that the Commission meeting is being conducted virtually through the Zoom Webinar platform and participation by Commissioners and staff are from remote locations. Members of the public will have access to the meeting by phone or online. Mr. Serrano believes the Commission may be able to begin conducting in-person meetings by August 2021 if the Governor lifts the shelter-in-place orders within the coming weeks.

## 3. ADOPTION OF MINUTES

**Chair Justin Cummings** requested public comments on the draft minutes. **Executive Officer Joe Serrano** noted no public comments were received. **Chair Justin Cummings** closed public comments.

**Chair Justin Cummings** called for the approval of the draft minutes. **Commissioner Roger Anderson** motioned for approval of the May 5th Meeting Minutes and **Commissioner Ryan Coonerty** seconded the motion.

**Chair Justin Cummings** called for a roll call vote on the approval of the draft minutes with no changes. **Commission Clerk Chris Carpenter** conducted a roll call vote on the item.

**MOTION:** Roger Anderson

**SECOND:** Ryan Coonerty

**FOR:** Roger Anderson, Ryan Coonerty, Justin Cummings,  
Francisco Estrada, Rachél Lather

**AGAINST:** None

**ABSTAIN:** Manu Koenig

**MOTION PASSED: 5-0 (with one abstention)**

## 4. ORAL COMMUNICATIONS

**Chair Justin Cummings** requested public comments on any non-agenda items. **Executive Officer Joe Serrano** noted that Becky Steinbruner, a member of the public, has requested to address the Commission on two non-agendized items. **Becky Steinbruner** thanked LAFCO staff for assisting Soquel Creek Water District in their consideration of possible annexations adjacent to the District's service area. Ms. Steinbruner also informed the Commission that County Service Area 48 is reevaluating the benefit assessments that fund the delivery of fire protection to unincorporated territory that are not within a fire district or city fire department.

**Executive Officer Joe Serrano** indicated that there were no further requests to address the Commission. **Chair Justin Cummings** closed public comments.

## 5. PUBLIC HEARINGS

**Chair Justin Cummings** indicated that there is one public hearing item for Commission consideration today.

### 5a. Final Budget for Fiscal Year 2021-22

**Chair Justin Cummings** requested staff to provide a presentation on the final budget.

**Executive Officer Joe Serrano** indicated that a draft budget for Fiscal Year 2021-22 was previously adopted on April 7. After the April Meeting, LAFCO staff sent the draft budget to the funding agencies for their review. Mr. Serrano noted that LAFCO did not receive any formal comment. He believes that the overall reduction in the proposed budget is the primary reason why LAFCO did not receive any opposition or comments from the funding agencies. The Commission has conducted a thorough analysis of each expenditure since 2019, resulting in more accurate budgetary assumptions.

**Executive Officer Joe Serrano** explained that it may be beneficial if legal and data services are analyzed in more detail. This may result in further internal efficiencies. In the interim, LAFCO staff recommends that the Commission adopt the final budget for Fiscal Year 2021-22 and provide further direction to staff.

**Chair Justin Cummings** requested public comments on the draft budget. **Executive Officer Joe Serrano** noted that there is one request by Becky Steinbruner, member of the public. **Becky Steinbruner** thanked LAFCO staff for reducing the overall budget while also increasing the level of detail in staff reports and service reviews without the assistance of outside consultants.

There were no further requests to address the Commission from the public. **Chair Justin Cummings** closed public comments.

**Chair Justin Cummings** thanked staff for the budget preparation and supported staff's effort in analyzing the current delivery of legal and data services.

**Chair Justin Cummings** called for Commission comments on the report.

**Commissioner Roger Anderson** asked when staff would complete and present their evaluation of legal and data services to the Commission. **Executive Officer Joe Serrano** indicated that staff would begin reviewing the two services once the Commission gives direction as part of the final budget adoption. Staff's findings may be ready for Commission consideration by the end of this year.

**Chair Justin Cummings** called for the approval of the final budget. **Commissioner Rachél Lather** motioned for the approval based on staff's recommendation and **Commissioner Manu Koenig** seconded the motion.

**Chair Justin Cummings** noted no further Commission discussion and called for a roll call vote on the adoption of the final budget based on staff's recommendation: **Adopt the draft resolution (No. 2021-14), Authorize the Executive Officer to request the Auditor-Controller's Office to distribute the final budget and apportionment amount**

to the funding agencies by July 2021 and, Provide any additional direction to staff including but not limited to analyzing the current legal and data services.

Commission Clerk Chris Carpenter conducted a roll call vote on the item.

**MOTION:** Rachél Lather

**SECOND:** Manu Koenig

**FOR:** Roger Anderson, Ryan Coonerty, Justin Cummings,  
Francisco Estrada, Manu Koenig, Rachél Lather

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSED: 6-0**

## **6. OTHER BUSINESS**

**Chair Justin Cummings** indicated that there are four business items for Commission consideration today.

### **6a. CALPERS Side Fund**

**Chair Justin Cummings** requested staff to provide a presentation on LAFCO's side fund under the California Public Employees' Retirement System (CALPERS).

**Executive Officer Joe Serrano** explained how the Commission has been submitting additional payments to CALPERS each year to amortize the side fund balance. This unfunded liability was established by CALPERS for local agencies with a small number of employees, including Santa Cruz LAFCO. The total side fund balance will be fully paid by 2024 if the Commission continues their additional lump sum payment schedule.

**Chair Justin Cummings** requested public comments on the side fund payment process. **Executive Officer Joe Serrano** noted that there is one request by Becky Steinbruner, member of the public. **Becky Steinbruner** thanked LAFCO for addressing their unfunded liabilities.

There were no further requests to address the Commission from the public. **Chair Justin Cummings** closed public comments.

**Chair Justin Cummings** called for Commission comments on the report. The Commission did not have any questions for staff on this item.

**Chair Justin Cummings** called for the approval of the one-time payment towards the side fund. **Commissioner Manu Koenig** motioned for the approval based on staff's recommendation and **Commissioner Rachél Lather** seconded the motion.

**Chair Justin Cummings** noted no further Commission discussion and called for a roll call vote to approve the additional payment based on staff's recommendation: **Direct an additional one-time payment of \$10,000 towards the CALPERS Side Fund.**

**Commission Clerk Chris Carpenter** conducted a roll call vote on the item.

**MOTION: Manu Koenig**

**SECOND: Rachél Lather**

**FOR: Roger Anderson, Ryan Coonerty, Justin Cummings,  
Francisco Estrada, Manu Koenig, Rachél Lather**

**AGAINST: None**

**ABSTAIN: None**

**MOTION PASSED: 6-0**

### **6b. Educational Workshops**

**Chair Justin Cummings** requested staff to provide a presentation on the partnership between LAFCO and the California Special Districts Association (CSDA).

**Executive Officer Joe Serrano** highlighted the common goal between CSDA and LAFCO in advocating the highest level of transparency and accountability for public agencies, specifically the 22 independent special districts in Santa Cruz County. Mr. Serrano explained the benefits in hosting educational workshops with CSDA and how they would be an opportunity for special districts to jointly explore solutions to common issues, share best practices, learn about current and new legislation, and understand the rules and regulations that govern district board members and employees.

**Chair Justin Cummings** requested public comments on the educational workshop concept. **Executive Officer Joe Serrano** noted that there is one request by Becky Steinbruner, member of the public. **Becky Steinbruner** thanked LAFCO for offering these opportunities to special districts and asked whether members of the public can also attend these workshops.

**Executive Officer Joe Serrano** clarified that, if approved, the first workshop will be held in August and will be tailored specifically for independent special districts' board members and their staff. Mr. Serrano did point out that there may be other workshops in the future that will expand the audience to include members of the public and other local agencies, such as cities and the County.

There were no further requests to address the Commission from the public. **Chair Justin Cummings** closed public comments.

**Chair Justin Cummings** called for Commission comments on the report.

**Commissioner Roger Anderson** asked what are the annual dues to become a CSDA member. **CSDA Public Affairs Field Coordinator Charlotte Holifield** stated that the membership dues are determined by the district's annual operating revenue. Ms. Holifield also noted that CSDA has introduced a new payment program which allows districts within limited funds an opportunity to "pay-what-you-can" rather than the traditional price amount. **Commissioner Rachél Lather** noted the benefits for districts to participate in these workshops and appreciated LAFCO's proactive efforts on this matter.

**Chair Justin Cummings** called for the approval of the educational workshop concept. **Commissioner Rachél Lather** motioned for the approval based on staff's recommendation and **Commissioner Manu Koenig** seconded the motion.

**Chair Justin Cummings** noted no further Commission discussion and called for a roll call vote to approve the partnership between LAFCO and CSDA based on staff's recommendation: **Direct LAFCO staff to coordinate with CSDA to conduct educational workshops for local agencies within Santa Cruz County.**

**Commission Clerk Chris Carpenter** conducted a roll call vote on the item.

**MOTION:** Rachél Lather

**SECOND:** Manu Koenig

**FOR:** Roger Anderson, Ryan Coonerty, Justin Cummings,  
Francisco Estrada, Manu Koenig, Rachél Lather

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSED: 6-0**

#### **6c. UCSC Long Range Development Plan – LAFCO Comment Letter**

**Chair Justin Cummings** requested staff to provide a presentation on the draft comment letter pertaining to the recent lawsuit between the City of Santa Cruz and the University regarding the delivery of water and sewer services.

**Executive Officer Joe Serrano** explained that the University continues to work on its new Long Range Development Plan (LRDP) for 2020-2040. Under this plan, UCSC has identified the City of Santa Cruz as the water and sewer service provider to the proposed development areas within and outside the City limits. Mr. Serrano noted that in accordance with State law, LAFCO action is required before the City can provide municipal services to the unincorporated campus area. He also highlighted the fact that there is currently a lawsuit between the City and UCSC regarding the delivery of these services and whether or not LAFCO action is required.

**Executive Officer Joe Serrano** recommended that the Commission consider sending a letter indicating LAFCO's position on two areas: (1) LAFCO's position on being included in the lawsuit, and (2) the clarification that LAFCO's approval is needed for the extension of services outside the City limits of Santa Cruz. This letter would illustrate LAFCO's statutory obligations towards a potential annexation or an extraterritorial service agreement should the City or University submit an application for LAFCO action. Mr. Serrano reminded the Commission that a previous letter was sent to the University during the environmental review of UCSC's draft environmental impact report regarding the LRDP. This supplemental letter further explains LAFCO's statutory role in overseeing the delivery of municipal services. Staff is recommending that the Commission approve the draft comment letter, with two minor edits to the letter which were identified after the distribution of the agenda packet.

**Chair Justin Cummings** requested public comments on the draft comment letter. **Executive Officer Joe Serrano** noted that there are three members of the public that wish to address the Commission on this item: Becky Steinbruner, Morgan Bostic, and Don Stevens.

**Becky Steinbruner** referred to one of the factors identified in LAFCO's Water Policy which allows boundary changes to occur if it involves a net decrease in impacts on water resources for cases where a basin is overdrafted or existing services are not sustainable. Ms. Steinbruner emphasized the fact that anticipated water demand and the City's water supply needs to be analyzed thoroughly. She also thanked LAFCO for producing a detailed letter.

**Morgan Bostic** is a recent UCSC graduate and an advocate for the Santa Cruz City-County Task Force which focuses on the University's growth plans. This task force is a working group of City and County elected officials that was formed in response to local ballot Measure U which passed in 2018 with 77% of the voters. The measure contains specific policies to restrain UCSC growth and insure mitigation and all of its impacts on campus. Ms. Bostic, on behalf of the task force, extends their support on LAFCO's draft comment letter.

**Don Stevens** requested that the Commission consider amending the last paragraph in the draft comment letter. Mr. Stevens believed that the current language implies the delivery of municipal services to the proposed campus projects may not have significant issues. He encouraged the Commission to consider revising that language or remove it entirely.

**Executive Officer Joe Serrano** notes that there were no further requests from the public to address the Commission. **Chair Justin Cummings** closed public comments.

**Chair Justin Cummings** called for Commission comments on the report. **Commissioner Roger Anderson** recalled the water restrictions in 2014 and how water supply continues to be issue. Mr. Anderson suggested that the draft comment letter be modified to include reference of LAFCO's Water Policy at the end of the letter.

**Legal Counsel Daniel Zazueta** reiterated the purpose of the draft comment letter and recommended that the Commission refrain from going beyond the scope of the document by adding emphasis on policy requirements and other conditions without having an actual application in place. Mr. Zazueta indicated that it may be more beneficial for the letter to focus on LAFCO's position on the lawsuit and the Commission's role in approving the delivery of municipal services.

**Commissioner Ryan Coonerty** appreciated Commissioner Roger Anderson's comments and concerns. Mr. Coonerty noted that this will be a long process and further water-related discussions will be required. At this time, the language outlined in the draft letter should focus on LAFCO's statutory responsibility. He motioned to approve staff's recommendation. **Commissioner Manu Koenig** seconded the motion.

**Commissioner Roger Anderson** indicated he would support the motion if it included a friendly amendment to remove the word “likely” from the following sentence: “*A preliminary analysis of the 5 development projects proposed for outside the City boundaries under the 2020 LRDP (shown in the attached map) likely may not pose major issues in accordance with the Act.*”

**Commissioners Ryan Coonerty and Manu Koenig**, who motioned and seconded staff’s recommendation, accepted the friendly amendment by removing the word likely from the sentence shown above.

**Chair Justin Cummings** noted no further Commission discussion and called for a roll call vote to approve the draft comment letter based on staff’s recommendation: **Discuss and approve the proposed comment letter with two minor edits identified by LAFCO staff and one friendly amendment made by Commissioner Roger Anderson.**

**Commission Clerk Chris Carpenter** conducted a roll call vote on the item.

**MOTION:** Ryan Coonerty

**SECOND:** Manu Koenig

**FOR:** Roger Anderson, Ryan Coonerty, Justin Cummings,  
Francisco Estrada, Manu Koenig, Rachél Lather

**AGAINST:** None

**ABSTAIN:** None

**MOTION PASSED: 6-0**

#### **6d. Water Consolidation Effort Update**

**Chair Justin Cummings** requested staff to provide an update on the ongoing consolidation discussions between Scotts Valley and San Lorenzo Valley Water Districts.

**Executive Officer Joe Serrano** informed the Commission that San Lorenzo Valley Water District has decided not to move forward with exploring the concept of consolidation. Mr. Serrano extended his appreciation to the District General Managers, Rick Rogers and Piret Harmon, for their preliminary consideration. Consolidation is a difficult endeavor and the fact that the two districts held open discussions shows how the districts are continuously searching for ways to be more efficient. LAFCO staff will continue to work closely with both districts on other collaborative opportunities.

*\*\*Certain Commissioners, including the Chair and Vice-Chair, experienced technical difficulties around 10:05am. Agenda Item No. 6d was an informational item and no Commission action was required. Therefore, staff and the remaining Commissioners moved forward with the meeting.\*\**



## 7. WRITTEN CORRESPONDENCE

**Executive Officer Joe Serrano** highlighted the correspondence shared by CALAFCO.

**Commissioner Roger Anderson** asked whether there have been any changes to the CALAFCO membership dues structure. **Executive Officer Joe Serrano** noted that he was unaware of any changes but would provide a formal update at the next LAFCO meeting. Mr. Serrano moved to the next item since no Commission action was required.

## 8. PRESS ARTICLES

**Executive Officer Joe Serrano** indicated that this item highlights LAFCO-related articles recently circulated in local newspapers. Mr. Serrano moved to the next item since no Commission action was required.

*\*\* Commissioners who experienced technical difficulties were able to reconnect around 10:11am. Agenda Item Nos. 7-8 were informational items and no Commission action was required for either item. \*\**

## 9. COMMISSIONERS' BUSINESS

**Chair Justin Cummings** inquired whether any Commissioner would like to share any information. There were no comments. **Chair Justin Cummings** moved to the next item since no Commission action was required.

## 10. LEGAL COUNSEL'S REPORT

**Legal Counsel Daniel Zazueta** indicated that there was nothing to report. **Chair Justin Cummings** moved to the next item since no Commission action was required.

## 11. ADJOURNMENT

**Chair Justin Cummings** adjourned the Regular Commission Meeting at 10:17 a.m. to the next regular LAFCO meeting scheduled for Wednesday, August 4, 2021 at 9:00 a.m.

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JUSTIN CUMMINGS, CHAIRPERSON

Attest:

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JOE A. SERRANO, EXECUTIVE OFFICER



Date: August 4, 2021  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **“De Somer Annexation” to CSA 10 (LAFCO Project No. DA 21-10)**

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### **SUMMARY OF RECOMMENDATION**

This application proposes an annexation and sphere amendment involving County Service Area 10 (“CSA 10”). If approved, the subject area (totaling 1 parcel; .50-acres) will discontinue the use of septic tanks and will receive sewer service from a neighboring public agency.

It is recommended that the Commission adopt the draft resolution (LAFCO No. 2021-15) approving the single parcel annexation into CSA 10.

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### **EXECUTIVE OFFICER’S REPORT:**

The proposed annexation and sphere amendment was initiated by landowner petition. The subject area includes one parcel, totaling half an acre. The single parcel is owned by the De Somer family. The purpose of the application is for the provision of sewer services towards a future single-family home. The subject area is within unincorporated county territory and is located east of Graham Hill Road, south of Treetop Drive and Nepenthe Drive, west of La Madrona Drive and Highway 17, and north of Sims Road. **Attachment 1** is a vicinity map of the subject area.

### **General Plan/Zoning Designation**

The subject area is uninhabited. The area is currently designated as R-UVL (Urban Very Low Residential) under the County’s General Plan. The application does not propose any changes to the existing land use designation.

### **Other Municipal Services**

No other change of organization is required. The proposal area will continue to receive municipal services from existing public agencies, including but not limited to water service from the City of Santa Cruz and fire service from the Scotts Valley Fire Protection District.

### **Affected/Interested Agency Comments**

A referral letter, which summarized the proposal, was distributed to all the affected and interested agencies within or near the subject area. This was an opportunity for an agency to provide comments regarding the proposed boundary change. LAFCO did not receive any correspondence during the comment period. However, representatives from CSA 10 did provide a Will-Serve Letter to LAFCO dated November 24, 2020. **Attachment 2** is a copy of the County’s Will-Serve Letter on behalf of CSA 10.

### **Property Tax Exchange Agreement**

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement involving the affected local agency before LAFCO can consider a jurisdictional change. The Board of Supervisors (BOS) acts as the authorizing body for CSA 10 regarding property tax adjustments. On May 25, 2021, the BOS adopted the property tax exchange agreement for this proposal (refer to **Attachment 3**).

### **Proposed Sphere Amendment**

LAFCO originally adopted a sphere of influence for CSA 10 in 1984. In 2014, the Commission approved a reorganization that transferred sewer services from CSA 57 to CSA 10. In total, 299 parcels were annexed into CSA 10 under this reorganization. As part of the reorganization, CSA 10's sphere of influence was amended to reflect the annexation. Today, the current sphere of influence is coterminous with its service area. The sphere boundary was last analyzed in October 2019 as part of the Comprehensive Sanitation Service Review. If this application is approved, staff is recommending that CSA 10's sphere of influence be amended to reflect the proposed annexation area.

### **Environmental Review**

The proposal is subject to an environmental review. Santa Cruz LAFCO served as the lead agency for assessing impacts under CEQA. Based on staff's analysis, the underlying action qualifies as a project under CEQA. As the lead agency, LAFCO staff determined that the proposal was exempt pursuant to CEQA Guidelines Section 15303, Class 3(d):

*Construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel or to be associated with a project within a two-year period. Examples of this exemption include but are not limited to: Water mains, sewage, electrical, gas, and other utility extensions including street improvements, to serve individual customers.*

The purpose of the application is for the provision of sewer services by allowing the property owner to connect to a nearby sewer line, and therefore, aligns with the categorical exemption identified above. A Notice of Exemption, as shown in **Attachment 4**, was recorded on June 3, 2021.

### **Notice of Public Hearing**

A hearing notice for this proposal was published in the July 13th issue of the Santa Cruz Sentinel (refer to **Attachment 5**) pursuant to Government Code Section 56153. Additionally, LAFCO staff mailed out copies of the public notice to the residents within a 300-foot radius of the annexation area in accordance with Government Code Section 56157(d). Advertising this notice in a newspaper and notifying nearby residents fulfills the legal requirement and continues staff's outreach efforts with local agencies and the public.

### **Protest Proceedings**

State law requires a protest proceeding to occur if a boundary change (i.e. annexation) is approved. This protest period provides an opportunity for affected residents within the subject area to voice their opposition of the Commission's action. However, pursuant to Government Code Section 56662(d), the protest proceedings may be waived entirely if the following occurs:

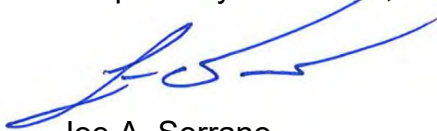
1. The territory is uninhabited; and
2. The proposal is accompanied by proof, satisfactory to the Commission, that all the owners of land within the affected territory, exclusive of land owned by a private railroad company, have given their written consent to the proposal and a private railroad company that is an owner of land within the affected territory has not submitted written opposition to the waiver of protest proceedings prior to the conclusion of the commission hearing.

The subject area is uninhabited, and the owner of the subject parcel initiated the proposed boundary change. LAFCO staff is recommending that the protest proceedings be waived based on the statutory criteria.

### **STAFF RECOMMENDATION**

CSA 10 operates a sanitary sewer collection system and serves the residential areas of Rolling Woods and Woods Cove, as well as the Pasatiempo Golf Club. The proposal meets the criteria outlined in LAFCO law and the Commission's Proposal Evaluation Policy. County Public Works, representing CSA 10, has also indicated that there is sufficient capacity and ability to provide sewer service to the subject area. More importantly, the proposal will transition the usage of septic tanks to a more sustainable public infrastructure. Therefore, staff is recommending that the Commission adopt the draft resolution approving the proposed annexation and sphere amendment (see **Attachment 6**).

Respectfully Submitted,

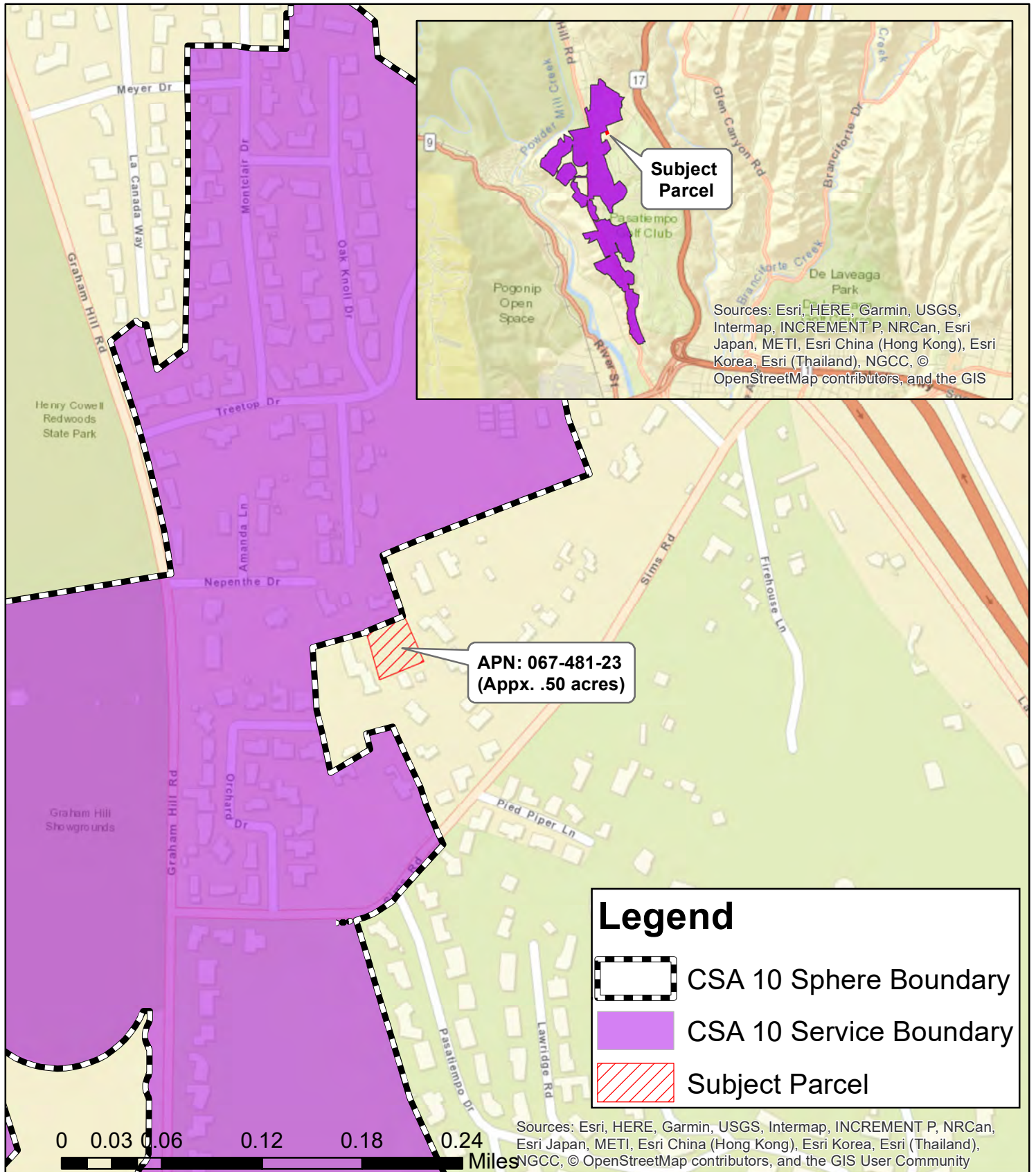


Joe A. Serrano  
Executive Officer

#### **Attachments:**

1. Vicinity Map
2. Will-Serve Letter
3. Property Tax Exchange Agreement
4. Notice of Exemption
5. Notice of Public Hearing
6. Draft Resolution (LAFCO No. 2021-15)

cc: David Laughlin, DA 21-10 Consultant  
Pieter De Somer, DA 21-10 Landowner  
Ashleigh Trujillo, County Service Area 10



Vicinity Map created on 5-14-21

# "De Somer Annexation" to County Service Area 10 (LAFCO Project No. DA 21-10)

Proposal includes a concurrent sphere amendment.





MATT MACHADO  
DEPUTY CAO  
DIRECTOR OF PUBLIC WORKS

# County of Santa Cruz

## DEPARTMENT OF PUBLIC WORKS

701 OCEAN STREET, ROOM 410, SANTA CRUZ, CA 95060-4070  
(831) 454-2160 FAX (831) 454-2385 TDD (831) 454-2123

11/24/2020

DAVID LAUGHLIN  
1614 King Street  
Santa Cruz, CA 95060

**SUBJECT:** SEWER AVAILABILITY AND COUNTY'S CONDITIONS OF SERVICE FOR THE FOLLOWING PROPOSED DEVELOPMENT

**APN:** 067-481-23

**APPLICATION NO.:** n/a

**PARCEL ADDRESS:** VACANT LOT, SIMS ROAD, SANTA CRUZ, CA, 95060

**PROJECT DESCRIPTION:** DEVELOP ONE SINGLE FAMILY DWELLING ON A VACANT LOT. SEWER CONNECTION SHALL REQUIRE A PRIVATE EASEMENT AND CONNECTION TO A PRIVATE SEWER COLLECTOR SYSTEM.

Dear Mr. Laughlin:

The County of Santa Cruz has received your inquiry regarding sewer service availability within the Rolling Woods Community Service Area (CSA 10) for the subject parcel. As we have discussed, this property is located outside the boundary and sphere of influence of CSA 10; therefore, the County is not authorized to provide sewer service to this property. You may apply to the Local Area Formation Commission (LAFCO) to adjust the sphere of influence line and seek annexation into CSA 10.

Assuming annexation of this parcel into CSA 10 is approved, sewer service is **not** available in Sims Road nor the private road serving this property. Your proposed plan to connect to the private sewer system in Nepenthe Drive is feasible but will require recordation of a private sewer easement across neighboring parcels (APN: 067-481-25 and 067-481-26) as well as written approval from the private owners of the sewer collection system in Nepenthe Drive. Both items shall be required before the County shall authorize sewer service to the subject parcel.

No downstream capacity problem or other issue is known at this time. Note, however, that downstream sewer requirements will again be evaluated at time of Planning Permit review, at which time the District reserves the right to add or modify downstream sewer requirements, though none are anticipated at this time.

Also, for your reference, we have attached a list of common items required during the review of sanitation projects.

SEWER AVAILABILITY AND COUNTY'S CONDITIONS OF SERVICE APN: 067-481-23  
Page-2

Thank you for your inquiry. If you have any questions, please call Bryan Wardlow at (831) 454-2160.

Yours truly,

MATT MACHADO  
District Engineer

By:

DocuSigned by:



528D647137C44D4...

Ashleigh Trujillo  
Sanitation Engineer

BW:jv

Attachment

06748123 Sewer Availability Letter.doc

BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 138-2021

On the motion of Supervisor: Koenig  
Duly seconded by Supervisor: Friend  
The following resolution is adopted:

**RESOLUTION ACCEPTING NEGOTIATED EXCHANGE OF PROPERTY TAX  
REVENUES PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 99**

**LAFCO #DA 21-10 – De Somer Annexation to County Service Area 10**

WHEREAS, California Revenue and Taxation Code Section 99 requires that each city or county (or the county on behalf of special districts) included in a governmental reorganization or jurisdictional change accept a negotiated exchange of property tax revenues; and

WHEREAS, the governing bodies of all agencies whose service areas would be altered by the jurisdictional change referred to in Exhibit “A” have met to determine the allocation of property tax revenues; and

WHEREAS, the County of Santa Cruz agrees to accept the negotiated exchange of property tax revenue as provided for in Exhibit “A”;

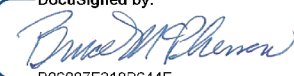
NOW, THEREFORE, BE IT RESOLVED that the County of Santa Cruz hereby accepts the negotiated exchange of property tax revenues as provided for in Exhibit “A” as required by California Revenue and Taxation Code Section 99; and

BE IT FURTHER RESOLVED AND ORDERED that the Clerk of the Board shall forward a copy of this Resolution to the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector; and

BE IT FURTHER RESOLVED AND ORDERED that the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector is directed to disperse property tax revenues as provided for in Exhibit “A” upon receipt of a copy of this Resolution and a concurring resolution of any affected cities, if any, and following recordation of a Certificate of Completion.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 25<sup>th</sup> day of May, 2021, by the following vote:

AYES: SUPERVISORS Koenig, Friend, Coonerty, Caput, McPherson  
NOES: NONE  
ABSENT: NONE

DocuSigned by:  
  
B06087F318B644F...  
BRUCE MCPHERSON  
Chair of Said Board

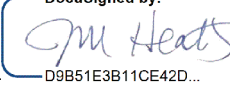
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Clerk of the Board of Supervisors  
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ATTEST:

DocuSigned by:  
  
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**STEPHANIE CABRERA**  
Clerk of Said Board

APPROVED AS TO FORM:

DocuSigned by:  
  
D9B51E3B11CE42D...  
County Counsel

5/5/2021 AMS#10700

cc: Local Agency Formation Commission of Santa Cruz County  
Assessor-Recorder  
Auditor-Controller-Treasurer-Tax Collector  
County Service Area 10

## Exhibit A

Agenda: May 25, 2021

LAFCO #DA 21-10 – De Somer Annexation to County Service Area 10

### 1. Description

LAFCO # DA 21-10 – De Somer Annexation to County Service Area 10

Assessor's Parcel Numbers: 067-481-23

### 2. Property Tax Exchange

A. Base Year Full Cash Value: No Exchange

B. Incremental Full Cash Value: No Exchange

The exchange of property taxes for both Base Year and Incremental Values are based on property tax revenues after the shift to the Education Revenue Augmentation Fund (ERAF).

**Certificate Of Completion**

Envelope Id: CA00840FFB2748B49C11A8C23B505550

Status: Completed

Subject: Resolution 138-2021 LAFCO, adopted May 25 BOS (DOC-2021-453) eSignature

Source Envelope:

Document Pages: 3

Signatures: 4

Certificate Pages: 2

Initials: 0

AutoNav: Enabled

Enveloped Stamping: Enabled

Time Zone: (UTC-08:00) Pacific Time (US &amp; Canada)

Envelope Originator:

Susan Galloway

707 17th Street Suite 4000

Denver, CO 80202

susan.galloway@co.santa-cruz.ca.us

IP Address: 69.5.90.9

**Record Tracking**

Status: Original

5/25/2021 12:33:19 PM

Holder: Susan Galloway

susan.galloway@co.santa-cruz.ca.us

Location: DocuSign

**Signer Events**

Jason M. Heath

Jason.Heath@co.santa-cruz.ca.us

Accela, Inc.

Security Level: Email, Account Authentication  
(None)**Signature**

DocuSigned by:



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Signed: 5/25/2021 12:43:27 PM

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Bruce McPherson

Bruce.McPherson@co.santa-cruz.ca.us

eSign

Security Level: Email, Account Authentication  
(None)

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Signed: 5/25/2021 12:45:55 PM

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

Stephanie Cabrera

Stephanie.Cabrera@co.santa-cruz.ca.us

eSign

Security Level: Email, Account Authentication  
(None)

DocuSigned by:



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Signed: 5/25/2021 12:48:47 PM

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

CBD eSignature

CBD.eSignature@co.santa-cruz.ca.us

Clerk of the Board of Supervisors

County of Santa Cruz

Security Level: Email, Account Authentication  
(None)

DocuSigned by:



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Freeform Signing

**Electronic Record and Signature Disclosure:**

Not Offered via DocuSign

**In Person Signer Events****Signature****Timestamp****Editor Delivery Events****Status****Timestamp**

Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
County Administrative Office Nancy.Weitzel@santacruzcounty.us Security Level: Email, Account Authentication (None) <b>Electronic Record and Signature Disclosure:</b> Not Offered via DocuSign	COPIED	Sent: 5/25/2021 4:44:44 PM
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	5/25/2021 12:33:20 PM
Certified Delivered	Security Checked	5/25/2021 4:44:18 PM
Signing Complete	Security Checked	5/25/2021 4:44:43 PM
Completed	Security Checked	5/25/2021 4:44:44 PM
Payment Events	Status	Timestamps

## Notice of Exemption

To: ☐ Office of Planning and Research  
1400 Tenth Street, Room 121  
Commission  
Sacramento CA 95814

From: (Public Agency)  
Santa Cruz Local Agency Formation  
701 Ocean Street, Room 318-D  
Santa Cruz CA 95060

To: ☒ Clerk of the Board  
County of Santa Cruz  
701 Ocean Street, Room 500  
Santa Cruz CA 95060

Project Title: "De Somer Annexation" to County Service Area 10 (DA 21-10)

Project Location: The subject area is within unincorporated county territory and is located east of Graham Hill Road, south of Treetop Drive and Nepenthe Drive, west of La Madrona Drive and Highway 17, and north of Sims Road. Attached is a vicinity map of the subject area (refer to Attachment A).

Project Location City: N/A Project Location County: Santa Cruz

Description of Nature, Purpose, and Beneficiaries of Project: The proposed annexation and sphere amendment was initiated by landowner petition. The subject area includes one parcel, totaling half an acre. The purpose of the application is to decommission the existing septic tanks and connect to an adjacent sewer infrastructure operated by CSA 10.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County ("**Santa Cruz LAFCO**"). A public hearing on this proposal is scheduled for 9:00 a.m. on August 4, 2020. Additional information on the upcoming meeting is available on the LAFCO website.

Name of Person or Agency Carrying Out Project: Santa Cruz LAFCO


Exempt Status: (check one)

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269 (b)(c));
- ☒ Categorical Exemption: State type and section number
- ☐ Statutory Exemptions: State code number
- ☐ Other: The activity is not a project subject to CEQA.

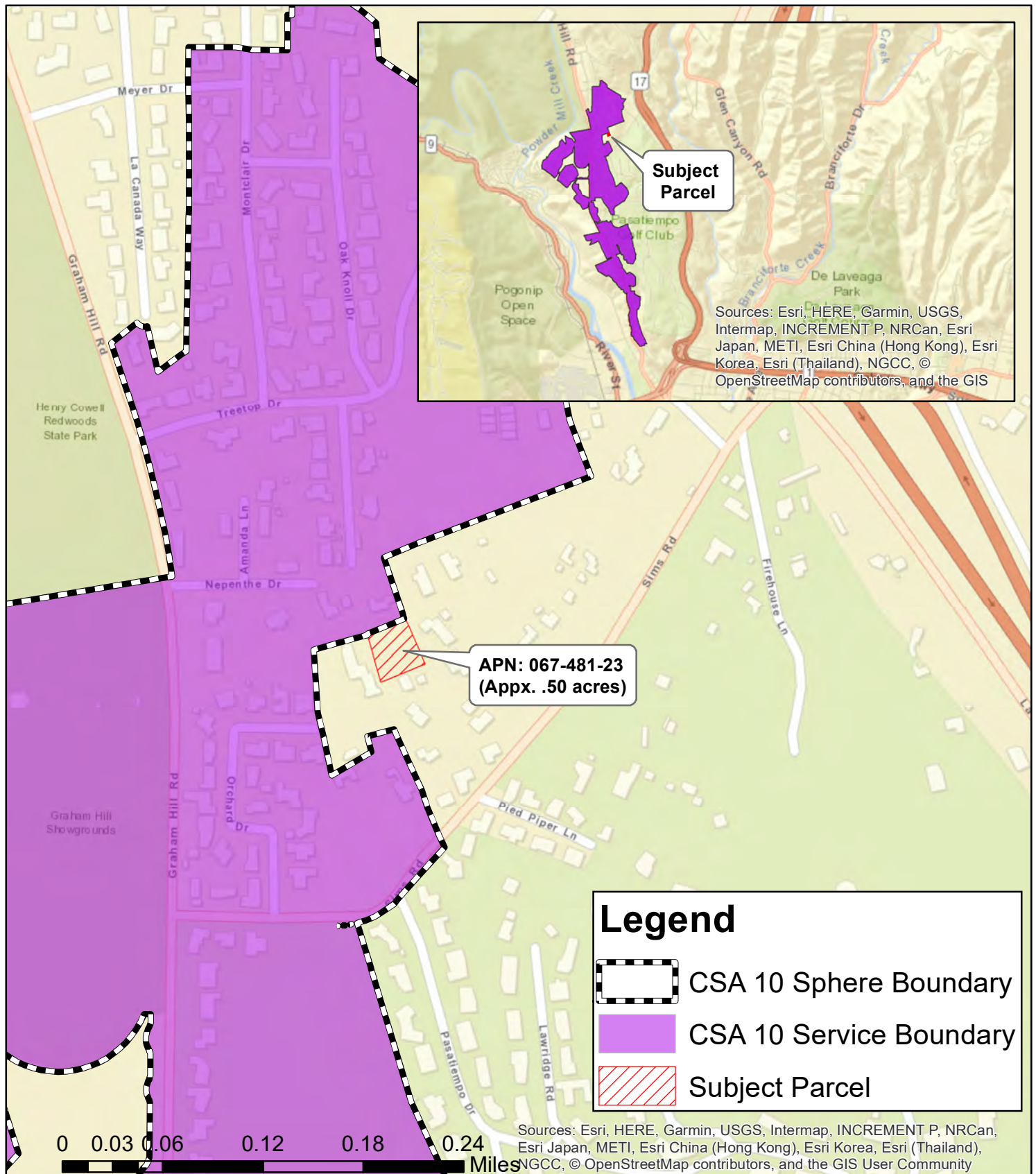
Reason Why Project is Exempt: Pursuant to CEQA Guidelines Section 15303, Class 3(d): Construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel or to be associated with a project within a two-year period. Examples of this exemption include but are not limited to: Water mains, sewage, electrical, gas, and other utility extensions including street improvements, to serve individual customers.

Lead Agency Contact Person: Joe A. Serrano

Area Code/Phone Extension: 831-454-2055.

Signature:  Date: June 3, 2021  
Joe A. Serrano, Executive Officer

 Signed by Lead Agency



Vicinity Map created on 5-14-21

# "De Somer Annexation" to County Service Area 10 (LAFCO Project No. DA 21-10)

Proposal includes a concurrent sphere amendment.





**NOTICE OF PUBLIC HEARING  
LOCAL AGENCY FORMATION COMMISSION**

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, August 4, 2021, in Room 525 of the County Government Center, 701 Ocean Street, Santa Cruz, CA, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- **De Somer Annexation:** Consideration of a 0.50-acre annexation into County Service Area 10 (LAFCO Project No. DA 21-10). The purpose of the proposal is for the provision of sewer service to a single parcel. The subject area is within unincorporated county territory and is located east of Graham Hill Road, south of Treetop Drive and Nepenthe Drive, west of La Madrona Drive and Highway 17, and north of Sims Road. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.
- **Countywide Park & Recreation Service and Sphere of Influence Review:** Consideration of a service and sphere review for Alba Recreation and Park District, Boulder Creek Recreation and Park District, La Selva Beach Recreation District, and Opal Cliffs Recreation District. These districts are located throughout Santa Cruz County. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.

During the meeting, the Commission will consider oral or written comments from any interested person. Maps, written reports, environmental review documents and further information can be obtained by contacting LAFCO's staff at (831) 454-2055 or from LAFCO's website at [www.santacruzlafco.org](http://www.santacruzlafco.org). LAFCO does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at least 48 hours in advance of the meeting to make arrangements.

A handwritten signature in blue ink, appearing to read 'Joe A. Serrano'.

Joe A. Serrano  
Executive Officer  
Date: July 13, 2021

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
RESOLUTION NO. 2021-15

On the motion of Commissioner  
duly seconded by Commissioner  
the following resolution is adopted:

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND ORDERING THE  
“DE SOMER ANNEXATION” TO COUNTY SERVICE AREA 10  
(LAFCO PROJECT NO. DA 21-10)

\*\*\*\*\*

WHEREAS, an application requesting the annexation and subsequent sphere of influence amendment was filed by landowner petition pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.); and

WHEREAS, the applicant (Pieter De Somer) owns one uninhabited parcel, totaling 0.50 acres that make up the subject territory; and the proposal was assigned the short-term designation of “De Somer Annexation”; and

WHEREAS, the subject area is within unincorporated county territory and is located east of Graham Hill Road, south of Treetop Drive and Nepenthe Drive, west of La Madrona Drive and Highway 17, and north of Sims Road; and

WHEREAS, the application consists of the following changes of organization: (1) annexation to County Service Area 10; and (2) sphere amendment to County Service Area 10; and

WHEREAS, correspondence summarizing the proposed boundary changes was sent to all affected and interested agencies requesting comments on April 13, 2021. LAFCO did not receive any opposition following the conclusion of the comment period; and

WHEREAS, California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement involving the affected local agency before LAFCO can consider a jurisdictional change. The Board of Supervisors acting as the authorizing body for CSA 10 regarding property tax adjustments adopted a property tax exchange agreement on May 25, 2021; and

WHEREAS, the Executive Officer conducted an analysis on the proposal and prepared a report including staff’s recommendations thereon, and presented staff’s findings for Commission consideration; and

WHEREAS, a public hearing by the Commission was held on August 4, 2021; and at the hearing the Commission heard and received all oral and written protests, objections, and evidence that were presented.



NOW, THEREFORE, the Local Agency Formation Commission of Santa Cruz County does HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. Compliance with the California Environmental Quality Act (CEQA) has been met by a categorical exemption pursuant to State CEQA Guidelines Section 15303, Class 3(d): Construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel or to be associated with a project within a two-year period. Examples of this exemption include but are not limited to: Water mains, sewage, electrical, gas, and other utility extensions including street improvements, to serve individual customers.

Section 3. The Commission considered the requirements set forth for annexation and sphere amendment in the Cortese-Knox-Hertzberg Act, Government Code Section 56133, and found the proposal to be consistent with those requirements as outlined below:

- a) District Annexation: Government Code Section 56668.3(a) requires the Commission to analyze several factors as part of the change of organization. These factors include:
- a. The case of district annexation, whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district;
  - b. Any factors which may be considered by the Commission as provided in Government Code Section 56668;
  - c. Any resolution raising objections to the action that may be filed by an affected agency; and
  - d. Any other matters which the Commission deems material.

LAFCO staff analyzed these and other factors as part of the August 4, 2021 staff report.

- b) District Annexation: Government Code Section 56857(a) requires the Commission to notify the affected agency if the proposal was not filed by the district to which annexation of territory is proposed. The affected agency may transmit to the Commission a resolution requesting termination of the proceedings. LAFCO staff did not receive any terminating resolution or correspondence from CSA 10 opposing the application.

Section 4. The Commission determined that the proposal is consistent with the Policies and Procedures Relating to Proposals and Sphere Amendments as outlined below:

- a) Agency Endorsement: The Executive Officer shall not file the application unless the affected public agency has submitted a written endorsement indicating its willingness to provide the service if the Commission approves the request. County Public Works, on behalf of CSA 10, provided a Will-Serve Letter to the applicant on November 24, 2020, and has continued to express support throughout the LAFCO process.
- b) Fee Deposit: The applicant shall pay the costs of processing the application as specified in the Commission's Schedule of Fees and Deposits. The applicant submitted a fee deposit of \$1,600 as part of the application packet.
- c) Map & Legal Description: A map of any proposed boundary changes shall show the present and proposed boundaries of all affected agencies in the vicinity of the proposal site. The Commission shall assure that any approved boundary changes are definite and certain. The required metes and bounds were submitted on April 28, 2021, as shown on Exhibit A.
- d) Commission Hearing: The Commission shall consider the request after it has been placed on an agenda of a Commission meeting. After deeming the proposal complete, the Executive Officer advertised the proposal in the Santa Cruz Sentinel newspaper on July 13, 2021, and scheduled the proposal for Commission consideration on August 4, 2021.

Section 5. The applicant shall agree, as a condition of the approval of the application for annexation and sphere amendment, to be bound by the LAFCO Indemnification and Defense Form signed on March 20, 2021.

Section 6. The Certificate of Completion for the proposal shall not be issued until all of the following terms and conditions are met:

- a) State Board of Equalization: The proponent shall provide a legal map, description, and fees to meet State Board of Equalization requirements.
- b) District Fees & Charges: CSA 10 shall levy and collect within the territory being annexed any previously established and collected benefit assessment of property-related fees or charges that are collected within all or part of the district at the time of annexation. The applicant shall be responsible for all fees and costs associated with the connection of sewer service with CSA 10.
- c) LAFCO Processing Fees: The applicant shall pay any remaining processing fees as set in this Commission's Schedule of Fees and Deposits.

Section 7. The annexation and sphere amendment shall be effective as of the date of recordation of the Certificate of Completion.

Section 8. The Commission shall approve, disapprove, or approve with conditions the proposed annexation and sphere amendment. If the proposal is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration. If the Commission denies a request, a similar application cannot be re-filed for one year unless the Commission grants an exception to this rule.

Section 9. The Executive Officer will hereby conduct a 30-day request for reconsideration in accordance with Government Code Section 56895.

Section 10. The Executive Officer is hereby authorized and directed to waive the protest proceedings entirely because the proposal meets the criteria outlined in Government Code Section 56662(d).

Section 11. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Government Code Section 56882.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 4th day of August 2021.

AYES:

NOES:

ABSTAIN:

---

JUSTIN CUMMINGS, CHAIRPERSON

Attest:

Approved as to form:

---

Joe A. Serrano  
Executive Officer

---

Daniel H. Zazueta  
LAFCO Counsel



Date: August 4, 2021  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Service and Sphere Review for Park & Recreation Services**

---

### **SUMMARY OF RECOMMENDATION**

LAFCO periodically performs municipal service reviews and sphere of influence updates for each agency subject to LAFCO's boundary regulations. As part of the Commission's Multi-Year Work Program, LAFCO staff has drafted a service and sphere review for the four park and recreation districts, and scheduled a public hearing.

It is recommended that the Commission take the following actions:

1. Find that pursuant to Section 15061(b)(3) of the State CEQA Guidelines, LAFCO determined that the service and 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 four (4) districts, 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. 2021-16) approving the 2021 Countywide Park and Recreation Service and Sphere Review with the following terms and conditions:
  - a. Reaffirm the spheres of influence for the Boulder Creek Recreation and Park District and the La Selva Beach Recreation District;
  - b. Adopt a zero sphere of influence for the Alba Recreation and Park District and the Opal Cliffs Recreation District for dissolution by August 2022;
  - c. Require the affected District Board and/or the County to initiate the dissolution of Alba Recreation and Park District and Opal Cliffs Recreation District with a concurrent annexation into County Service Area 10 by December 2021. If neither affected party initiates, then the Commission should consider initiating dissolution in accordance with Government Code Section 56375(a)(2)(B); and
  - d. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the four park and recreation districts and any other interested or affected parties, including but not limited to the County of Santa Cruz.

## **EXECUTIVE OFFICER'S REPORT:**

State law requires LAFCO to periodically review and update the services and spheres of all cities and special districts. In accordance with the Commission's adopted Multi-Year Work Program, LAFCO staff has prepared a countywide service and sphere review (refer to **Attachment 1**) for the four park and recreation services: (1) Alba Recreation and Park District, (2) Boulder Creek Recreation and Park District, (3) La Selva Beach Recreation District, and (4) Opal Cliffs Recreation District. Key findings and recommendations are presented in the *Executive Summary* of the attached report. The service and sphere review also includes *District Profile Chapters* which contain individual evaluations for each of the four park and recreation districts - highlighting specific characteristics, ongoing operations, current fiscal health, existing governance structure, ability to provide services, and its importance within its jurisdictional area. The profiles conclude with statutory determinations required for all service and sphere of influence reviews pursuant to the Cortese-Knox-Hertzberg Act.. This staff report summarizes the service and sphere review's findings, as shown below.

### **Purpose & Key Findings**

The goal of this analysis is to accomplish the Commission's direction to complete a service and sphere review for the District under the Multi-Year Work Program and fulfill the service and sphere determinations under the Cortese-Knox-Hertzberg Act. The following are the main conclusions of the report:

#### **Alba Recreation and Park District**

##### **1. The District is the second smallest recreational district in Santa Cruz County.**

Alba Recreation and Park District was formed in 1954 and serves the unincorporated community of Ben Lomond. ARPD encompasses 48 parcels totaling approximately 206 acres (0.32 square miles). The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility was in operations for over six decades before it was tragically burned down as a result of the CZU Lightning Complex Fire in August 2020.

##### **2. The District is facing financial constraints.**

Alba Recreation and Park District has experienced an annual deficit in three of the last six years. Audited financial statements are not readily available for the public even though it is required by law. As of June 30, 2020, the District is operating with a net position of approximately \$18,000 with no current assets. LAFCO staff projects that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the community.

##### **3. The District requires a new sphere designation.**

Due to the ongoing deficiencies and financial constraints, in conjunction with the joint interest in transferring service responsibilities by the District and County, LAFCO staff recommends adopting a zero sphere. LAFCO may adopt a "zero" sphere (encompassing no territory) for a public agency when the Commission has determined that the service functions of the affected agency are either: nonexistent, no longer needed, or should be reallocated to some other local government. Adoption of a zero sphere indicates ARPD should ultimately be dissolved and service responsibilities be transferred to another local agency, specifically County Service Area 11 (County Parks), through annexation. The proposed sphere designation will also include a condition requiring the District to be dissolved by August 2022.

## **Boulder Creek Recreation and Park District**

### **1. The District is the largest recreational district in Santa Cruz County.**

Boulder Creek Recreation and Park District was formed in 1959 and serves the unincorporated communities of Boulder Creek and Brookdale through 5 recreational facilities (3 parks and 2 community centers). The District encompasses 6,643 parcels which totals approximately 85,000 acres (133 square miles).

### **2. The District is facing financial constraints.**

Boulder Creek Recreation and Park District has experienced an annual deficit in four of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$93,000 with a fund balance drastically declining over the years. LAFCO believes that this negative trend will continue unless the District increases its revenue or decreases its overall costs to ensure the District has enough funds to cover annual costs.

### **3. The District's current sphere is coterminous with its jurisdictional boundary.**

LAFCO originally adopted a larger-than-district boundary sphere of influence for BCRPD in 1988. During that time, the District expressed interest in expansion. Those efforts never came to fruition so the Commission updated the District's sphere to be coterminous in 2008. A coterminous sphere of influence is identical to the agency's jurisdictional boundary. Since then, the sphere boundary has remained unchanged. LAFCO staff recommends reaffirming the existing sphere boundary.

## **La Selva Beach Recreation District**

### **1. The District is the second largest recreational district in Santa Cruz County.**

La Selva Beach Recreation District was formed in 1959 and serves the unincorporated community of La Selva Beach through 3 recreational facilities (Triangle Park, Robin's Park, and the La Selva Beach Clubhouse). The District also maintains an open space at the entrance of the community near the corner of San Andreas Road and Playa Boulevard as well as a strip of land between Vista Drive and the coastal bluff. LSBRD encompasses 816 parcels which totals approximately 500 acres (0.80 square miles).

### **2. The District is financially stable.**

La Selva Beach Recreation District's financial ability to provide services is well-established. Audited financial statements from Fiscal Years 2014 to 2020 indicate that total revenue for the District exceeded total expenditures on an annual basis, excluding FY 2017-18. As of June 30, 2020, the District is operating with a net position of approximately \$382,000.

### **3. The District's current sphere is coterminous with its jurisdictional boundary.**

LAFCO originally adopted a coterminous sphere of influence for LSBRD in 1990. A coterminous sphere of influence is identical to the agency's jurisdictional boundary. For the past 30 years, the sphere boundary has remained unchanged. LAFCO staff recommends reaffirming the existing sphere boundary.

## **Opal Cliffs Recreation District**

### **1. The District is the smallest recreational district in Santa Cruz County.**

Opal Cliffs Recreation District was formed in 1949 and serves the unincorporated community of Opal Cliffs. OCRD encompasses 440 parcels totaling approximately 67 acres (0.10 square miles). The primary purpose of the District is to operate and maintain one park which contains parking spots, an entrance gate, a coastal viewing area, and a walkway down the cliff to the beach.

### **2. The District is facing significant internal deficiencies.**

Opal Cliffs Recreation District currently does not have a general manager, any staff members, a physical office location, or a legally-required website. LAFCO staff has also identified several statutory violations. In addition, the District has ended with a deficit in three of the last six years. What is more significant is the fact that total revenue has been dramatically decreasing over the years since 2015. LAFCO believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities.

### **3. The District's current sphere of influence is designated as a zero sphere.**

LAFCO originally adopted a zero sphere of influence for OCRD in 1988. A "zero" sphere of influence (encompassing no territory) is adopted by LAFCO when the Commission has determined that the service functions of the affected agency are either: nonexistent, no longer needed, or should be reallocated to some other local government. For over 30 years, the zero sphere designation has indicated that OCRD should be dissolved and service responsibilities be transferred to another local agency, such as the County, through annexation. Therefore, staff is recommending that the Commission reaffirm the zero sphere designation with the condition that the District be dissolved by August 2022.

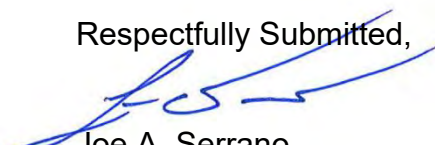
## **Environmental Review**

LAFCO staff has conducted an environmental review for the draft service and sphere review in accordance with the California Environmental Quality Act (CEQA). Staff has determined that the service and sphere review is exempt 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 (Section 15061[b][3]). A Notice of Exemption, as shown in **Attachment 2**, was recorded on June 3, 2021.

## **Agency Coordination and Public Notice**

A hearing notice for this draft service review was published in the July 13th issue of the Santa Cruz Sentinel (**Attachment 3**). An administrative draft of the report was also shared with the Districts' staff. This allowed an opportunity to review LAFCO staff's findings and provide feedback. Since Alba and Opal Cliffs do not have any staff, a draft copy was sent to the Districts' Board President. Based on the analysis shown in the countywide report, coupled with the fact that all four districts reviewed the report's findings, staff is recommending that the Commission adopt the attached resolution (refer to **Attachment 4**) approving the service and sphere review.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. Service and Sphere Review – Administrative Draft
2. Environmental Determination – Categorical Exemption
3. Public Hearing Notice
4. Draft Resolution No. 2021-16

cc: Michael Tapia, Board President, Alba Recreation and Park District  
Hallie Green, General Manager, Boulder Creek Recreation and Park District  
Eden Serrano, General Manager, La Selva Beach Recreation District  
Jenae Replogle, Board President, Opal Cliffs Recreation District



**Local Agency Formation Commission  
of Santa Cruz County**



# **Countywide Park & Recreation Service and Sphere Review:**

- ALBA RECREATION AND PARK DISTRICT
- BOULDER CREEK RECREATION AND PARK DISTRICT
- LA SELVA BEACH RECREATION DISTRICT
- OPAL CLIFFS RECREATION DISTRICT

**Administrative Draft – August 4, 2021**

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# EXECUTIVE SUMMARY

## Introduction

This Service and Sphere of Influence Review provides information about the services and boundaries involving the four park and recreation districts in Santa Cruz County. The report will be used by the Local Agency Formation Commission (LAFCO) to conduct a statutorily required review and update process. The Cortese-Knox-Hertzberg Act requires that LAFCO conduct periodic reviews and updates of Spheres of Influence for all cities and special 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 last service review for the park and recreation districts was adopted on April 6, 2016.

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 the provisions of 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 Districts' existing spheres of influence pursuant to the California Environmental Quality Act (CEQA) and determined that this report is exempt from CEQA. Such 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]).

## Structure of Report

This **Executive Summary** presents a brief overview of the service review, key findings, and recommended actions. The **District Profile** chapters contain individual evaluations for each of the four park and recreation districts - highlighting specific characteristics, ongoing operations, current fiscal health, existing governance structure, ability to provide services, and its importance within its jurisdictional area. The profiles conclude with statutory determinations required for all service and sphere of influence reviews pursuant to the Cortese-Knox-Hertzberg Act. These chapters are followed by **Appendices** with sources used to conduct the service review.

## Park & Recreation District

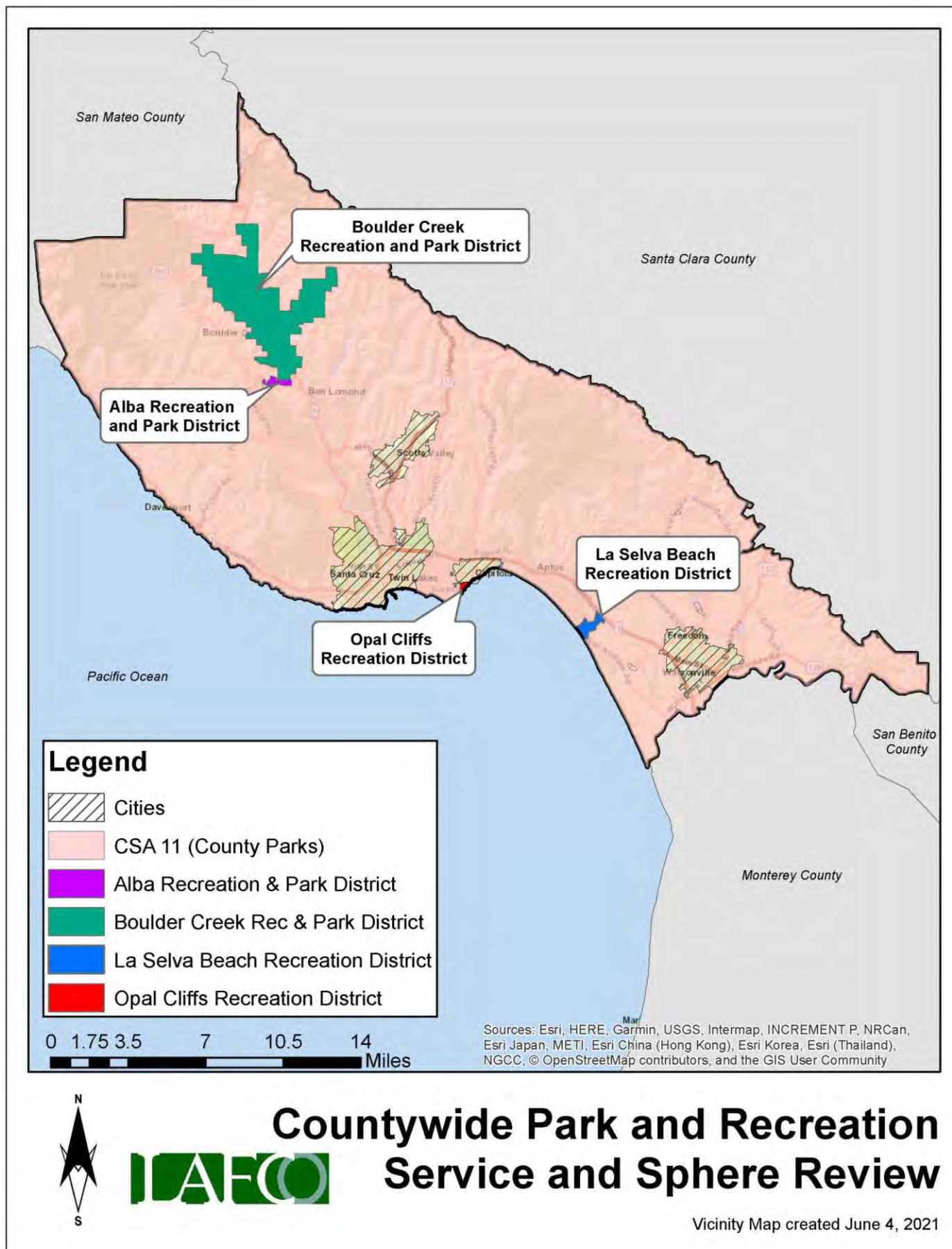
Recreational and park-related services are provided by four independent special districts in Santa Cruz County, as shown below. In accordance with the Commission's Multi-Year Work Program, these four districts will be analyzed in this report. **Figure 1** on page 4 provides an overview map depicting the four subject agencies.

### List of Subject Agencies:

1. Alba Recreation and Park District (referred thereafter as "ARPD")
2. Boulder Creek Recreation and Park District (referred thereafter as "BCRPD")
3. La Selva Beach Recreation and Park District (referred thereafter as "LSBRD")
4. Opal Cliffs Recreation District (referred thereafter as "OCD")



Figure 1: Countywide Vicinity Map



### Other Park & Recreation District

County Service Area 11 (CSA 11) is a dependent special district governed by the County which also provides recreational services to areas outside the 4 districts and the 4 cities. CSA 11 will be discussed in this report but will not be subject to an in-depth analysis since its service and sphere review was adopted in June 2018. All past service and sphere reviews can be accessed on LAFCO's website: <https://www.santacruzlafco.org/reviews/>.

### Recreation and Park District Law

Government Code Section 5780 outlines the statutory requirements and guidelines for all park and recreation districts in California. The Legislature finds and declares that recreation, park, and open-space facilities and services are important to improving and protecting the quality of life for all Californians. The Legislature further finds and declares that the provision of recreation, park, and open-space facilities and services are essential services which are important to the public peace, health, and welfare of California residents. Among the ways in which local communities have provided these facilities and services has been the creation and operation of recreation and park districts.

For at least seven decades, state laws have authorized park and recreation districts to provide recreation programs, local parks, and open spaces. Local officials have used this statutory authority to serve the diversity of California's communities and residents. It is the intent of the Legislature to create and continue a broad statutory authority for a class of special districts that provides community recreation, park, and open-space facilities and recreation services within specified boundaries and under local control. It is also the intent of the Legislature that park and recreation districts cooperate with other public agencies and private organizations to deliver those facilities and services. Further, the Legislature encourages local communities and local officials to adapt the powers and procedures provided by this chapter to meet the diversity of their own local circumstances and responsibilities.

### Growth and Population

The Association of Monterey Bay Area Governments (AMBAG) indicates that the unincorporated areas within Santa Cruz County will experience a slow growth over the next fifteen years. The 2018 AMBAG Regional Growth Forecast Report states that the population in unincorporated territory will grow at a rate of less than 1% every five years. Based on this anticipated growth rate, LAFCO staff calculated the estimated population for each subject agency from 2020 to 2040, as shown in **Table 1**:

**Table 1: Population Estimates**

<b>Park &amp; Recreation Districts</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>	<b>2035</b>	<b>2040</b>
Alba (Size: 205.55 acres)	224	226	228	230	232
Boulder Creek (Size: 84,874 acres)	7,881	7,949	8,017	8,086	8,155
La Selva Beach (Size: 500 acres)	1,641	1,655	1,669	1,683	1,698
Opal Cliffs (Size: 66.54 acres)	702	708	714	720	726
<b>Total</b>	<b>10,448</b>	<b>10,538</b>	<b>10,628</b>	<b>10,719</b>	<b>10,811</b>

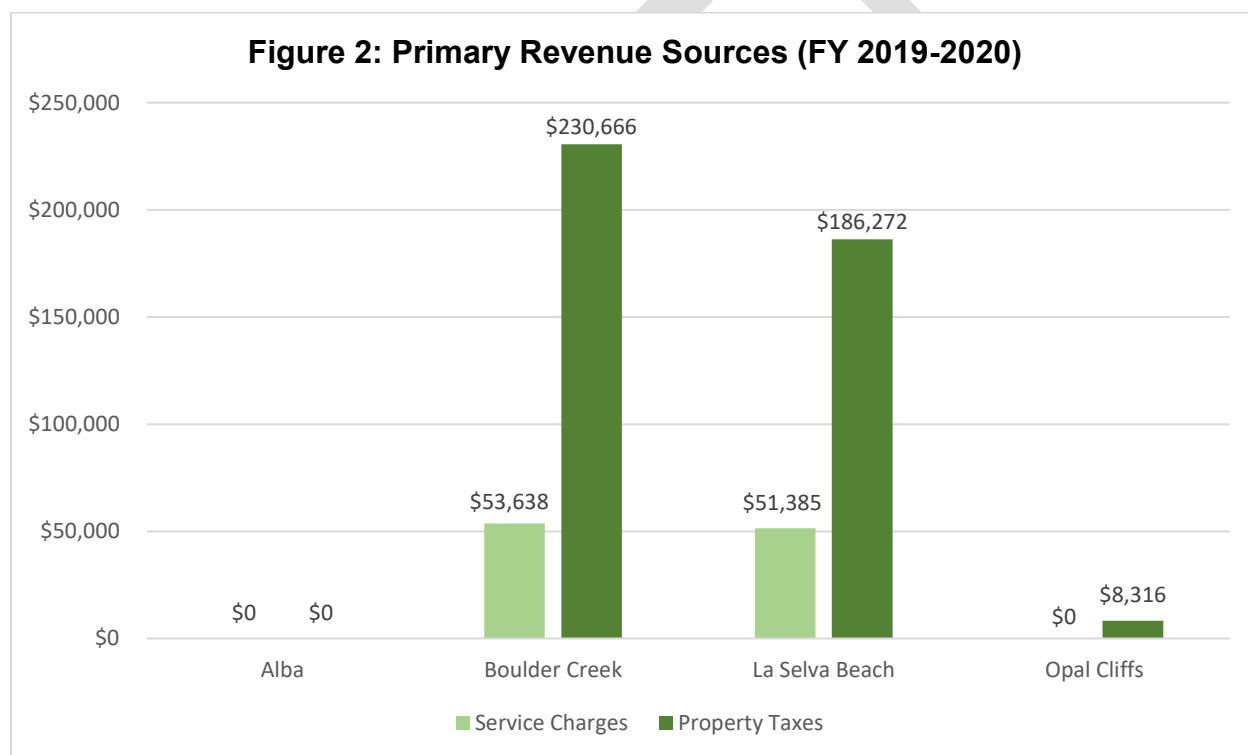
Footnote: Population projections are based on an annual growth of 0.86%

### Funding Source

Recreational services are primarily funded through property taxes and service charges. **Table 2** and **Figure 2** depict these two revenue streams for each district as of June 30, 2020. **Table 3** also highlights whether each district had enough revenue to cover annual expenses during FY 2019-20. A full review of all revenue funds for each district for the past six years is discussed in the ***District Profile Chapters*** within this report.

**Table 2: Primary Revenue Sources (FY 2019-2020)**

Park & Rec Districts	Service Charges	Property Taxes
<b>Alba</b>	\$0	\$0
<b>Boulder Creek</b>	\$53,638	\$230,666
<b>La Selva Beach</b>	\$51,385	\$186,272
<b>Opal Cliffs</b>	\$0	\$8,316



**Table 3: Total Revenue vs. Total Expense (FY 2019-2020)**

Park & Rec Districts	Total Revenue	Total Expense	Surplus/(Deficit)
<b>Alba</b>	\$366.11	\$1,694.90	<b>\$(1,328.79)</b>
<b>Boulder Creek</b>	\$500,135.70	\$516,718.42	<b>\$(16,582.72)</b>
<b>La Selva Beach</b>	\$245,748.05	\$167,349.12	\$78,398.93
<b>Opal Cliffs</b>	\$10,215.65	\$33,679.99	<b>\$(23,464.34)</b>

Footnote: ARPD's current source of revenue is interest from its depleting reserve fund.

## Internal Operations

Pursuant to State law, these four public agencies are independent special districts. Independent special districts obtain their authority directly from the community they serve through a governing body that serves independent from other government agencies, providing the board members with a high degree of autonomy to fulfill the mission of the district. These four districts are directly accountable to the community they serve. The vast majority of independent special districts are governed by a constituent-elected board of directors and operated under the guidance of a general manager and their supporting staff. As independent special districts, they are subject to State laws that apply to local governments as well as financial audits and regulatory compliance of its operations<sup>1</sup>.

**Table 4** provides an overview of each districts' internal operations. A full review of their operations is discussed in the ***District Profile Chapters*** within this report.

**Table 4: Internal Operations Overview**

	Number of Full-Time Employees	Does the District have a website?	Does the District have an office?	Number of Board Meetings in 2020
<b>Alba</b>	0	No	No	0
<b>Boulder Creek</b>	1	Yes	Yes	12
<b>La Selva Beach</b>	1	Yes	Yes	15
<b>Opal Cliffs</b>	0	No	No	3

## **Spheres of Influence**

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
- ❖ An update on a sphere of influence for 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.

<sup>1</sup> Information derived from the California Special Districts Association website: [www.csda.net](http://www.csda.net)



### Sphere Determinations

The spheres of influence for each park and recreation district were originally adopted between 1988 to 1990. Since then, the sphere boundaries have been evaluated twice during the last two rounds of service reviews back in 2008 and 2016. **Table 5** shows the past and proposed sphere determinations for each district.

**Table 5: Sphere Determinations (1988 to 2021)**

<b>Park &amp; Rec Districts</b>	<b>Original Adoption (1988 - 1990)</b>	<b>First Sphere Review (2008)</b>	<b>Second Sphere Review (2016)</b>	<b>Latest Sphere Review (2021)</b>
<b>Alba</b>	Larger than District Boundary	Same as District Boundary	Same as District Boundary	<b>Adopt Zero Sphere</b> (Condition: Dissolution Within a Year)
<b>Boulder Creek</b>	Larger than District Boundary	Same as District Boundary	Same as District Boundary	<b>Reaffirm Current Sphere Boundary</b>
<b>La Selva Beach</b>	Same as District Boundary	Same as District Boundary	Same as District Boundary	<b>Reaffirm Current Sphere Boundary</b>
<b>Opal Cliffs</b>	Zero Sphere	Zero Sphere	Zero Sphere	<b>Reaffirm Zero Sphere</b> (Condition: Dissolution Within a Year)

Our analysis determines that the spheres for BCRPD and LSBRD should be reaffirmed based on their ability to provide services now and in the foreseeable future. However, LAFCO staff is recommending a zero sphere for ARPD and OCRD as a precursor to dissolution. This determination is primarily due to their ongoing deficiencies, such as financial constraints, lack of staffing and facilities, and compliance with statutory requirements. A “zero” sphere of influence indicates that the affected district should be dissolved, and service responsibilities should be transferred to another local agency. Based on staff’s analysis, County Service Area 11 (County Parks) is the most logical service provider of park and recreation services to the Ben Lomond and Opal Cliffs communities. Our analysis further shows that CSA 11 has already been providing services, such as operations, administration and other staffing on behalf of OCRD. It is important to note that residents will continue to receive the same level of service or better as a result of the proposed dissolutions to ARPD and OCRD.

### Dissolution Timeline

If the Commission adopts a zero sphere for both ARPD and OCRD, dissolution should be completed within a year. Either the District Boards or the County should initiate the dissolution and subsequent annexation into CSA 11 by December 2021. The Districts and the County may consider a joint application to streamline the process. If no application is submitted by the December deadline, the Commission should consider initiating dissolution in accordance with Government Code Section 56375(a)(2)(B).

## Key Findings

The following are key findings of the 2021 Countywide Park and Recreation Service and Sphere of Influence Review:

### Alba Recreation and Park District

#### **1. The District is the second smallest recreational district in Santa Cruz County.**

Alba Recreation and Park District was formed in 1954 and serves the unincorporated community of Ben Lomond. ARPD encompasses 48 parcels totaling approximately 206 acres (0.32 square miles). The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility was in operations for over six decades before it was tragically burned down as a result of the CZU Lightning Complex Fire in August 2020.

#### **2. The District is facing financial constraints.**

Alba Recreation and Park District has experienced an annual deficit in three of the last six years. Audited financial statements are not readily available for the public even though it is required by law. As of June 30, 2020, the District is operating with a net position of approximately \$18,000 with no current assets. LAFCO staff projects that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the community.

#### **3. The District requires a new sphere designation.**

Due to the ongoing deficiencies and financial constraints, in conjunction with the joint interest in transferring service responsibilities by the District and County, LAFCO staff recommends adopting a zero sphere. LAFCO may adopt a “zero” sphere (encompassing no territory) for a public agency when the Commission has determined that the service functions of the affected agency are either: nonexistent, no longer needed, or should be reallocated to some other local government. Adoption of a zero sphere indicates ARPD should ultimately be dissolved and service responsibilities be transferred to another local agency, specifically County Service Area 11 (County Parks), through annexation.

### Boulder Creek Recreation and Park District

#### **1. The District is the largest recreational district in Santa Cruz County.**

Boulder Creek Recreation and Park District was formed in 1959 and serves the unincorporated communities of Boulder Creek and Brookdale through 5 recreational facilities (3 parks and 2 community centers). The District encompasses 6,643 parcels which totals approximately 85,000 acres (133 square miles).

#### **2. The District is facing financial constraints.**

Boulder Creek Recreation and Park District has experienced an annual deficit in four of the last six years. As of June 30, 2020, the District is operating with a net position of approximately \$93,000 with a fund balance drastically declining over the years. LAFCO believes that this negative trend will continue unless the District increases its revenue or decreases its overall costs to ensure the District has enough funds to cover annual costs.

### **3. The District's current sphere is coterminous with its jurisdictional boundary.**

LAFCO originally adopted a larger-than-district boundary sphere of influence for BCRPD in 1988. During that time, the District expressed interest in expansion. Those efforts never came to fruition so the Commission updated the District's sphere to be coterminous in 2008. A coterminous sphere of influence is identical to the agency's jurisdictional boundary. Since then, the sphere boundary has remained unchanged. LAFCO staff recommends reaffirming the existing sphere boundary.

## **La Selva Beach Recreation District**

### **1. The District is the second largest recreational district in Santa Cruz County.**

La Selva Beach Recreation District was formed in 1959 and serves the unincorporated community of La Selva Beach through 3 recreational facilities (Triangle Park, Robin's Park, and the La Selva Beach Clubhouse). The District also maintains an open space at the entrance of the community near the corner of San Andreas Road and Playa Boulevard as well as a strip of land between Vista Drive and the coastal bluff. LSBRD encompasses 816 parcels which totals approximately 500 acres (0.80 square miles).

### **2. The District is financially stable.**

La Selva Beach Recreation District's financial ability to provide services is well-established. Audited financial statements from Fiscal Years 2014 to 2020 indicate that total revenue for the District exceeded total expenditures on an annual basis, excluding FY 2017-18. As of June 30, 2020, the District is operating with a net position of approximately \$382,000.

### **3. The District's current sphere is coterminous with its jurisdictional boundary.**

LAFCO originally adopted a coterminous sphere of influence for LSBRD in 1990. A coterminous sphere of influence is identical to the agency's jurisdictional boundary. For the past 30 years, the sphere boundary has remained unchanged. LAFCO staff recommends reaffirming the existing sphere boundary.

## **Opal Cliffs Recreation District**

### **1. The District is the smallest recreational district in Santa Cruz County.**

Opal Cliffs Recreation District was formed in 1949 and serves the unincorporated community of Opal Cliffs. OCRD encompasses 440 parcels totaling approximately 67 acres (0.10 square miles). The primary purpose of the District is to operate and maintain one park which contains parking spots, an entrance gate, a coastal viewing area, and a walkway down the cliff to the beach.

### **2. The District is facing significant internal deficiencies.**

Opal Cliffs Recreation District currently does not have a general manager, any staff members, a physical office location, or a legally-required website. LAFCO staff has also identified several statutory violations. In addition, the District has ended with a deficit in three of the last six years. What is more significant is the fact that total revenue has been dramatically decreasing over the years since 2015. LAFCO believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities.

### **3. The District's current sphere of influence is designated as a zero sphere.**

LAFCO originally adopted a zero sphere of influence for OCRD in 1988. A “zero” sphere of influence (encompassing no territory) is adopted by LAFCO when the Commission has determined that the service functions of the affected agency are either: nonexistent, no longer needed, or should be reallocated to some other local government. For over 30 years, the zero sphere designation has indicated that OCRD should be dissolved and service responsibilities be transferred to another local agency, such as the County, through annexation. Therefore, staff is recommending that the Commission reaffirm the zero sphere designation with the condition that the District be dissolved by August 2022.

## **Recommended Actions**

Based on the analysis and findings in the 2021 Countywide Park and Recreation Service and Sphere of Influence Review, 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 service and 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 four (4) districts, 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. 2021-16) approving the 2021 Countywide Park and Recreation Service and Sphere Review with the following terms and conditions:
  - a. Reaffirm the spheres of influence for the Boulder Creek Recreation and Park District and the La Selva Beach Recreation District;
  - b. Adopt a zero sphere of influence for the Alba Recreation and Park District and the Opal Cliffs Recreation District for dissolution by August 2022;
  - c. Require the affected District Board or the County to initiate the dissolution of Alba Recreation and Park District and Opal Cliffs Recreation District by December 2021. If neither affected party initiates, then the Commission should consider initiating dissolution in accordance with Government Code Section 56375(a)(2)(B); and
  - d. Direct the Executive Officer to distribute a copy of the adopted service and sphere review to the four park and recreation districts and any other interested or affected parties, including but not limited to the County of Santa Cruz.

# ALBA RECREATION AND PARK DISTRICT

## District Overview

Alba Recreation and Park District (ARPD) was formed in 1954. As one of the smallest park and recreation districts in California, ARPD encompasses 48 parcels totaling approximately 206 acres (0.32 square miles). The District serves the unincorporated community of Ben Lomond. The County's General Plan designates the vast majority of this area as Mountain Residential with a small portion zoned as Existing Parks & Recreation. The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility, known as the "Little Red Schoolhouse," was in operations for over six decades before it was tragically burned down as a result of the CZU Lightning Complex Fire (CZU Fire) in August 2020. **Figure 3**, on page 13, is a vicinity map depicting ARPD's current jurisdictional and sphere boundaries. **Figure 4**, on page 14, shows the land use designations within ARPD.

## History & Background

In 1894, D.R. Guichard, a resident of Alba Road (known then as "Stoddard Road") made County Superintendent John W. Linscott a proposition: A chicken dinner, if he would walk from the Ben Lomond School on Newell Creek, all the way to the Guichard residence, two miles up the mountain. This was the route children (Guichard had seven) had to take to attend the nearest school. Superintendent Linscott did not end up making it on foot; he took a horse and buggy. Mr. Guichard still fed him the chicken dinner though, because the point had been made: A closer school was needed. The Alba District was formed, named after the youngest daughter of long time local resident Joseph Rossi. The structure itself was barn-raised by the community. Alba Rossi, born in 1888, was one of the first children to attend. By 1933, with more people moving into the area, it was decided to expand the Alba Schoolhouse. In March of 1934, the one-room Sequoia School on China Grade in Boulder Creek, which had been closed for ten years, was taken apart board-by-board and reassembled onto the rear of the Alba structure. A deck was later added. In 1940, the Alba School House ceased to function as a school. In 1954, the Alba Recreation and Park District was formed to maintain the facility, which also became a remote branch of the Santa Cruz Public Library System until 2007.

## Little Red Alba Schoolhouse

The Little Red Alba Schoolhouse was an iconic historical structure on the flank of Ben Lomond Mountain, high in the redwoods of Santa Cruz County. Originally built in 1895, it was the last remaining one-room schoolhouse in the county still in its original location, original configuration. Prior to the CZU Fire, it was primarily used as a community center for local gatherings and learnings. **Figure 5**, on page 15, shows the Alba Schoolhouse from the late-1800s to the late-2000s.

The interior capacity of the meeting room ranged from 20 people seated at tables, to 50 people standing at a mixer. The rental rate for the hall was \$25 per hour. The schoolhouse property is owned by the San Lorenzo Valley School District. The District leased the property until May 2028. The rate of \$1 per year was prepaid when the lease was executed on May 6, 2003. There are currently efforts to rebuild the schoolhouse but it is unknown if and when that will occur.



**Figure 3: Alba Recreation and Park District's Service & Sphere Boundaries**

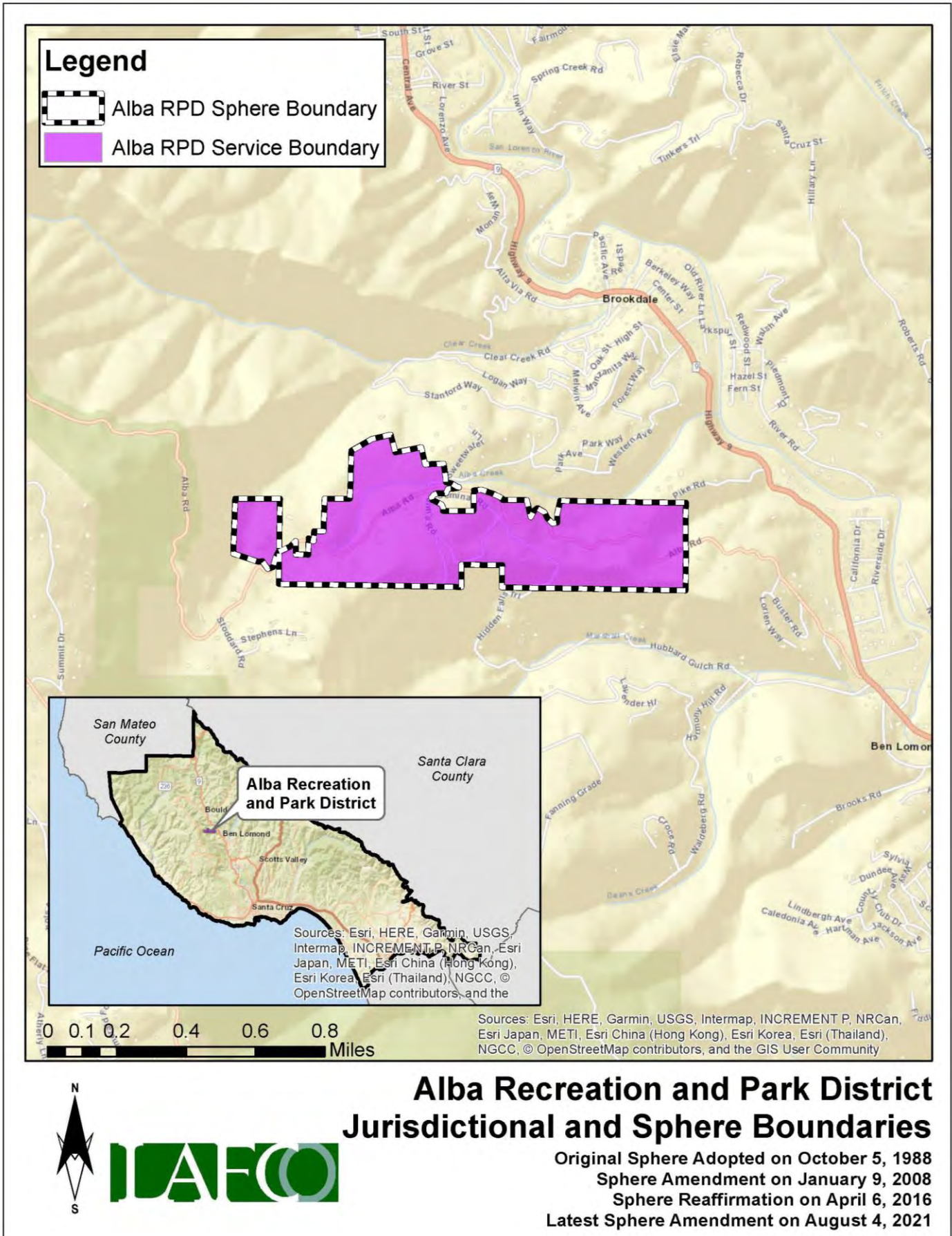
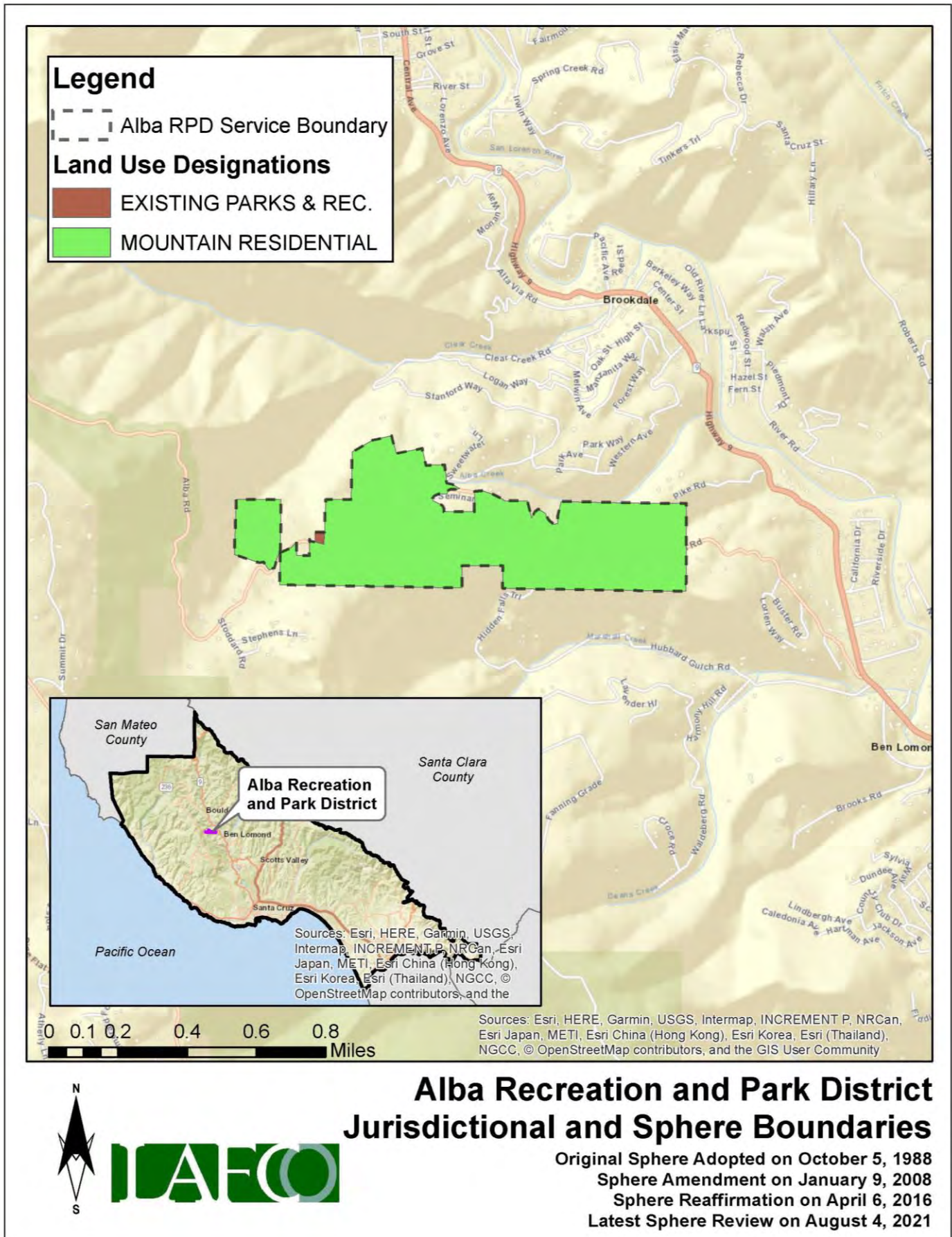




Figure 4: County General Plan's Land Use Designations





**Figure 3: Little Red Alba Schoolhouse (Late-1800s to Late-2000s)**





## Population & Growth

Based on staff's analysis, the population of ARPD in 2020 was approximately 224. 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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 6** shows the anticipated population within ARPD.

### Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for ARPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of ARPD will be approximately 232 by 2040.

**Table 6: Projected Population**

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
<b>Alba Recreation and Park District</b>	<b>224</b>	<b>226</b>	<b>228</b>	<b>230</b>	<b>232</b>	<b>0.86%</b>

*Source: AMBAG 2018 Regional Growth Forecast*

## Services & Operations

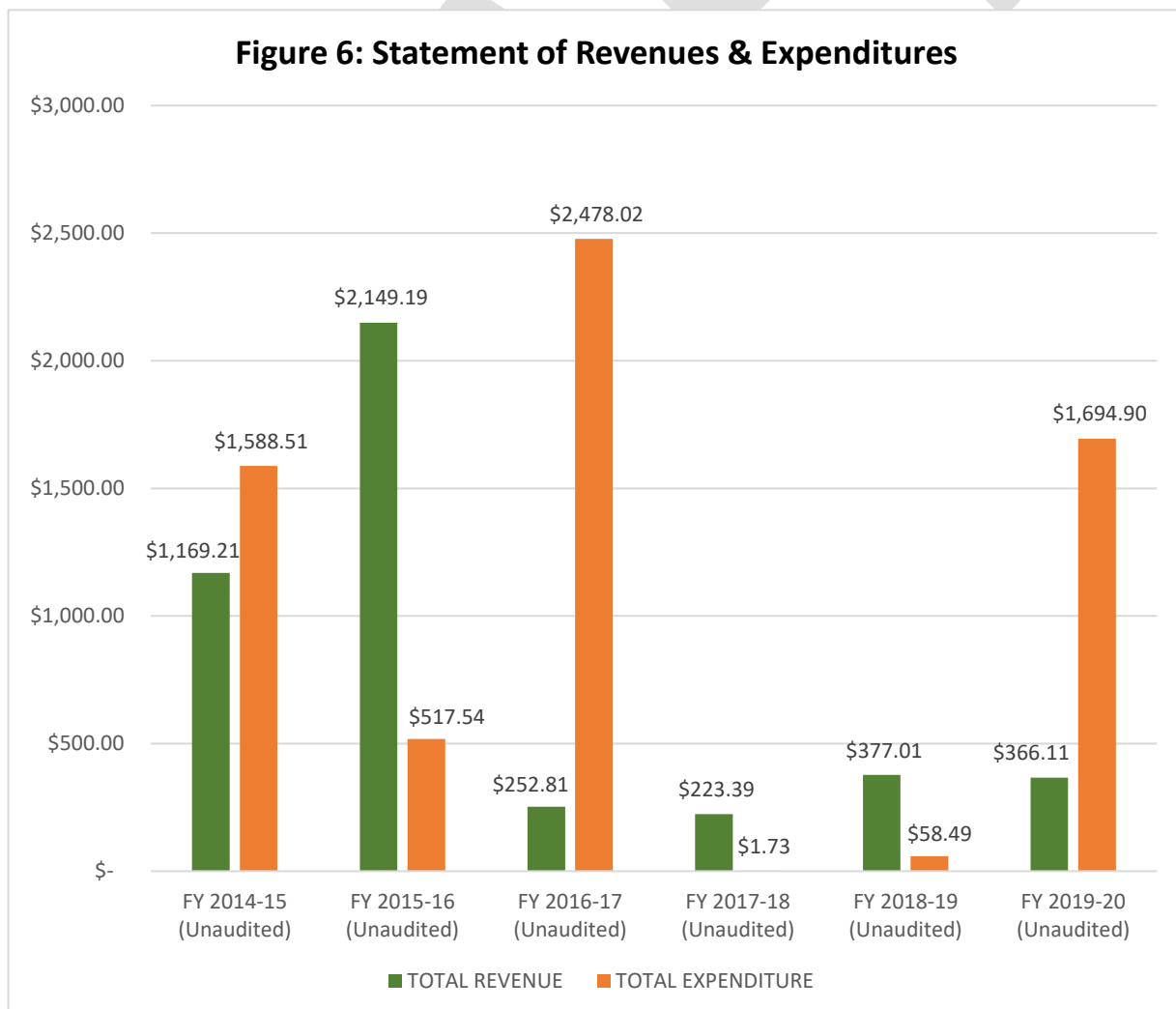
The primary purpose of ARPD was to maintain the former Alba School as a library and community center. The District had a lease on the facility until May 2028 with the property owner (San Lorenzo Valley School District). As previously mentioned, the school was destroyed due to the CZU Fire in August 2020. Since then, the District has not been providing any services or been operating as a public agency. The CZU Fire relocated many residents, including ARPD's volunteers and board members. At present, the District has no employees, no facility, and only 2 elected board members still living in the area. No business has been conducted since August 2020.



## Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). Based on staff's research, LAFCO has not received a report or copy of the District's audits in the last six years. In addition, the audits were not available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). Therefore, LAFCO staff completed an internal investigation to complete this financial analysis. This section will highlight ARPD's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated ARPD's financial health from FY 2014-15 to FY 2019-20. A comprehensive analysis of the District's financial performance during the past six years is shown on page 20.

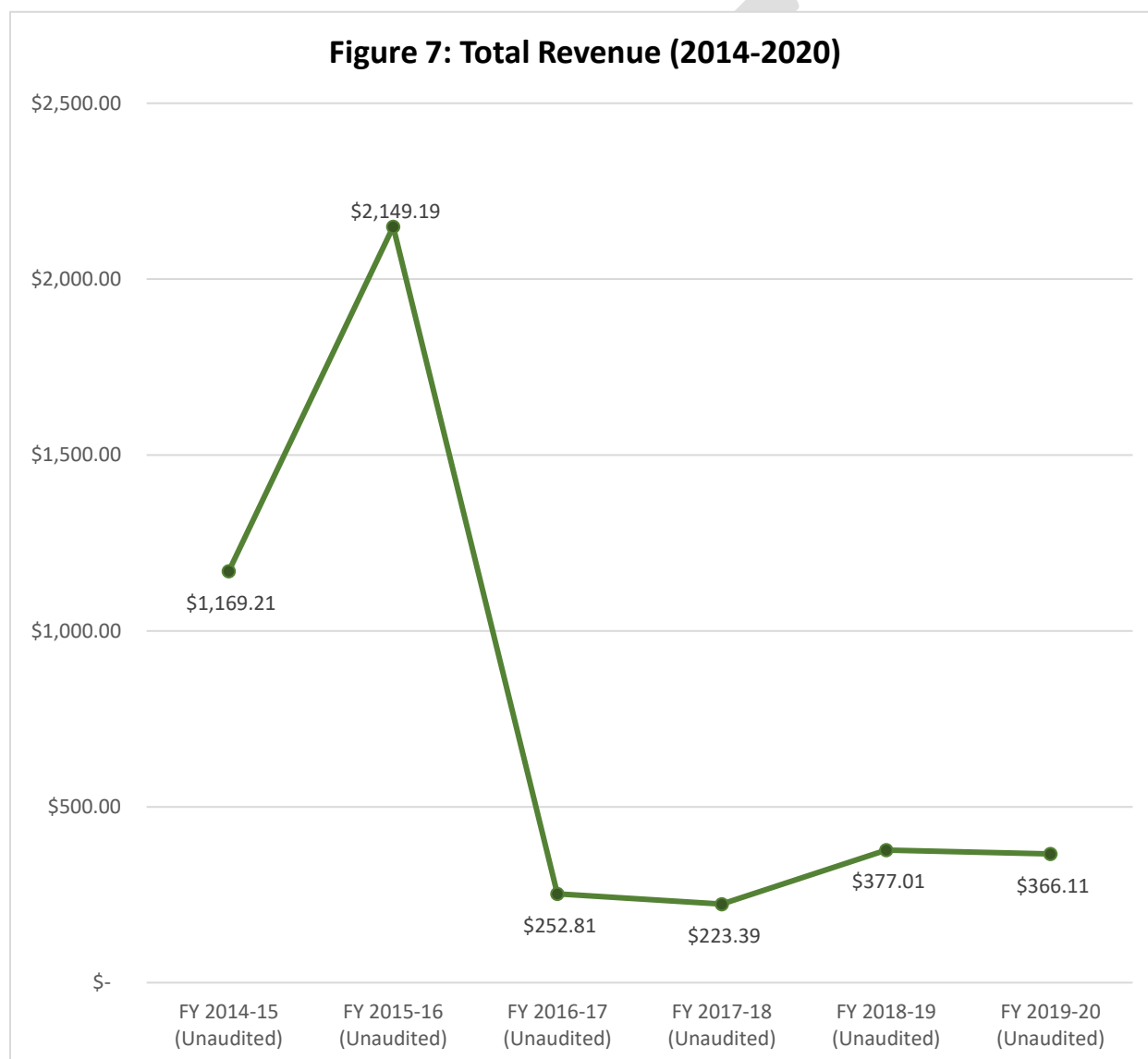
At the end of FY 2019-20, total revenue collected was approximately \$366, representing a 3% decrease from the previous year (\$377 in FY 2018-19). Total expense for FY 2019-20 was approximately \$1,700, which increased from the previous year by 3000% (\$58 in FY 2018-19). The District has ended with a deficit in three of the last six years, as shown in **Figure 6**. LAFCO believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the community.



## District Revenues

ARPD's only source of revenue since 2017 has been interest from its limited reserve fund. Historically, the District has had three revenue streams: Interest, Charges for Services, and Donations. **Figure 7** below highlights the downward trend in total revenue received during the last six years.

Based on LAFCO staff's analysis, total revenue has only averaged about \$300 since 2016. What is more significant is the fact that Charges for Services, which is typically the primary source of revenue for a special district, has been nonexistent in the last three years. FY 2016-17 was the last year in which the District received funds from Charges for Services – and those funds only totaled \$100 that year.

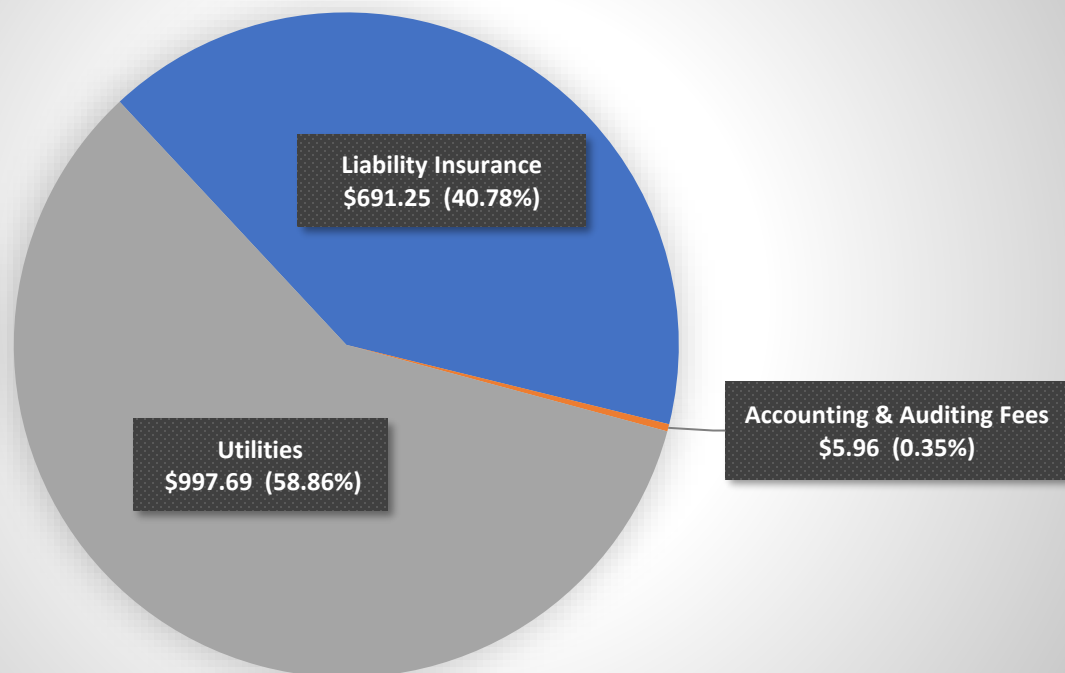


*Footnote: Rent and Concessions dropped to zero after FY 2015-16.*

## District Expenditures

ARPD's total expenditures can be categorized into 3 budgetary groups: Utilities, Liability Insurance, and Accounting & Auditing Fees. **Figure 8** below distinguishes the cost and percentage per category. As shown below, Utility Costs are the highest expenditure during FY 2019-20.

**Figure 8: Expenditure Breakdown (FY 2019-20)**



## Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$18,000. The fund balance has been declining moderately on an annual basis since 2016, as shown in **Table 7**. The overall financial performance of ARPD during the last six years can be found in **Table 8** on page 20.

**Table 7: Fund Balance/Net Position**

	FY 14-15 (Unaudited)	FY 15-16 (Unaudited)	FY 16-17 (Unaudited)	FY 17-18 (Unaudited)	FY 18-19 (Unaudited)	FY 19-20 (Unaudited)
<b>Net Position (Ending Balance)</b>	<b>\$18,126</b>	<b>\$19,757</b>	<b>\$18,459</b>	<b>\$18,681</b>	<b>\$18,999</b>	<b>\$17,670</b>
Change in (\$) from previous year		\$1,631.65	-\$1,298	\$222	\$319	-\$1,329
Change in (%) from previous year		9%	-7%	1%	2%	-7%

**Table 8: Total Revenues & Expenditures**

<b>ALBA PARK AND RECREATION DISTRICT</b>						
	<b>FY 2014-15 (UnAudited)</b>	<b>FY 2015-16 (UnAudited)</b>	<b>FY 2016-17 (UnAudited)</b>	<b>FY 2017-18 (UnAudited)</b>	<b>FY 2018-19 (UnAudited)</b>	<b>FY 2019-20 (UnAudited)</b>
<b>REVENUE</b>						
Interest	\$ 86.21	\$ 126.19	\$ 152.81	\$ 223.39	\$ 377.01	\$ 366.11
Charges for Services (Rents & Concessions)	\$ 810.00	\$ 1,020.00	\$ 100.00	\$ -	\$ -	\$ -
Contribution & Donations	\$ 273.00	\$ 1,003.00	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUE</b>	<b><u>\$ 1,169.21</u></b>	<b><u>\$ 2,149.19</u></b>	<b><u>\$ 252.81</u></b>	<b><u>\$ 223.39</u></b>	<b><u>\$ 377.01</u></b>	<b><u>\$ 366.11</u></b>
<b>EXPENDITURE</b>						
Liability Insurance	\$ 1,146.00	\$ (20.00)	\$ 563.00	\$ -	\$ -	\$ 691.25
Maintenance - Building & Improvements	\$ -	\$ -	\$ 1,712.00	\$ -	\$ -	\$ -
Accounting & Auditing Fees	\$ 45.27	\$ 28.55	\$ 3.02	\$ -	\$ -	\$ 5.96
Special Departmental Expense	\$ -	\$ 79.03	\$ -	\$ 1.73	\$ -	\$ -
Utilities	\$ 397.24	\$ 429.96	\$ 200.00	\$ -	\$ 58.49	\$ 997.69
<b>TOTAL EXPENDITURE</b>	<b><u>\$ 1,588.51</u></b>	<b><u>\$ 517.54</u></b>	<b><u>\$ 2,478.02</u></b>	<b><u>\$ 1.73</u></b>	<b><u>\$ 58.49</u></b>	<b><u>\$ 1,694.90</u></b>
<b>Surplus/(Deficit)</b>	<b>\$ (419.30)</b>	<b>\$ 1,631.65</b>	<b>\$ (2,225.21)</b>	<b>\$ 221.66</b>	<b>\$ 318.52</b>	<b>\$ (1,328.79)</b>
<b>NET POSITION</b>						
<b>Ending Balance</b>	<b><u>\$ 18,125.60</u></b>	<b><u>\$ 19,757.25</u></b>	<b><u>\$ 18,459.02</u></b>	<b><u>\$18,680.68</u></b>	<b><u>\$18,999.20</u></b>	<b><u>\$ 17,670.41</u></b>
Change (\$)		\$ 1,631.65	\$ (1,298.23)	\$ 221.66	\$ 318.52	\$ (1,328.79)
Change (%)		9%	-7%	1%	2%	-7%

## Governance

The Alba Recreation and Park District is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 9** shows the current board members for Alba Recreation and Park District.

**Table 9: Board of Directors**

Board Member	Title	Term of Office Expiration
<i>Margaret Greenwall</i> (Seat is Currently Vacant)	Board Member	First Appointed: September 2004 Next Election: General 2021
<i>Jeremy Schowalter</i> (Seat is Currently Vacant)	Board Member	First Appointed: November 2019 Next Election: General 2023
Michael T. Tapia	President	First Appointed: March 2017 Next Election: General 2021
Bridget Tapia	Vice-President	First Appointed: March 2017 Next Election: General 2021
<i>Danny Thorpe</i> (Seat is Currently Vacant)	Board Member	First Appointed: May 2010 Next Election: General 2023

*Footnote: 3 out of 5 directors are no longer on the ARPD Board*

## Public Meetings

Prior to the CZU Fire, the Board of Directors would typically meet on the first Tuesday of each month at 6:30 p.m. Meetings were held at the Alba Schoolhouse at 12070 Alba Road, Ben Lomond, CA 95005. Based on LAFCO staff's analysis, ARPD did not conduct a single public hearing in 2020. In addition, it is our understanding that three board members are no longer seated on the District Board. Only Mr. and Mrs. Tapia represent the entire independent special district.

## 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. It outlines minimum website data requirements, including contact information, financial reports, and meeting agendas/minutes. ARPD does not have an official website. There is a website dedicated to the Alba Schoolhouse but that does not provide any district information, nor does it comply with the statutory requirements for ARPD as an independent special district.

## Opportunities & Challenges

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Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

### Governance Structure Options

District President Michael Tapia has expressed interest in transferring over service responsibilities to another public agency, such as the County of Santa Cruz, which may be able to serve the community more efficiently. LAFCO staff sees value in local agencies collaborating and exploring opportunities to improve delivery of municipal services. Representatives of County Service Area 11 (County Parks) have expressed support in assuming responsibilities within the community.

It is important to note that the State Controller's Office is now required to identify "inactive districts" in accordance with Government Code Section 56879. LAFCO staff believes that ARPD will qualify as an inactive district in the near future, which would require mandatory dissolution. Therefore, it would be beneficial for ARPD and the County to consider and initiate the dissolution of ARPD by December 2021 under their own terms rather than mandatory direction from the State. If no application is submitted by the December deadline, the Commission should consider initiating dissolution in accordance with Government Code Section 56375(a)(2)(B).

### Sphere of Influence

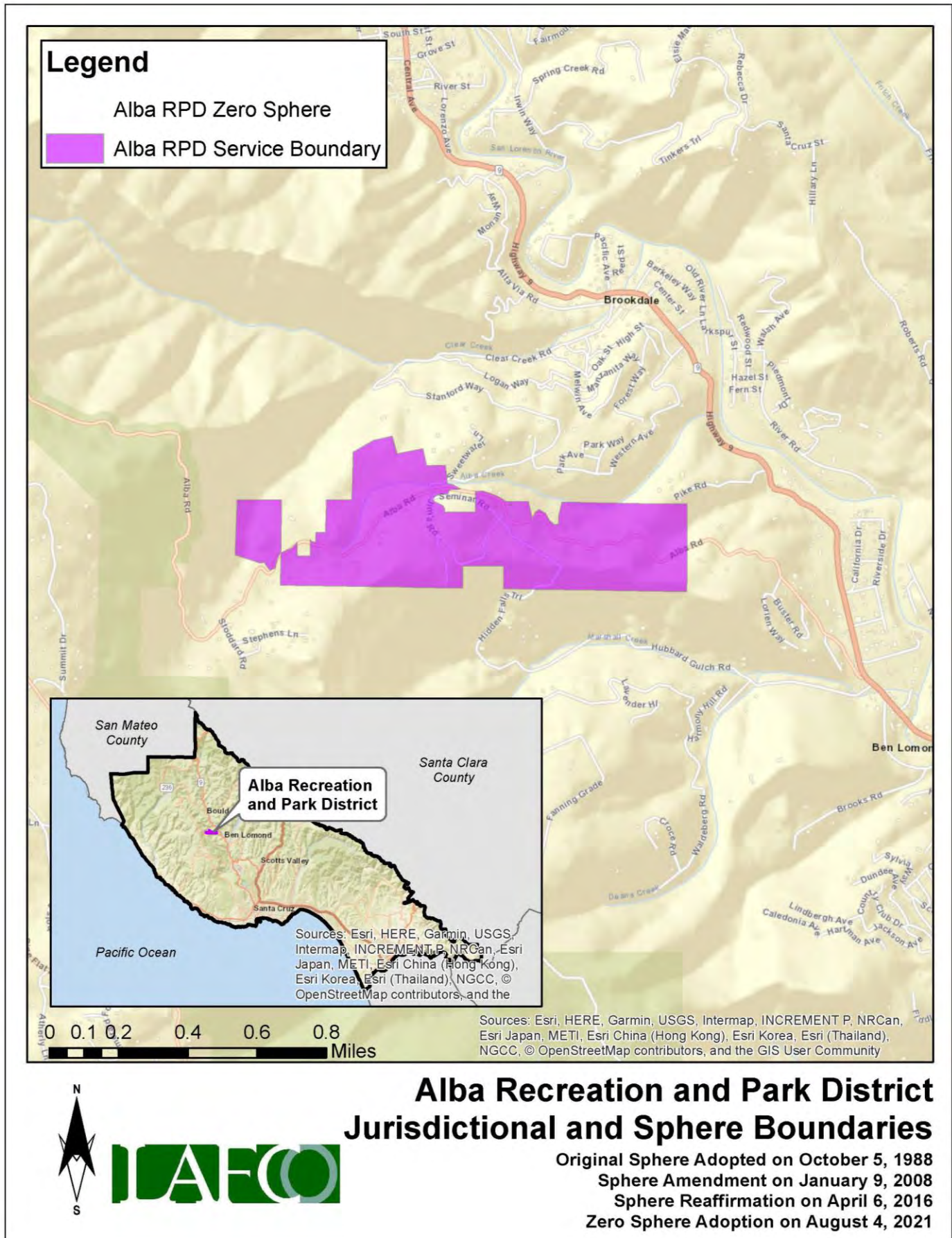
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Santa Cruz LAFCO adopted ARPD's first sphere on October 5, 1988. **Appendix A** provides a copy of the 1988 resolution that implemented the first sphere of influence for ARPD. The current sphere is coterminous with the District's jurisdictional boundary. The last sphere review occurred in April 2016 during the last service and sphere review cycle. **Figure 3** on page 13 shows the current sphere boundary.

Due to the ongoing deficiencies and financial constraints, in conjunction with the joint interest in transferring service responsibilities by the District and County, LAFCO staff recommends adopting a zero sphere for ARPD. LAFCO may adopt a "zero" sphere (encompassing no territory) for a public agency when the Commission has determined that the service functions of the affected agency are either: nonexistent, no longer needed, or should be reallocated to some other local government. The adoption of a zero sphere indicates ARPD should ultimately be dissolved and service responsibilities be transferred to another local agency. **Figure 9**, on page 23, shows the proposed sphere of influence boundary for ARPD.



**Figure 9: Proposed Zero Sphere of Influence (Precursor to Dissolution)**





## District Summary

Alba Recreation and Park District	
<b>Formation</b>	Public Resources Code, Division 5 (Parks and Monuments), Chapter 4 (Recreation and Park Districts); Section 5780
<b>Board of Directors</b>	5 members, elected at-large to four-year terms (only 2 directors are currently seated on the District Board)
<b>Contact Person</b>	No General Manager
<b>Employees</b>	0 Full-Time Employees
<b>Facilities</b>	0 Facilities (Alba Schoolhouse burned down in August 2020)
<b>District Area</b>	206 acres (0.32 square miles)
<b>Sphere of Influence</b>	<p>Current sphere of influence is coterminous with the District's jurisdictional boundary.</p> <p><b>Proposed Designation:</b> Zero Sphere of Influence. A zero sphere indicates that the District should be dissolved. Park and recreational services would be taken over by another public agency, such as the County.</p>
<b>FY 2019-20 Budget</b>	<p>Total Revenue = \$366.11</p> <p>Total Expenditure = \$1,694.90</p> <p>Projected Net Position (Beginning Balance) = \$17,670</p>
<b>Contact Information</b>	<p>Mailing Address: No District Mailing Address</p> <p>Phone Number: No District Phone Number</p> <p>Email Address: No District Email Address</p> <p>Website: No Official District Website</p>
<b>Public Meetings</b>	Meetings are typically held on the first Tuesday of each month at 6:30 p.m.
<b>Mission Statement</b>	None

## **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.**

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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of ARPD will be approximately 232 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

ARPD was formed in 1954. The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility was in operations for over six decades before it was burned down as a result of the CZU Fire in August 2020. It is unknown if the facility will be rebuilt.

**4. Financial ability of agencies to provide services.**

The District has ended with a deficit in three of the last six years. LAFCO staff believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the community or internal improvements are established immediately.

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

Representatives from the District and County have expressed interest in dissolving ARPD and subsequently annexing the area into CSA 11. This will ensure that the Alba community continues to receive recreational services from an existing public agency.

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

Due to the devastating CZU Fire, coupled with various operational issues, the District should be dissolved, and service responsibilities should be assumed by the County.

**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 and sphere 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 District is located in unincorporated county territory. The County's General Plan designates the vast majority of this area as Mountain Residential.

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

Due to the District's ongoing financial constraints, in conjunction with ARPD's interest in transferring service responsibilities to another local agency, LAFCO staff recommends adopting a zero sphere as a precursor to dissolution.

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

The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility was in operations for over six decades before it was burned down as a result of the CZU Fire in August 2020. It is unknown if the facility will be rebuilt.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

# BOULDER CREEK RECREATION AND PARK DISTRICT

## District Overview

Boulder Creek Recreation and Park District (BCRPD) was formed in 1959. The purpose of the District is to serve the unincorporated communities of Boulder Creek and Brookdale through 5 recreational facilities (3 parks and 2 community centers). BCRPD encompasses 6,643 parcels which totals approximately 85,000 acres (133 square miles). This District is the largest park recreation district in Santa Cruz County when compared with the other three districts (Alba, La Selva Beach, and Opal Cliffs). The only larger district that provides park and recreational services in Santa Cruz County is CSA 11, which is a dependent special district operated by the County Public Works Department.

The area contains various land use designations pursuant to the County's General Plan ranging from rural, mountain and suburban residential to open space, agriculture, and public facilities. **Figure 10**, on page 28, is a vicinity map depicting BCRPD's current jurisdictional and sphere boundaries. **Figure 11**, on page 29, shows the land use designations within BCRPD.

## Population & Growth

Based on staff's analysis, the population of BCRPD in 2020 was approximately 7,900. 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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 10** shows the anticipated population within BCRPD.

### Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for BCRPD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of BCRPD will be approximately 8,200 by 2040.

**Table 10: Projected Population**

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
<b>Boulder Creek Rec and Park District</b>	<b>7,881</b>	<b>7,949</b>	<b>8,017</b>	<b>8,086</b>	<b>8,155</b>	<b>0.86%</b>

Source: AMBAG 2018 Regional Growth Forecast



Figure 10: Boulder Creek Rec and Park District's Service & Sphere Boundaries

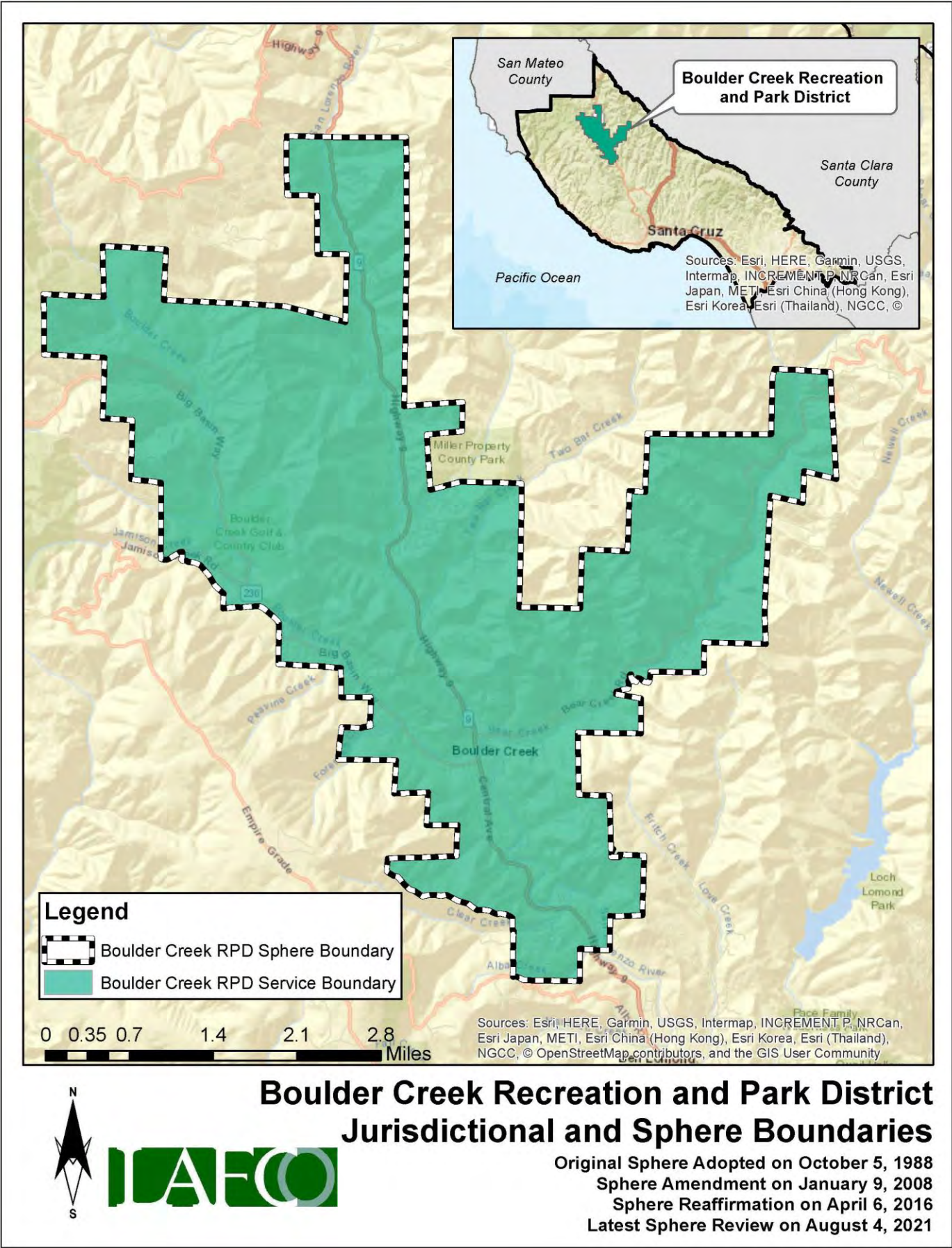
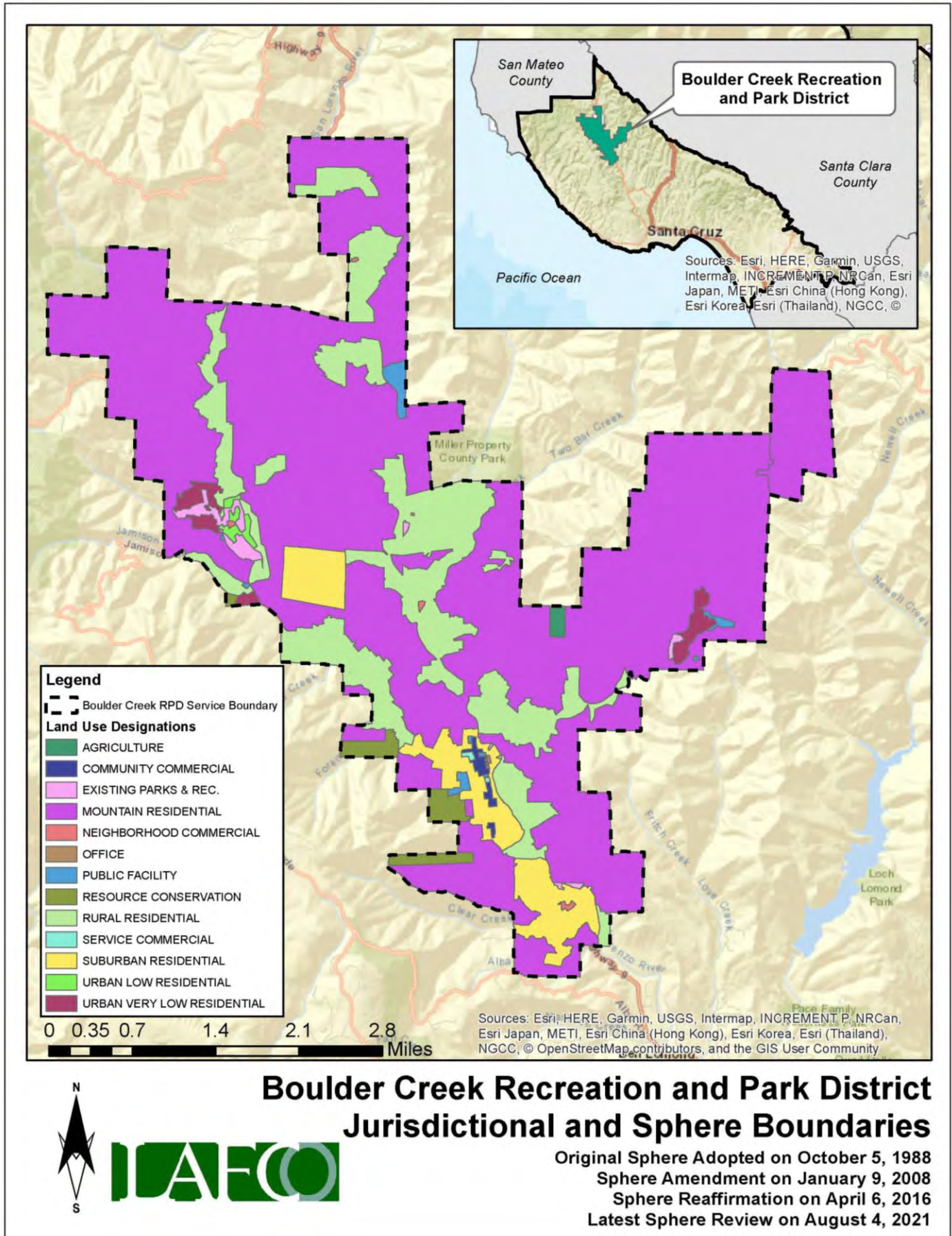




Figure 11: County General Plan's Land Use Designations



## Services & Operations

BCRPD offers a variety of classes and events that require a varied level of fees and costs. This allows the District to make their programs accessible to more community members to participate. Classes are set up as fee-based or District-sponsored. Fall and winter months see a larger number of visitors at the Recreation Center. On average, there is about 2,500 that visit each month to participate in one of their programs and events. In the summer months, there is an increase in park usage and park rentals. In total, BCRPD operates 5 facilities within its jurisdictional boundary. **Table 11** provides an overview of each facility.

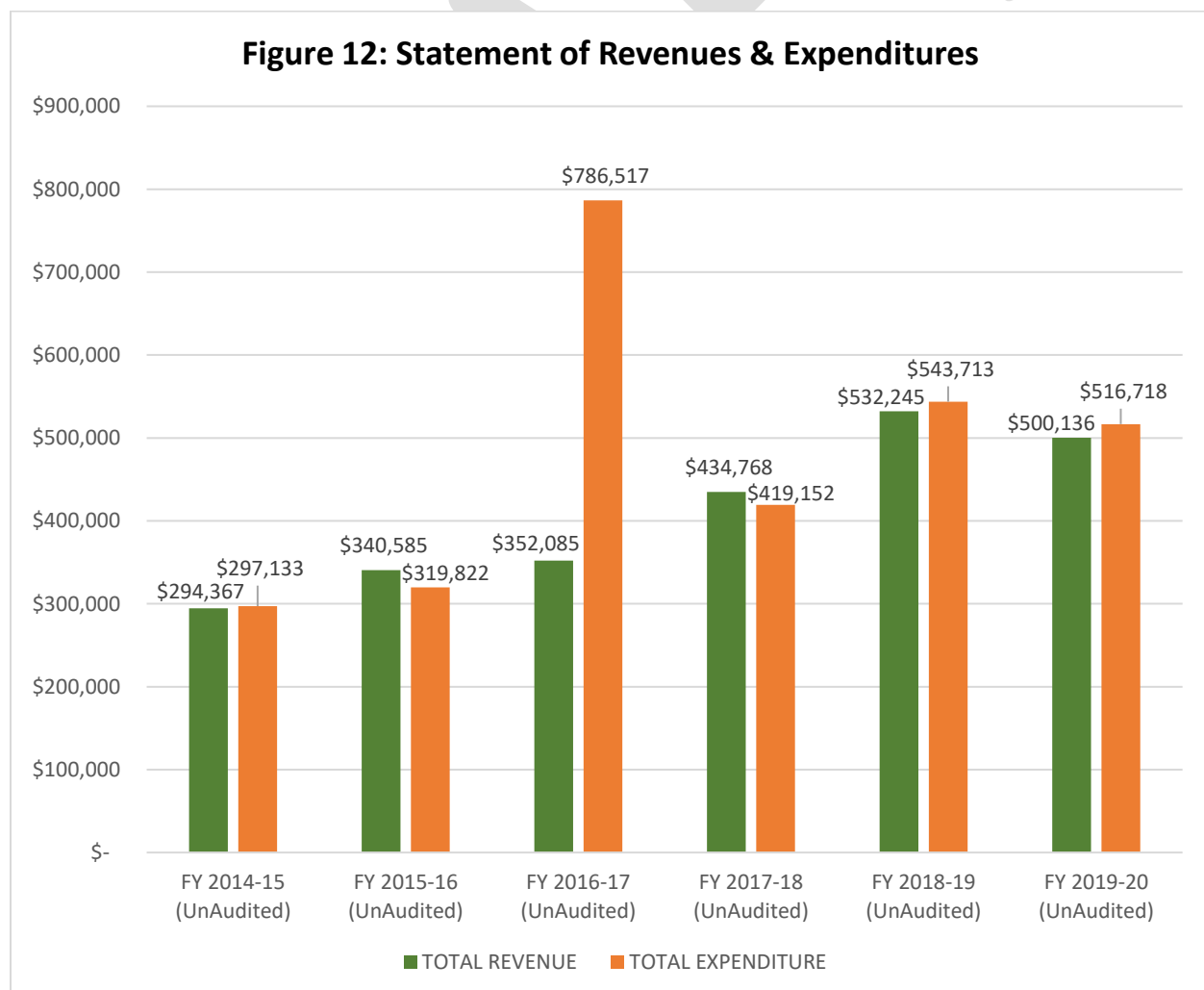
**Table 11: BCRPD Facilities**

Facility	Location	Services	Costs
<b>Barbara Day Park</b>	15520 CA-9, Boulder Creek, CA 95006	Includes picnic facilities and walking trails. Currently undergoing some renovations.	N/A
<b>Boulder Creek Community Center</b> (Downtown Office)	13333 Middleton Avenue, Boulder Creek, CA 95006	Includes recreational hall, kitchen, gym, and playground.	<b>Entire Rec Center Facility</b> (\$55 per hour, plus \$55 Cleaning Fee)  <b>Rec Gym Only</b> (\$38 per hour, plus \$40 Cleaning Fee)  <b>Rec Center Classroom/Kitchen</b> (\$23 per hour, plus \$30 Cleaning Fee)  <b>Rec Center Stage Only</b> (\$23 per hour, plus \$30 Cleaning Fee)
<b>Garrahan Park</b>	15520 CA-9, Boulder Creek, CA 95006	Includes walking track, soccer field, play structures, gazebo area, benches, and BBQ. Park rentals are required for parties and events.	<b>BBQ Only</b> (\$10 per hour)  <b>1 Gazebo 2 Picnic Tables</b> (\$15/\$18 per hour)  <b>Gazebo A&amp;B 4 Picnic Tables</b> (\$25/\$28 per hour)
<b>Junction Park</b>	13264 Middleton Ave #9463, Boulder Creek, CA 95006	Includes a beach, convenient access to the river, a grassy area for games and/or relaxing, and picnic facilities	<b>BBQ Only</b> (\$15/\$18 per hour)  <b>Pavillion Rental</b> (\$15/\$18 per hour)
<b>Bear Creek Community Center</b> (Bear Creek Office)	15685 Forest Hill Drive, Boulder Creek, CA 95006	Includes community pool, swimming lessons and water fitness also available.  Pool party rentals are available – fees vary. \$300 party rental, cleaning fee (\$50), and alcohol permits ranging from \$50-125 based on guest amount.	<b>Summer Pass</b> (June-September: \$90 Single Pass with \$15 Registration Fee)  <b>Adults</b> (\$10 for Drop In; \$5/hour swim)  <b>Kids 2 Years Old and Under</b> (Free)

## Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). Based on staff's research, LAFCO has not received a report or copy of the District's audits in the last six years. In addition, the audits were not available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). Therefore, LAFCO staff completed an internal investigation to complete this financial analysis. This section will highlight BCRPD's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated BCRPD's financial health from FY 2014-15 to FY 2019-20. A comprehensive analysis of the District's financial performance during the past six years is shown on page 35.

At the end of FY 2019-20, total revenue collected was approximately \$500,000, representing a 6% decrease from the previous year (\$532,245 in FY 2018-19). Total expense for FY 2019-20 was approximately \$517,000, which decreased from the previous year by 5% (\$543,700 in FY 2018-19). The District has ended with a deficit in four of the last six years, as shown in **Figure 12**. LAFCO believes that this negative trend will continue unless the District increases its revenue or decrease its overall costs to ensure the District has enough funds to cover annual expenses.

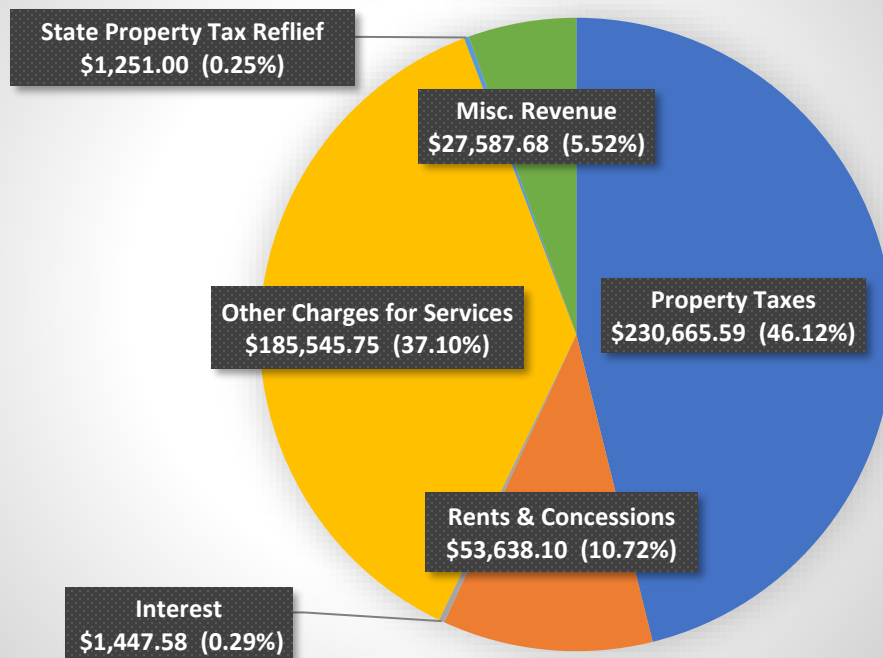




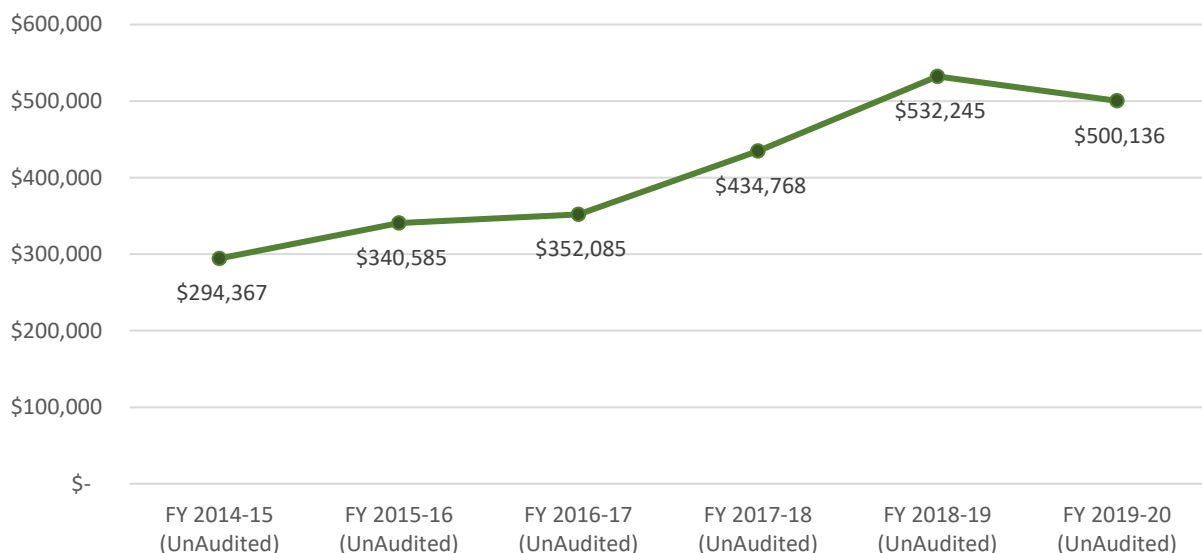
## District Revenues

BCRPD's primary source of revenue is from Property Taxes. In FY 2019-20, Property Taxes (approximately \$231,000) represented approximately 46% of the District's entire revenue stream. Other revenue sources include Other Charges for Services (37%), Rents & Concessions (11%), Miscellaneous Revenue (5.5%), Interest (less than 1%), and State Homeowners' Property Tax Relief (less than 1%). **Figure 13** shows a breakdown of each revenue source received in FY 2019-20. **Figure 14** shows the total revenue received during the last six years. As the figure shows, total revenue has increased over the years. Total revenue has more than doubled when comparing 2014 and 2020 data.

**Figure 13: Total Revenue (FY 2019-20)**



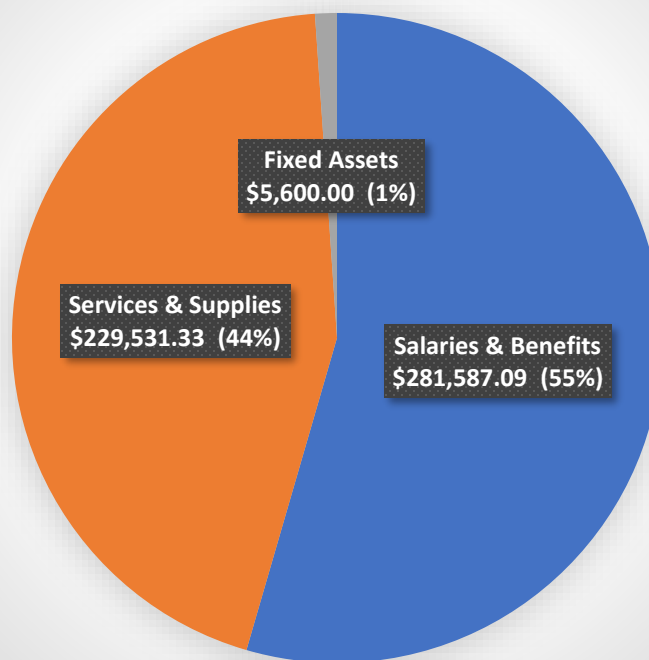
**Figure 14: Total Revenue (2014-2020)**



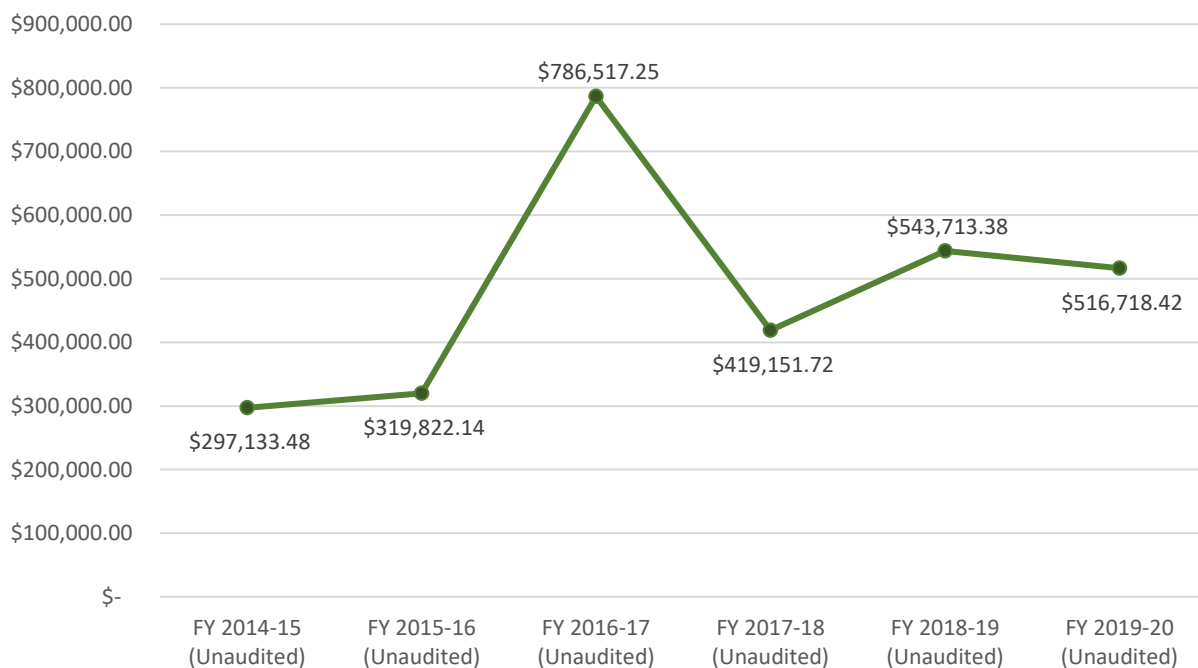
## District Expenditures

BCRPD's total expenditures can be categorized into 3 budgetary groups: Salaries & Benefits, Services & Supplies, and Fixed Assets. **Figure 15** below distinguishes the cost and percentage per category. As shown below, Salaries & Benefits is the primary budgetary expense for the District, which is common for public agencies. **Figure 16** shows the total expenditure fluctuation over the last six years. It is important to note that the District has seen a decline in total expenses since FY 2016-17.

**Figure 15: Expenditure Breakdown (FY 2019-20)**



**Figure 16: Total Expenditure (2014-2020)**



### Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$93,000. The fund balance drastically declined after FY 2016-17, as shown in **Table 12**. Based on staff's research, it was determined that the District purchased land for \$423,000 in FY 2016-17. This land purchase resulted in the reduction of the overall fund balance. As previously stated, the overall financial performance of BCRPD during the last six years can be found on **Table 13** on page 35.

**Table 12: Fund Balance/Net Position**

	FY 14-15 (Unaudited)	FY 15-16 (Unaudited)	FY 16-17 (Unaudited)	FY 17-18 (Unaudited)	FY 18-19 (Unaudited)	FY 19-20 (Unaudited)
<b>Net Position (Ending Balance)</b>	<b>\$523,265</b>	<b>\$538,351</b>	<b>\$103,919</b>	<b>\$119,535</b>	<b>\$108,067</b>	<b>\$92,899</b>
Change in (\$) from previous year		\$15,086	-\$434,432	\$15,616	-\$11,468	-\$15,168
Change in (%) from previous year		3%	-81%	15%	-10%	-14%



**BCRPD - Bear Creek Community Center**

**Table 13: Total Revenues & Expenditures**

<b>BOULDER CREEK RECREATION AND PARK DISTRICT</b>						
	<b>FY 2014-15 (UnAudited)</b>	<b>FY 2015-16 (UnAudited)</b>	<b>FY 2016-17 (UnAudited)</b>	<b>FY 2017-18 (UnAudited)</b>	<b>FY 2018-19 (UnAudited)</b>	<b>FY 2019-20 (UnAudited)</b>
<b>REVENUE</b>						
Property Taxes	\$ 164,885.57	\$ 183,116.46	\$ 197,180.18	\$ 207,341.06	\$ 222,009.90	\$ 230,665.59
Charges for Services (Rents & Concessions)	\$ 24,686.50	\$ 23,503.50	\$ 20,085.00	\$ 35,098.90	\$ 22,111.40	\$ 53,638.10
Interest	\$ 2,318.60	\$ 3,299.50	\$ 2,207.92	\$ 1,198.97	\$ 2,001.32	\$ 1,447.58
Other Charges for Services	\$ 95,868.44	\$ 88,886.11	\$ 116,508.10	\$ 165,728.06	\$ 252,712.06	\$ 185,545.75
State Homeowners' Property Tax Reflief	\$ 1,226.00	\$ 16,867.27	\$ 1,274.24	\$ 1,247.14	\$ 1,250.00	\$ 1,251.00
Miscellaneous Revenue	\$ 5,382.15	\$ 24,912.39	\$ 14,829.36	\$ 24,153.71	\$ 32,160.62	\$ 27,587.68
<b>TOTAL REVENUE</b>	<b>\$ 294,367.26</b>	<b>\$ 340,585.23</b>	<b>\$ 352,084.80</b>	<b>\$ 434,767.84</b>	<b>\$ 532,245.30</b>	<b>\$ 500,135.70</b>
<b>EXPENDITURE</b>						
<b>Salaries &amp; Benefits</b>						
Salaries (Regular Pay)	\$ 112,961.13	\$ 117,831.91	\$ 124,303.80	\$ 127,834.35	\$ 135,185.60	\$ 135,487.34
Extra Help	\$ 54,135.51	\$ 64,445.93	\$ 84,114.50	\$ 129,330.04	\$ 159,328.42	\$ 117,357.78
Retirement (Social Security)	\$ 12,782.90	\$ 13,944.19	\$ 15,944.10	\$ 19,673.08	\$ 22,530.26	\$ 19,342.71
Unemployment Insurance	\$ 1,783.15	\$ 1,728.49	\$ 1,905.14	\$ 3,220.90	\$ 3,352.92	\$ 2,312.26
Workers Compensation	\$ 4,041.00	\$ 4,634.00	\$ 3,656.00	\$ 3,847.75	\$ 5,546.00	\$ 7,087.00
<b>Total Salaries &amp; Benefits</b>	<b>\$ 185,703.69</b>	<b>\$ 202,584.52</b>	<b>\$ 229,923.54</b>	<b>\$ 283,906.12</b>	<b>\$ 325,943.20</b>	<b>\$ 281,587.09</b>
<b>Services &amp; Supplies</b>						
Telephone	\$ 916.76	\$ 1,225.26	\$ -	\$ 53.12	\$ -	\$ -
Food	\$ 597.65	\$ 2,075.18	\$ 1,148.42	\$ 1,190.76	\$ 1,823.25	\$ 717.44
Other Insurance	\$ 5,177.00	\$ 5,521.00	\$ 5,727.00	\$ 11,268.00	\$ 7,548.00	\$ 11,224.00
Maintenance - Mobile Equipment	\$ 665.20	\$ 414.17	\$ 16.23	\$ 520.52	\$ 1,168.36	\$ 724.43
Maintenance - Office Equipment	\$ 2,988.67	\$ 3,418.46	\$ 2,651.73	\$ 2,335.90	\$ 3,895.53	\$ 1,259.41
Maintenance - Other Equipment	\$ 1,088.46	\$ 633.81	\$ 1,076.49	\$ 890.20	\$ 221.84	\$ 978.21
Maintenance - Building & Improvements	\$ 14,746.66	\$ 14,587.40	\$ 8,201.31	\$ 10,239.85	\$ 13,623.47	\$ 7,826.16
Memberships	\$ 2,284.00	\$ 2,369.00	\$ 2,637.00	\$ 2,687.00	\$ 2,250.00	\$ 2,230.00
Supplies	\$ -	\$ 691.10	\$ 8,311.63	\$ 13,457.62	\$ 17,123.19	\$ 24,339.89
Accounting & Auditing Fees	\$ 4,168.74	\$ 5,321.06	\$ 12,665.21	\$ 2,270.33	\$ 17,527.98	\$ 6,595.59
Attorney	\$ -	\$ 234.00	\$ 4,106.67	\$ 1,670.00	\$ 180.00	\$ 449.80
Professional Services	\$ 11,453.92	\$ 14,396.25	\$ 25,296.47	\$ 17,973.70	\$ 41,578.75	\$ 40,951.91
Publication Printing Costs	\$ 5,513.83	\$ 6,765.75	\$ 5,094.97	\$ 5,279.78	\$ 7,559.26	\$ 5,102.28
Legal Notices	\$ 283.52	\$ 562.26	\$ 187.88	\$ 45.95	\$ 86.40	\$ -
Special Departmental Expense	\$ 19,435.79	\$ 23,580.80	\$ 28,459.92	\$ 28,130.24	\$ 46,607.34	\$ 58,047.02
Education & Training	\$ 45.00	\$ -	\$ 525.00	\$ -	\$ -	\$ 1,415.20
Gas, Oil, Fuel	\$ 1,662.68	\$ 1,227.15	\$ 1,244.78	\$ 1,141.25	\$ 1,219.82	\$ 1,415.20
Utilities	\$ 20,054.79	\$ 18,889.97	\$ 26,260.00	\$ 36,091.38	\$ 55,356.99	\$ 66,254.79
<b>Total Services &amp; Supplies</b>	<b>\$ 91,082.67</b>	<b>\$ 101,912.62</b>	<b>\$ 133,610.71</b>	<b>\$ 135,245.60</b>	<b>\$ 217,770.18</b>	<b>\$ 229,531.33</b>
<b>Fixed Assets</b>						
Land Purchase	\$ -	\$ -	\$ 422,983.00	\$ -	\$ -	\$ -
Buildings & Improvements	\$ 20,347.12	\$ 15,325.00	\$ -	\$ -	\$ -	\$ 5,600.00
<b>Total Fixed Assets</b>	<b>\$ 20,347.12</b>	<b>\$ 15,325.00</b>	<b>\$ 422,983.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>
<b>TOTAL EXPENDITURE</b>	<b>\$ 297,133.48</b>	<b>\$ 319,822.14</b>	<b>\$ 786,517.25</b>	<b>\$ 419,151.72</b>	<b>\$ 543,713.38</b>	<b>\$ 516,718.42</b>
<b>Surplus/(Deficit)</b>	<b>\$ (2,766.22)</b>	<b>\$ 20,763.09</b>	<b>\$ (434,432.45)</b>	<b>\$ 15,616.12</b>	<b>\$ (11,468.08)</b>	<b>\$ (16,582.72)</b>
<b>NET POSITION</b>						
<b>Ending Balance</b>	<b>\$ 523,264.72</b>	<b>\$ 538,351.12</b>	<b>\$ 103,918.67</b>	<b>\$ 119,534.79</b>	<b>\$ 108,066.71</b>	<b>\$ 92,899.19</b>
Change (\$)		\$ 15,086.40	\$ (434,432.45)	\$ 15,616.12	\$ (11,468.08)	\$ (15,167.52)
Change (%)		3%	-81%	15%	-10%	-14%

## Governance

The Boulder Creek Recreation and Park District is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 14** shows the current board members for Boulder Creek Recreation and Park District.

**Table 14: Board of Directors**

Board Member	Title	Term of Office Expiration
George Galt	Board Member	First Elected: November 2002 Next Election: General 2022
Diane Hamilton	Board Member	First Elected: November 2010 Next Election: General 2022
Micah Mucklow (Seat is Currently Vacant)	Board Member	First Elected: October 2020 Next Election: General 2024
Melissa Temmes	Board Member	First Appointed: September 2019 Next Election: General 2024
Brian Valdivia	Board Member	First Elected: November 2008 Next Election: General 2024

*Footnote: 1 director is no longer on the BCRPD Board; Replacement process is underway*

## Public Meetings

Prior to the COVID-19 pandemic, the Board of Directors would typically meet on the second Wednesday of each month at 7:00 p.m. Meetings were held at the Downtown Office (13333 Middleton Avenue) or the Bear Creek Office (15685 Forest Hill Drive). The BCRPD Board held 12 public meetings in 2020.



## Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

### 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 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information;
- List of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909);
- Adopted annual policies; and
- Any other information the board deems relevant

BCRPD currently has an operating website and fulfills some of the requirements listed above. However, there are still opportunities to include more information that would better explain the purpose and governance of this special district, specifically the availability of financial documentations (ex. budgets and audits) and board meeting documentations (ex. past and current reports and minutes). BCRPD should also consider including the adopted version of this service review on their website as another valuable resource.

***LAFCO Staff Recommendation:*** *The District should continue updating its website to fulfill the legal requirements under SB 929.*

### Capital Improvement Plan

The purpose of a Capital Improvement Plan (CIP) is to identify and prioritize needs and project costs for planned improvements to the infrastructure that will serve the affected ratepayers in an efficient and cost-effective manner over the next five-plus years of growth and change. At present, the District does not have a CIP in place. The adoption of a long-term maintenance plan, such as a CIP, would help budget for future improvements and provide more transparency to its constituents.

***LAFCO Staff Recommendation:*** *The District should consider adopting a long-term maintenance plan to ensure scheduled and unforeseen repairs, replacements, and installations are adequately funded.*

### **CSDA Membership**

The California Special Districts Association (CSDA) is a not-for-profit association that was formed in 1969 to promote good governance for all types of independent special districts. CSDA provides an array of resources to all independent special district members including education and training, insurance programs, legal advice, industry-wide litigation and public relations support, legislative advocacy, capital improvement and equipment funding, collateral design services, and current information that is crucial to a special district's management and operational effectiveness.

Based on LAFCO's analysis of the four park and recreation districts, it is evident that the majority are facing serious internal issues, such as lack of staffing, financial constraints, board member vacancies, inefficient transparency, website requirements, and/or legislative awareness. Our research and findings have shown that BCRPD is currently having issues in two key areas: financial distress and lack of transparency. Our financial section of this report highlighted the fact that the District has experienced a deficit in four of the last six fiscal years – with consecutive deficits in FY 2018-19 and FY 2019-20. Additionally, our research determined that the District is having difficulties complying with the Brown Act during public meetings and lacks the required documentations on their website. LAFCO staff believes that the District will see internal improvements if it utilizes the resources offered by CSDA.

### **Pay-What-You-Can Membership**

Since the District is facing financial distress, payment towards a statewide membership may be difficult. However, CSDA is now offering a new program known as "Pay-What-You-Can." Independent special districts can choose the amount they can afford to become a member of CSDA – allowing them access to CSDA's member benefits and value-added programs. LAFCO has determined that BCRPD may qualify for this membership plan.

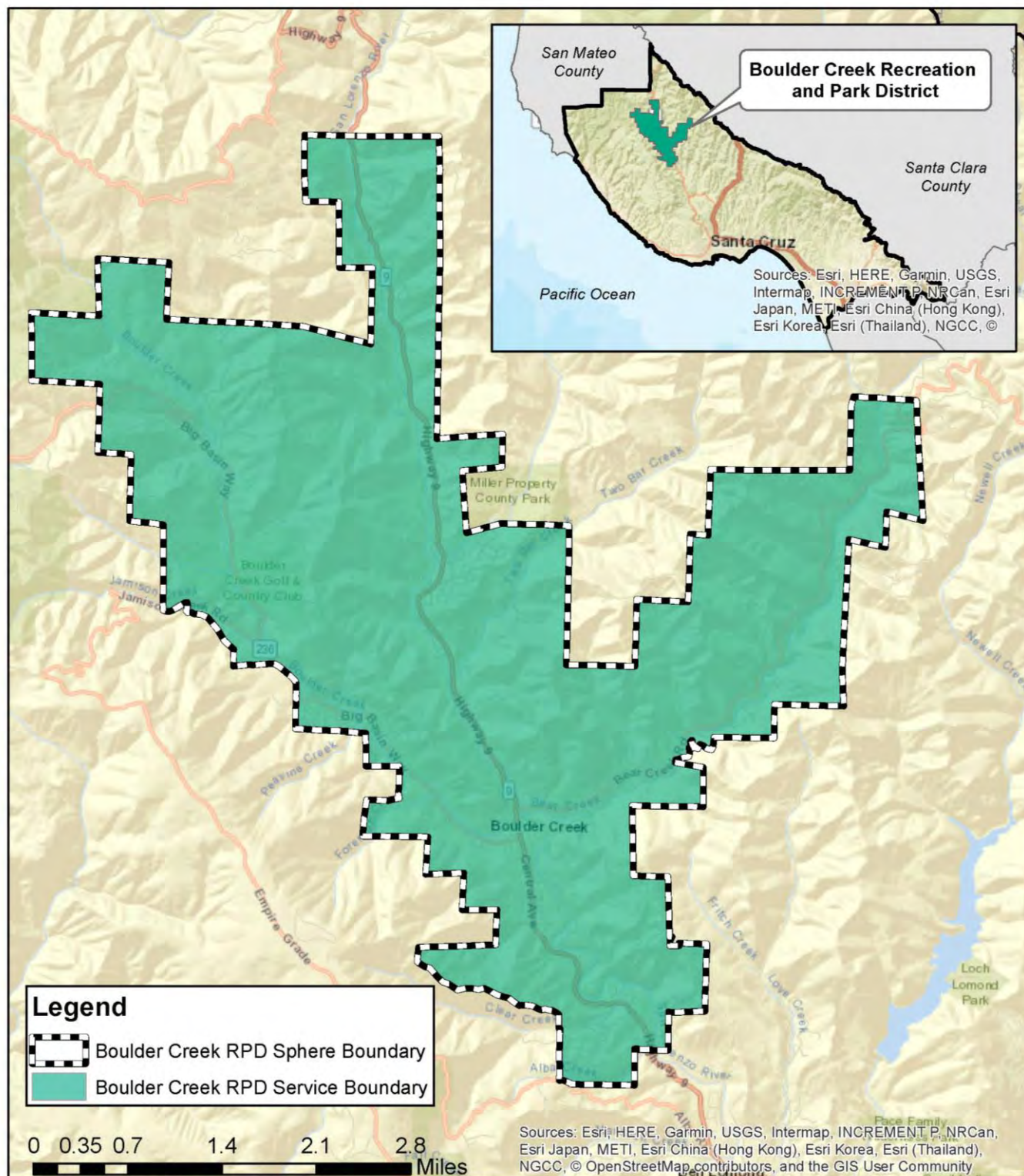
***LAFCO Staff Recommendation:*** *The District should consider becoming a member of CSDA to utilize the services and resources available that can help address their ongoing internal deficiencies and become a more efficient special district.*

## **Sphere of Influence**

Santa Cruz LAFCO adopted BCRPD's first sphere of influence on October 5, 1988. **Appendix B** provides a copy of the 1988 resolution that implemented the first sphere of influence for BCRPD. The original sphere was larger than the existing service area. During the 2008 sphere review, the Commission updated the sphere to be coterminous. The current sphere continues to be coterminous with the District's jurisdictional boundary. The last sphere review occurred in April 2016 during the last service and sphere review cycle. Based on our analysis and findings, staff is not recommending any changes to the current sphere. **Figure 17** on page 39 shows the proposed sphere reaffirmation for Boulder Creek Recreation and Park District.



**Figure 17: Proposed Sphere Reaffirmation (Coterminous With District Boundary)**



## Boulder Creek Recreation and Park District Jurisdictional and Sphere Boundaries

Original Sphere Adopted on October 5, 1988  
Sphere Amendment on January 9, 2008  
Sphere Reaffirmation on April 6, 2016  
Latest Sphere Reaffirmation on August 4, 2021



## District Summary

Boulder Creek Recreation and Park District	
<b>Formation</b>	Public Resources Code, Division 5 (Parks and Monuments), Chapter 4 (Recreation and Park Districts); Section 5780
<b>Board of Directors</b>	5 members, elected at-large to four-year terms
<b>Contact Person</b>	Hallie Greene, General Manager
<b>Employees</b>	1 Full-Time Employee
<b>Facilities</b>	5 Facilities (Garrahan Park, Junction Park, Barbara Day Park, Recreation Hall and Office, and Boulder Creek Community Information and Visitor Center)
<b>District Area</b>	85,000 acres (133 square miles)
<b>Sphere of Influence</b>	Current sphere of influence is coterminous with the District's jurisdictional boundary.  <b><i>Proposed Designation:</i></b> Reaffirm Existing Sphere Boundary
<b>FY 2019-20 Budget</b>	Total Revenue = \$500,136 Total Expenditure = \$516,718 Projected Net Position (Beginning Balance) = \$92,899
<b>Contact Information</b>	Mailing Address: PO Box 325 Boulder Creek, CA 95006 Phone Number: (831) 338-4144 Email Address: <a href="mailto:BCRPD2@gmail.com">BCRPD2@gmail.com</a> Website: <a href="https://www.bcrpd.org">https://www.bcrpd.org</a>
<b>Public Meetings</b>	Meetings are typically held on the second Wednesday of each month at 7:00 p.m.
<b>Mission Statement</b>	To provide quality programs and services through the provision of facilities, parks, and activities that enriches and improves the quality of lives of people living in our community.

## **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.**

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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of BCRPD will be approximately 8,200 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

BCRPD was formed in 1959. The purpose of the District is to serve the unincorporated communities of Boulder Creek and Brookdale through 5 recreational facilities (3 parks and 2 community centers).

**4. Financial ability of agencies to provide services.**

The District has ended with a deficit in four of the last six years. LAFCO staff believes that this negative trend will continue unless the District increases its revenue or decrease its overall costs to ensure the District has enough funds to cover annual expenses.

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

The District should consider collaborating with the County and the California Special Districts Association to ensure that they are up-to-date with all statutory requirements.

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

BCRPD offers a variety of classes and events that require a varied level of fees and costs. This allows the District to make their programs accessible to more community members to participate.

**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 and sphere 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 District is located in unincorporated county territory. The area contains various land use designations pursuant to the County's General Plan ranging from rural, mountain and suburban residential to open space, agriculture, and public facilities.

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

The District currently operates 5 recreational facilities to serve the entire area. Implementing a capital improvement plan would help ensure adequate funds are earmarked to maintain and repair the existing facilities.

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

BCRPD is the largest park recreation district in Santa Cruz County when compared with the other three districts (Alba, La Selva Beach, and Opal Cliffs). Implementing a capital improvement plan would help ensure adequate funds are earmarked to address projects within the three parks and two community centers.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.



# LA SELVA BEACH RECREATION DISTRICT

## District Overview

La Selva Beach Recreation District (LSBRD) was formed in 1959. The purpose of the District is to serve the unincorporated communities of La Selva Beach through 3 recreational facilities (Triangle Park, Robin's Park, and the La Selva Beach Clubhouse). The District also maintains an open space at the entrance of the community near the corner of San Andreas Road and Playa Boulevard as well as a strip of land between Vista Drive and the coastal bluff. LSBRD encompasses 816 parcels which totals approximately 500 acres (0.80 square miles). The County's General Plan designates the vast majority of this area as Urban Low Residential with other various zones including but not limited to Existing Parks & Recreation and Urban Open Space. **Figure 18**, on page 44, is a vicinity map depicting LSBRD's current jurisdictional and sphere boundaries. **Figure 19**, on page 45, shows the land use designations within LSBRD.

## Population & Growth

Based on staff's analysis, the population of LSBRD in 2020 was approximately 1,600. 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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 15** shows the anticipated population within LSBRD.

### Population Projection

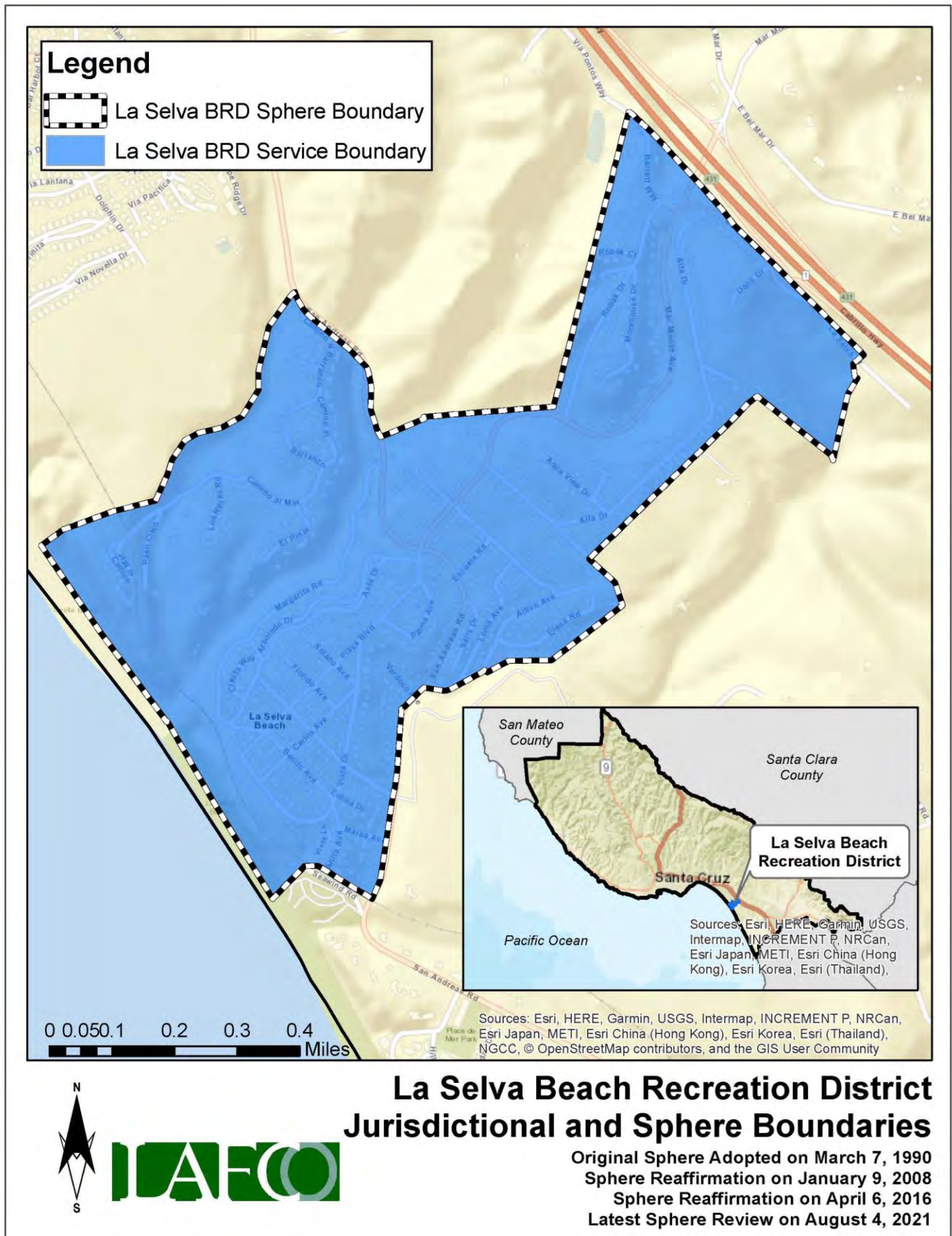
Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for LSBRD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of LSBRD will be approximately 1,700 by 2040.

**Table 15: Projected Population**

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
<b>La Selva Beach Recreation District</b>	<b>1,641</b>	<b>1,655</b>	<b>1,669</b>	<b>1,683</b>	<b>1,698</b>	<b>0.86%</b>

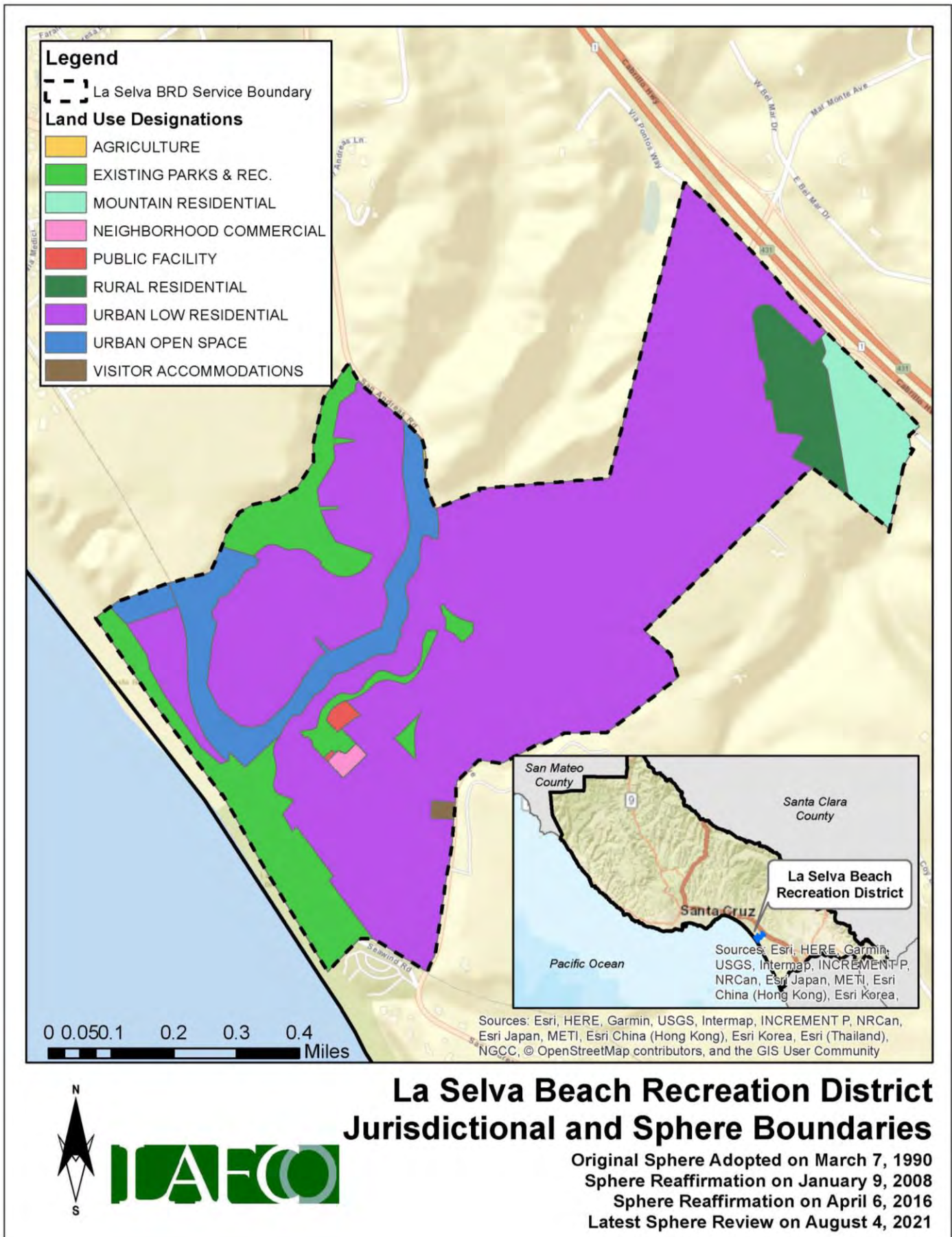
Source: AMBAG 2018 Regional Growth Forecast

Figure 18: La Selva Beach Recreation District's Service & Sphere Boundaries





**Figure 19: County General Plan's Land Use Designations**



## Services & Operations

LSBRD offers a variety of classes and events that require a varied level of fees and costs. This allows the District to make their programs accessible to more community members to participate. In total, LSBRD operates 5 locations within its jurisdictional boundary. **Table 16** provides an overview of each location served by the District.

**Table 16: LSBRD Facilities/Locations**

Facility	Location	Services
<b>Clubhouse</b>	314 Estrella Ave, Watsonville, CA 95076	May host a variety of events, including but not limited to baby showers, weddings, bar/bat mitzvahs, fundraisers, celebrations of life, etc. (Cost varies)
<b>Coastal Bluff</b>	331 Vista Drive, Watsonville, CA 95076	Includes open space and walking trails at no-cost to the public.  LSBRD does not rent out the Bluff and Bluff use is subject to rules outlined by the La Selva Beach Improvement Association. Under certain circumstances, members of the Association can arrange to have events at the Bluff, but LSBRD does not combine use of the Clubhouse with events at the Bluff.
<b>Open Space</b>	2 Playa Boulevard, Watsonville, CA 95076	Includes open space and walking trails at no-cost to the public.
<b>Robin's Park</b>	26 Florido Ave, La Selva Beach, CA 95076	Includes open space area at no-cost to the public (no picnic facilities).
<b>Triangle Park</b>	151-199 Playa Blvd, Watsonville, CA 95076	Includes picnic facilities and playground at no-cost to the public.

### La Selva Beach Clubhouse

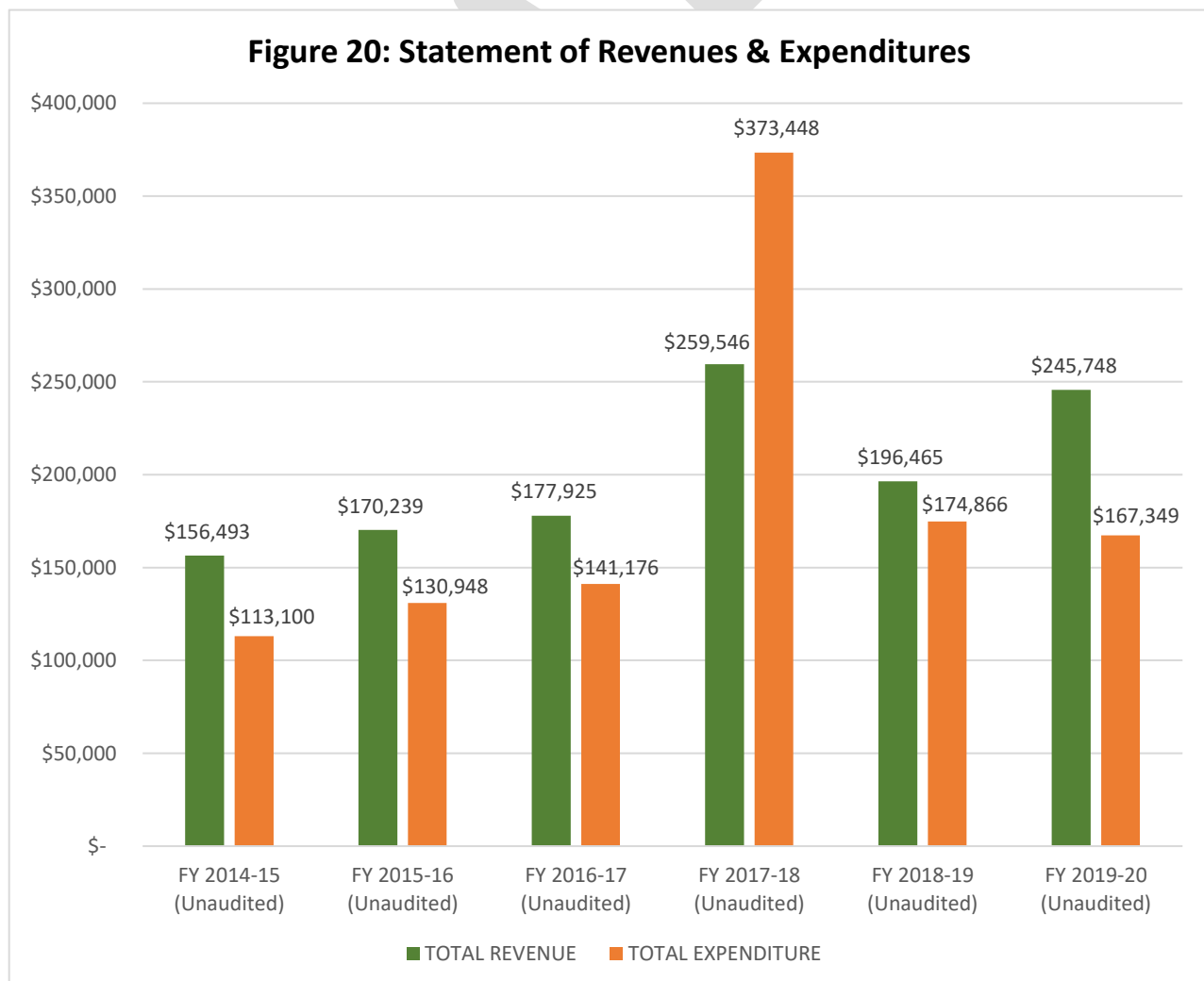
The clubhouse was constructed in the 1930s and continues to be a centerpiece of the community, providing space for community events, after-school and summer children's programs, craft fairs, wedding receptions, and educational opportunities. At present, the clubhouse can accommodate up to 150 guests.

The clubhouse is currently in the process of being renovated after evaluations by contractors and structural engineers revealed significant structural flaws. LSBRD sponsored a ballot measure in 2018 (Measure P) to collect the necessary funds and address the structural issues. This ballot measure asked the La Selva community to vote on whether or not to levy a tax of \$50 per parcel per year from July 2019 to June 2026. Measure P passed on November 6, 2018 with approximately 80% approval (783 voted yes out of 981 ballots). LSBRD is anticipated to collect around \$280,000 for renovation of the Clubhouse. That amount, plus funds being set aside from current operating money, is expected to be enough to make the necessary repairs.

## Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). Based on staff's research, LAFCO has not received a report or copy of the District's audits in the last six years. In addition, the audits were not available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). Therefore, LAFCO staff completed an internal investigation to complete this financial analysis. This section will highlight LSBRD's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated LSBRD financial health from FY 2014-15 to FY 2019-20. A comprehensive analysis of the District's financial performance during the past six years is shown on page 51.

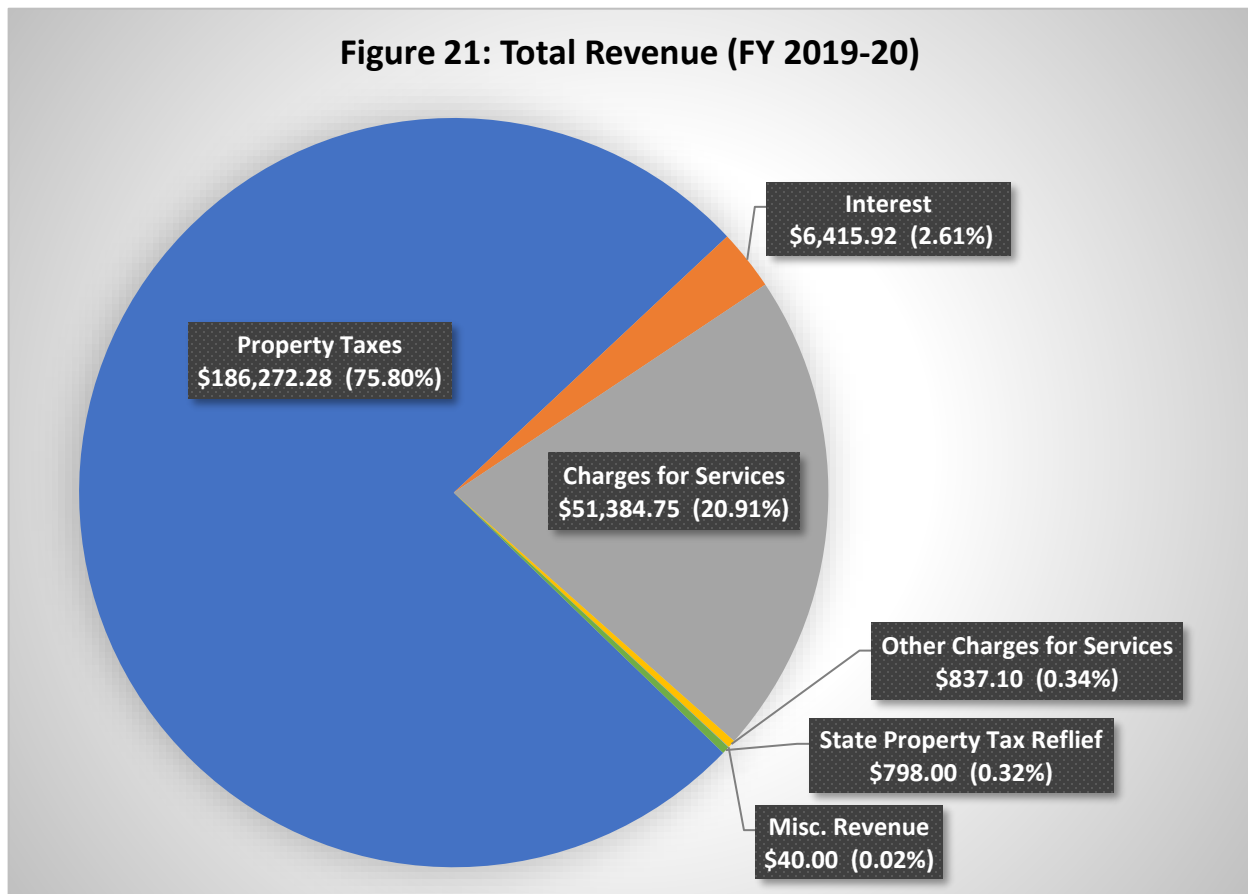
At the end of FY 2019-20, total revenue collected was approximately \$246,000, representing a 25% increase from the previous year (\$196,465 in FY 2018-19). Total expense for FY 2019-20 was approximately \$167,000, which decreased from the previous year by 4% (\$174,866 in FY 2018-19). The District has ended with an annual surplus since 2014, excluding FY 2017-18, as shown in **Figure 20**. LAFCO believes that this positive trend will continue based upon the District's ongoing conservative budgetary practices ensuring that their total revenues cover total expenses on an annual basis.



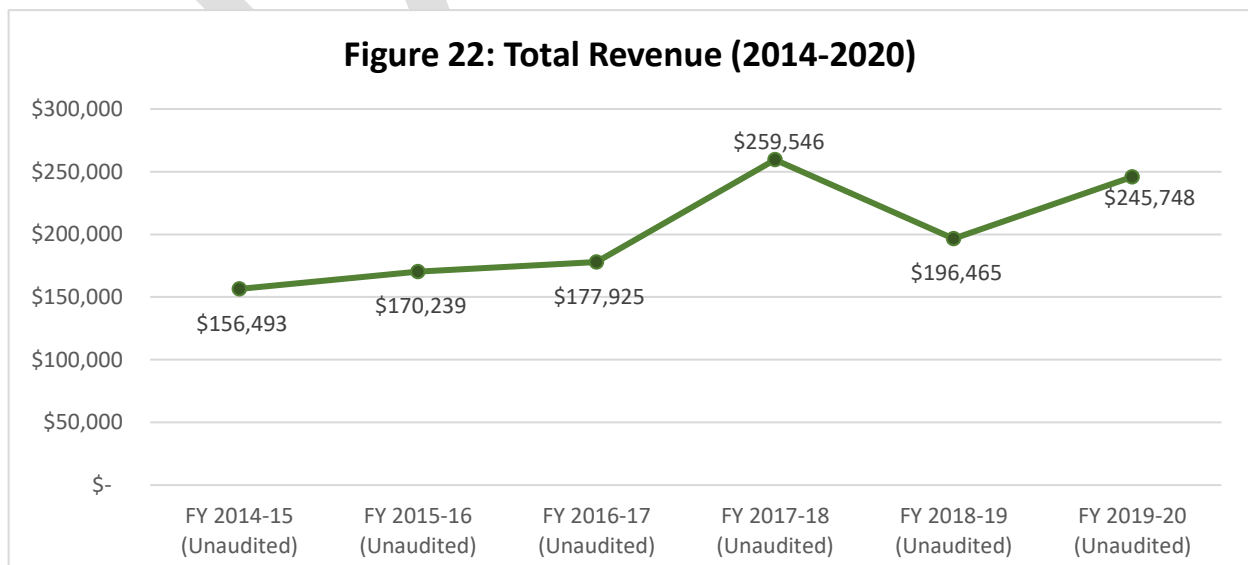
## District Revenues

LSBRD's primary source of revenue is from Property Taxes. In FY 2019-20, Property Taxes (approximately \$186,000) represented about 76% of the District's entire revenue stream. Other revenue sources include Charges for Services (21%), Interest (2.6%), Other Charges for Services (0.34%), State Homeowners' Property Tax Relief (0.32%), and Miscellaneous Revenue (0.02%). **Figure 21** shows a breakdown of each revenue source received in FY 2019-20. **Figure 22** shows the total revenue received during the last six years. As the figure shows, total revenue has increased over the years. Total revenue has been above \$156,000 since 2014.

**Figure 21: Total Revenue (FY 2019-20)**



**Figure 22: Total Revenue (2014-2020)**

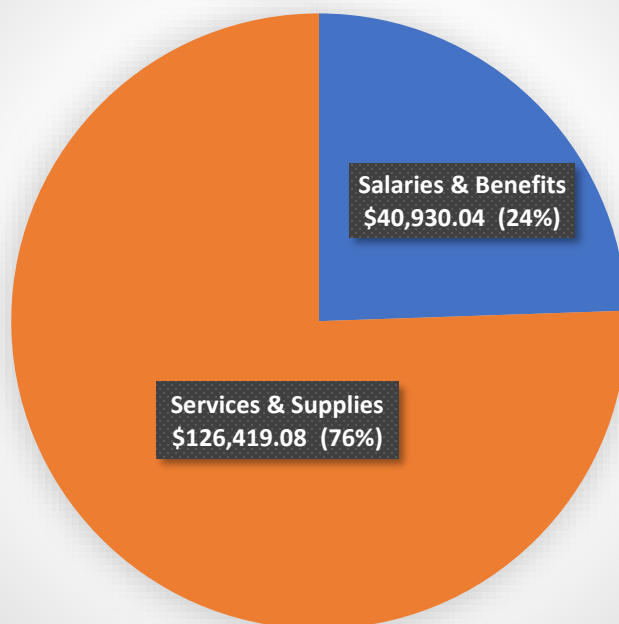




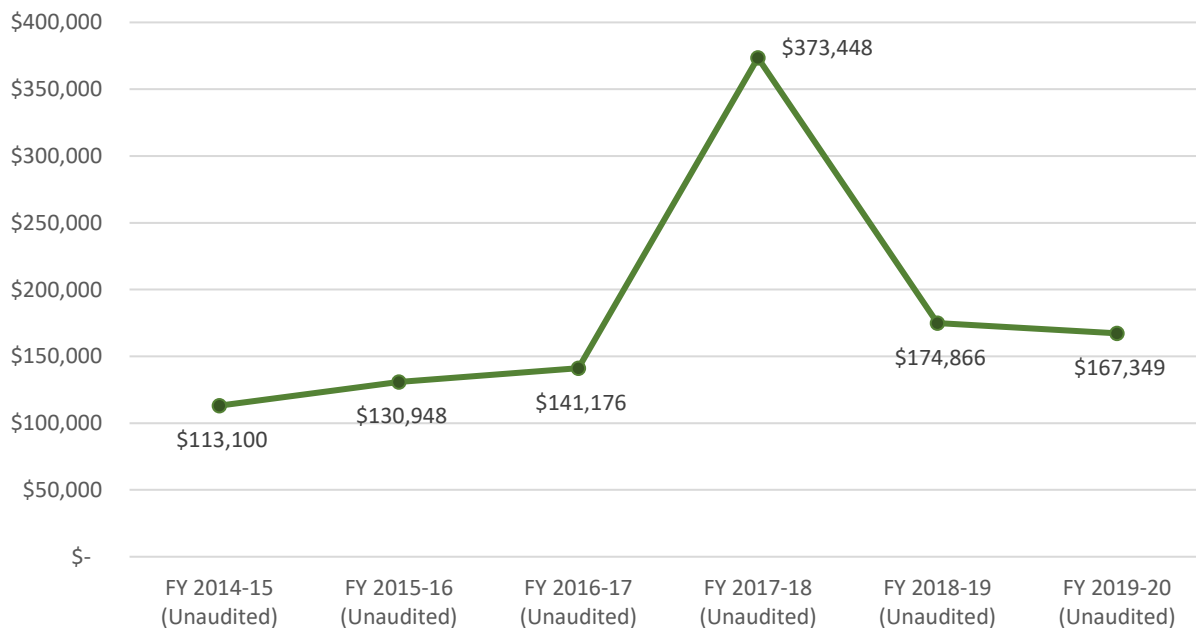
## District Expenditures

LSBRD's total expenditures can be categorized into 2 budgetary groups: Salaries & Benefits and Services & Supplies. **Figure 23** below distinguishes the cost and percentage per category. As shown below, Services & Supplies is the primary budgetary expense for the District, which is uncommon for public agencies. Typically, Salaries & Benefits is the highest overall expense for a local agency. **Figure 24** shows the total expenditure modest increase over the last six years, excluding FY 2017-18. It is important to note that the District began repairing the La Selva Beach Clubhouse in FY 2017-18, which is why there is a significant increase during that timeframe.

**Figure 23: Total Expenditure (FY 2019-20)**



**Figure 24: Total Expenditure (2014-2020)**





### Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$382,000. **Table 17** highlights the net position balance from 2014 to 2020. The District's fund balance has fluctuated slightly over the years but has maintained an annual balance above \$300,000. Based on this historical trend, LAFCO staff believes the positive balance will continue. This healthy amount will be critical in the event that the District faces any unintended expenses, major capital improvement projects, or emergency repairs. As previously stated, FY 2017-18 was the timeframe in which LSBRD began construction to renovate the La Selva Beach Clubhouse following the approval of Measure P. The overall financial performance of LSBRD during the last six years can be found on **Table 18** on page 51.

**Table 17: Fund Balance/Net Position**

	FY 14-15 (Unaudited)	FY 15-16 (Unaudited)	FY 16-17 (Unaudited)	FY 17-18 (Unaudited)	FY 18-19 (Unaudited)	FY 19-20 (Unaudited)
<b>Net Position (Ending Balance)</b>	<b>\$317,494</b>	<b>\$358,700</b>	<b>\$395,448</b>	<b>\$282,272</b>	<b>\$303,871</b>	<b>\$382,269</b>
Change in (\$) from previous year		\$41,206	\$36,749	-\$113,176	\$21,598	\$78,399
Change in (%) from previous year		3%	3%	-29%	3%	3%



**Table 18: Total Revenues & Expenditures**

LA SELVA BEACH RECREATION AND PARK DISTRICT						
	FY 2014-15 (Unaudited)	FY 2015-16 (Unaudited)	FY 2016-17 (Unaudited)	FY 2017-18 (Unaudited)	FY 2018-19 (Unaudited)	FY 2019-20 (Unaudited)
<b>REVENUE</b>						
Property Taxes	\$ 110,759.30	\$ 118,500.31	\$ 124,213.87	\$ 130,814.21	\$ 141,280.97	\$ 186,272.28
Interest	\$ 1,319.81	\$ 2,205.09	\$ 3,184.88	\$ 3,578.08	\$ 5,623.92	\$ 6,415.92
Charges for Services (Rents & Concessions)	\$ 43,583.97	\$ 48,707.66	\$ 49,718.29	\$ 44,951.00	\$ 44,227.00	\$ 51,384.75
Other Charges for Services	\$ -	\$ -	\$ -	\$ 477.00	\$ 662.00	\$ 837.10
Park Dedication Fees	\$ -	\$ -	\$ -	\$ 78,432.00	\$ -	\$ -
Miscellaneous Revenue	\$ -	\$ -	\$ -	\$ 502.50	\$ -	\$ 40.00
State Homeowners' Property Tax Relief	\$ 830.00	\$ 826.36	\$ 807.78	\$ 791.62	\$ 4,671.00	\$ 798.00
<b>TOTAL REVENUE</b>	<b>\$156,493.08</b>	<b>\$170,239.42</b>	<b>\$177,924.82</b>	<b>\$ 259,546.41</b>	<b>\$196,464.89</b>	<b>\$245,748.05</b>
<b>EXPENDITURE</b>						
<u>Salaries &amp; Benefits</u>						
Salaries (Regular Pay)	\$ 20,675.90	\$ 20,755.11	\$ 20,675.90	\$ 35,791.79	\$ 36,000.12	\$ 37,603.96
Retirement (Social Security)	\$ 1,581.70	\$ 1,587.76	\$ 1,581.70	\$ 2,738.07	\$ 2,754.01	\$ 2,876.71
Unemployment Insurance	\$ 175.91	\$ 238.35	\$ 203.50	\$ 245.00	\$ 125.98	\$ 149.37
Workers Compensation	\$ 2,609.50	\$ 1,505.35	\$ 1,992.98	\$ -	\$ -	\$ 300.00
<b>Total Salaries &amp; Benefits</b>	<b>\$ 25,043.01</b>	<b>\$ 24,086.57</b>	<b>\$ 24,454.08</b>	<b>\$ 38,774.86</b>	<b>\$ 38,880.11</b>	<b>\$ 40,930.04</b>
<u>Services &amp; Supplies</u>						
Telephone	\$ 2,616.60	\$ 2,385.27	\$ 2,032.61	\$ 2,225.41	\$ 1,744.15	\$ 1,948.47
Household Expenses (Janitorial Services)	\$ 678.21	\$ 966.69	\$ -	\$ -	\$ -	\$ 6,600.00
Liability Insurance	\$ 8,032.68	\$ 7,137.52	\$ 7,484.74	\$ 7,445.92	\$ 8,793.60	\$ 9,775.60
Maintenance - Office Equipment	\$ -	\$ -	\$ -	\$ 363.00	\$ -	\$ 130.00
Maintenance - Building & Improvements	\$ 36,573.07	\$ 70,486.00	\$ 67,761.20	\$ 283,893.41	\$ 45,043.88	\$ 59,833.15
Memberships	\$ 800.00	\$ 198.49	\$ 1,012.56	\$ 230.10	\$ 642.57	\$ 651.58
Miscellaneous Expense	\$ -	\$ -	\$ -	\$ -	\$ 100.00	\$ -
Supplies	\$ 2,986.95	\$ 2,453.17	\$ 3,664.24	\$ 1,785.54	\$ 1,952.44	\$ 11,893.52
Accounting & Auditing Fees	\$ 1,726.29	\$ 1,914.37	\$ 9,350.21	\$ 2,066.79	\$ 10,087.34	\$ 1,793.28
Professional Services	\$ 18,508.60	\$ 11,182.13	\$ 14,839.09	\$ 14,437.18	\$ 45,355.96	\$ 6,129.18
Special Departmental Expense	\$ 486.08	\$ -	\$ -	\$ -	\$ 1,829.41	\$ 8,063.56
Transportation & Travel	\$ 528.84	\$ 321.56	\$ 374.16	\$ 469.58	\$ 682.98	\$ 1,204.68
Utilities	\$ 9,054.87	\$ 9,815.97	\$ 10,203.27	\$ 21,755.97	\$ 19,754.02	\$ 18,396.06
<b>Total Services &amp; Supplies</b>	<b>\$ 81,992.19</b>	<b>\$106,861.17</b>	<b>\$116,722.08</b>	<b>\$ 334,672.90</b>	<b>\$135,986.35</b>	<b>\$126,419.08</b>
<u>Fixed Assets</u>						
Buildings & Improvements	\$ 6,065.00	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Fixed Assets</b>	<b>\$ 6,065.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL EXPENDITURE</b>	<b>\$113,100.20</b>	<b>\$130,947.74</b>	<b>\$141,176.16</b>	<b>\$ 373,447.76</b>	<b>\$174,866.46</b>	<b>\$167,349.12</b>
<b>Surplus/(Deficit)</b>	<b>\$ 43,392.88</b>	<b>\$ 39,291.68</b>	<b>\$ 36,748.66</b>	<b>\$(113,901.35)</b>	<b>\$ 21,598.43</b>	<b>\$ 78,398.93</b>
<b>NET POSITION</b>						
<b>Ending Balance</b>	<b>\$ 317,494</b>	<b>\$ 358,700</b>	<b>\$ 395,448</b>	<b>\$ 282,272</b>	<b>\$ 303,871</b>	<b>\$ 382,269</b>
Change (\$)		\$ 41,206	\$ 36,749	\$ (113,176)	\$ 21,598	\$ 78,399
Change (%)		13%	10%	-29%	8%	26%

## Governance

The La Selva Beach Recreation District is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 19** shows the current board members for La Selva Beach Recreation District.

**Table 19: Board of Directors**

Board Member	Title	Term of Office Expiration
Greg Bailey	Treasurer	First Elected: November 2018 Next Election: General 2022
Mary Flores	Rental Director	First Appointed: February 2020 Next Election: General 2024
Jim Rhodes	Secretary	First Elected: November 2016 Next Election: General 2024
Ashley Winn	Chair	First Elected: November 2018 Next Election: General 2022
Anthony Young	Maintenance Director	First Appointed: May 2019 Next Election: General 2024

## Public Meetings

Prior to the COVID-19 pandemic, the Board of Directors would typically meet on the second Wednesday of each month at 7:00 p.m. Meetings were held at the District's main location (314 Estrella Avenue, La Selva Beach). The LSBRD Board held 15 public meetings in 2020 – the most when compared to the other park and recreation districts.



**LSBRD – La Selva Beach Clubhouse**

## Opportunities & Challenges

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Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.

### Bi-Annual Audits

LAFCO staff determined that the County conducts bi-annual audits on behalf of LSBRD in accordance with Government Code Section 26909(b)(1). Under this provision, the County may conduct a bi-annual audit on behalf of a special district. The law also states a special district can replace an annual audit with a bi-annual audit if the following actions occur: (1) an annual unanimous request of the governing board (ex. LSBRD Board) and (2) an annual unanimous approval of the Board of Supervisors. It is important that the County and LSBRD maintain this yearly practice if bi-annual audits continue to be produced.

***LAFCO Staff Recommendation:*** *The District should include copies of past and future bi-annual audits on their website and provide copies to LAFCO once adopted.*

### 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 states that the Internet Web Site, maintained by the independent special district, shall conform with various laws in Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code. In summary, the District's Internet Website is required to have the following:

- Access to past and current, agendas, staff reports, and minutes
- Adopted budgets;
- Contact information;
- List of current board members;
- Information regarding public meetings (Brown Act);
- Service Reviews adopted by LAFCO;
- Recipients of grant funding or assistance provided by the district, if any;
- Audits (pursuant to GCS 26909);
- Adopted annual policies; and
- Any other information the board deems relevant

The District currently has an operating website and fulfills most of the requirements listed above. However, there are still opportunities to include more information that would benefit the residents in understanding the governance of LSBRD as a special district, specifically the availability of financial documentations such as budgets and audits.



LSBRD should also consider including the adopted version of this service and sphere review on their website as another valuable resource.

**LAFCO Staff Recommendation:** *The District should continue updating its website to fulfill the legal requirements under SB 929.*

### Capital Improvement Plan

The purpose of a Capital Improvement Plan (CIP) is to identify and prioritize needs and project costs for planned improvements to the infrastructure that will serve the affected ratepayers in an efficient and cost-effective manner over the next five-plus years of growth and change. At present, the District does not have a CIP in place. The adoption of a long-term maintenance plan, such as a CIP, would help budget for future improvements and provide more transparency to its constituents.

**LAFCO Staff Recommendation:** *The District should consider adopting a long-term maintenance plan to ensure scheduled and unforeseen repairs, replacements, and installations are adequately funded.*

### Sphere of Influence

Santa Cruz LAFCO adopted BCRPD's first sphere of influence on March 7, 1990. **Appendix C** provides a copy of the 1990 resolution that implemented the first sphere of influence for LSBRD.

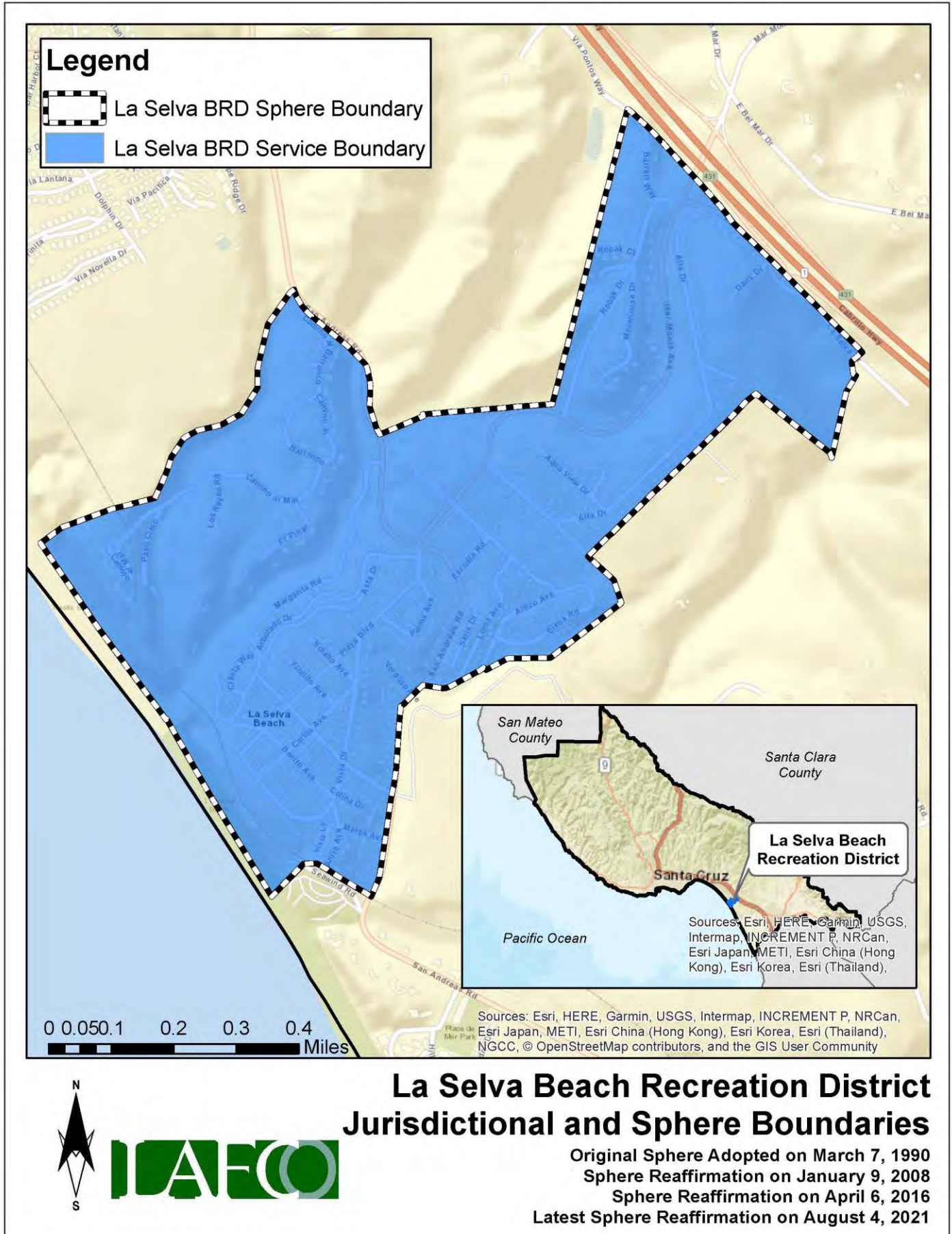
The current sphere is coterminous with the District's jurisdictional boundary. The last sphere review occurred in April 2016 during the last service and sphere review cycle. Based on our analysis and findings, staff is not recommending any changes to the current sphere. **Figure 25** on page 55 shows the proposed sphere reaffirmation for La Selva Beach Recreation District.



LSBRD – Robin's Park



**Figure 25: Proposed Sphere Reaffirmation (Coterminous With District Boundary)**



## District Summary

La Selva Beach Recreation District	
<b>Formation</b>	Public Resources Code, Division 5 (Parks and Monuments), Chapter 4 (Recreation and Park Districts); Section 5780
<b>Board of Directors</b>	5 members, elected at-large to four-year terms
<b>Contact Person</b>	Eden M. Serrano, General Manager
<b>Employees</b>	1 Full-Time Employee
<b>Facilities</b>	5 Locations (Triangle Park, Robin's Park, Open Space Area, Coastal Bluff and the La Selva Beach Clubhouse).
<b>District Area</b>	512 acres (0.80 square miles)
<b>Sphere of Influence</b>	Current sphere of influence is coterminous with the District's jurisdictional boundary.  <b><i>Proposed Designation:</i></b> Reaffirm Existing Sphere Boundary.
<b>FY 2019-20 Budget</b>	Total Revenue = \$245,748.05  Total Expenditure = \$167,349  Projected Net Position (Beginning Balance) = \$382,269
<b>Contact Information</b>	Mailing Address: 314 Estrella Ave. La Selva Beach, CA 95076  Phone Number: (831) 254-3625  Email Address: <a href="mailto:manager@lsbrd.org">manager@lsbrd.org</a>  Website: <a href="https://www.lsbrd.org/">https://www.lsbrd.org/</a>
<b>Public Meetings</b>	Meetings are typically held on the second Wednesday of each month at 7:00 p.m.
<b>Mission Statement</b>	N/A

## **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.**

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. Under this assumption, LAFCO's projections indicate that the entire population of LSBRD will be approximately 1,700 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

The District was formed in 1959. The purpose of LSBRD is to serve the unincorporated communities of La Selva Beach through 3 recreational facilities (Triangle Park, Robin's Park, and the La Selva Beach Clubhouse). The District also maintains an open space area and a coastal bluff.

**4. Financial ability of agencies to provide services.**

The District has ended with an annual surplus since 2014, excluding FY 2017-18. LAFCO believes that this positive trend will continue based upon the District's ongoing conservative budgetary practices ensuring that their total revenues cover total expenses on an annual basis.

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

The District is a member of the California Special Districts Association (CSDA), which is a non-profit association that was formed in 1969 to promote good governance for all types of independent special districts. Other park and recreation districts may benefit learning from LSBRD, such as Boulder Creek Recreation and Park District.

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

The District is currently renovating the La Selva Clubhouse, which is a centerpiece of the community, providing space for community events, after-school and summer children's programs, craft fairs, wedding receptions, and educational opportunities. At present, the clubhouse can accommodate up to 150 guests.

**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 and sphere 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.**

LSBRD encompasses 816 parcels which totals approximately 500 acres (0.80 square miles). The County's General Plan designates the vast majority of this area as Urban Low Residential with other various zones including but not limited to Existing Parks & Recreation and Urban Open Space.

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

The District currently operates 5 recreational areas to serve the entire La Selva Beach community. Implementing a capital improvement plan would help ensure adequate funds are earmarked to maintain and repair the existing facilities.

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

The La Selva Beach Clubhouse is currently in the process of being renovated after evaluations by contractors and structural engineers revealed significant structural flaws. Measure P was approved by the residents which allows the District to levy a \$50 parcel tax from July 2019 to June 2026. LSBRD is anticipated to collect around \$280,000 for renovation of the clubhouse.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.



# OPAL CLIFFS RECREATION DISTRICT

## District Overview

Opal Cliffs Recreation District (OCRD) was formed in 1949. The primary purpose of the District is to maximize and provide public beach access to Opal Cliffs Park, a small neighborhood park located at 4524 Opal Cliffs Drive in unincorporated county territory. The park contains several parking spots, an entrance gate, a coastal viewing area, and a walkway down the cliff to the beach. The County's General Plan designates the vast majority of the area as Urban Medium Residential with only a small portion actually designated as Existing Parks and Recreation. It is important to note that the District's service area also contains a portion of the City of Capitola. In total, OCRD encompasses 440 parcels totaling 67 acres (0.10 square miles). **Figure 26**, on page 60, is a vicinity map depicting OCRD's current jurisdictional and sphere boundaries. **Figure 27**, on page 61, shows the land use designations within OCRD.

## Legislative History & Background

In 1931, the Legislature passed a bill allowing for the creation of "recreation districts." These districts could build dams across rivers to create swimming pools. A county board of supervisors would appoint five trustees to govern a recreation district. Assemblyman Hubert Scudder was the author of AB 725 which became Chapter 1058 of the Statutes of 1931. The act creating the districts was uncoded. The California Legislature was still in the process of organizing its statutes into topical codes. Legislators didn't set up the Public Resources Code until 1939. The recreation districts' law was free-standing.

In 1939, the Legislature passed AB 1875 and enacted the new Public Resources Code, reorganizing and codifying many earlier state laws. As part of that effort, Scudder's 1939 bill created three separate types of park districts: (1) Recreation Park and Parkway Districts, (2) County Recreation Districts, and (3) Regional Park Districts. Scudder's bill became Chapter 93 of the Statutes of 1939. Also in 1939, the Legislature passed AB 279 and created a fourth type of park district, called "Park, Recreation and Parkway Districts." Los Angeles County Assemblyman Fred Reaves' bill became Chapter 426 of the Statutes of 1939. In 1947, the Legislature created a fifth type, called "Regional Shoreline Park and Recreation Districts." Two years later, OCRD was formed as a special district.

In 1957, Assemblyman Clark Bradley authored AB 3968 which repealed the laws governing four of the five types of recreation districts and instead created a new statute for "Recreation and Park Districts" (Public Resources Code §5780). The 1957 statute directed the State Department of Parks and Recreation to review the districts' laws "from time to time" and report any recommendations to the Legislature (Public Resources Code §5780.17). Research by Morgan Zeitler, the Department's legislative analyst, was unable to find any evidence that the Department had performed this review.

It wasn't until the six members of the Senate Committee on Local Government jointly authored Senate Bill 707 which completely revised the state statutes governing California's recreation and park districts. The bill was signed into law by Governor Gray Davis as Chapter 15 of the Statutes of 2001, the new "Recreation and Park District Law" takes effect on January 1, 2002<sup>2</sup>.

<sup>2</sup> Recreation & Park District Law – Legislative History: <https://sgf.senate.ca.gov/sites/sgf.senate.ca.gov/files/PPPRReport.pdf>



**Figure 26: Opal Cliffs Recreation District's Service & Sphere Boundaries**

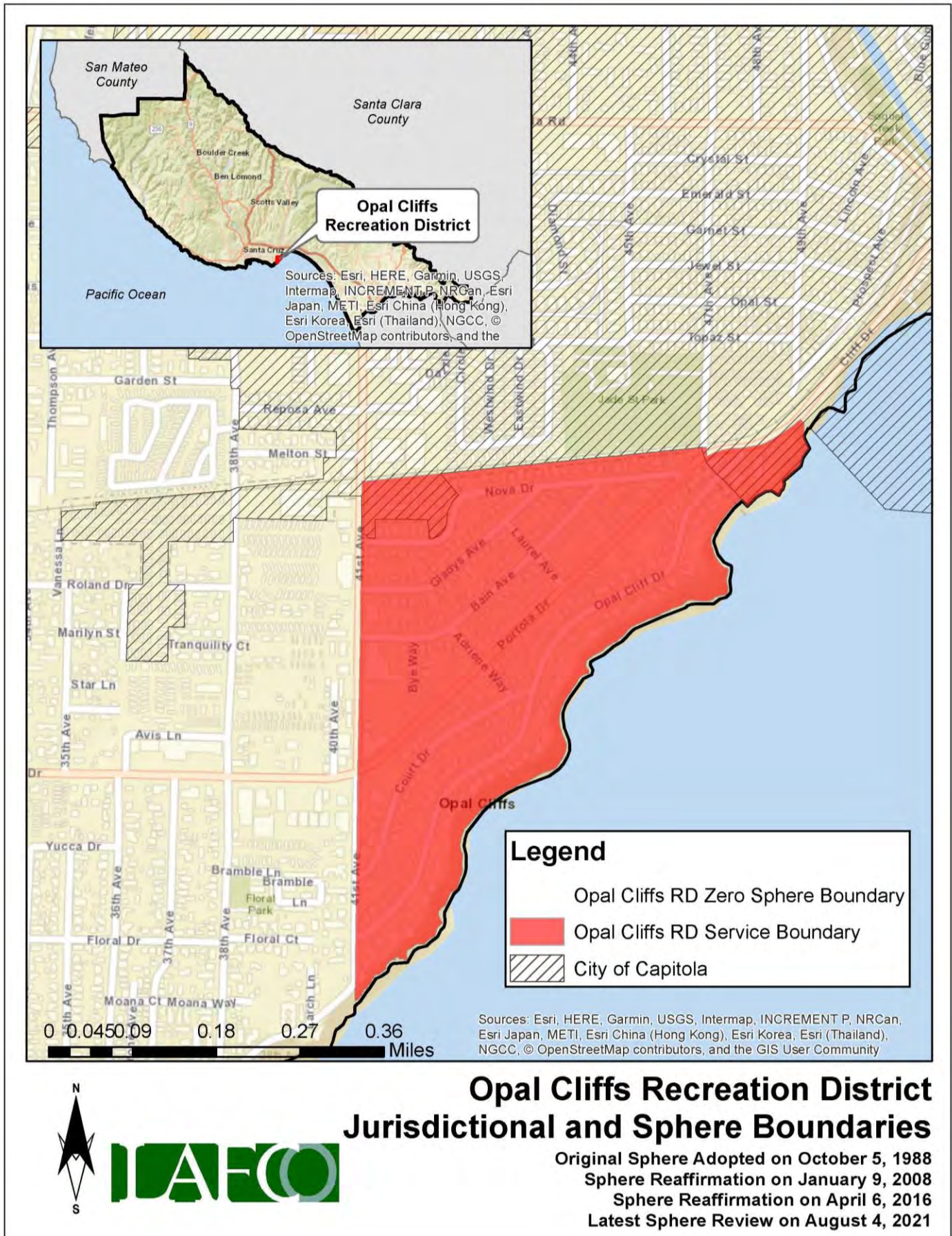
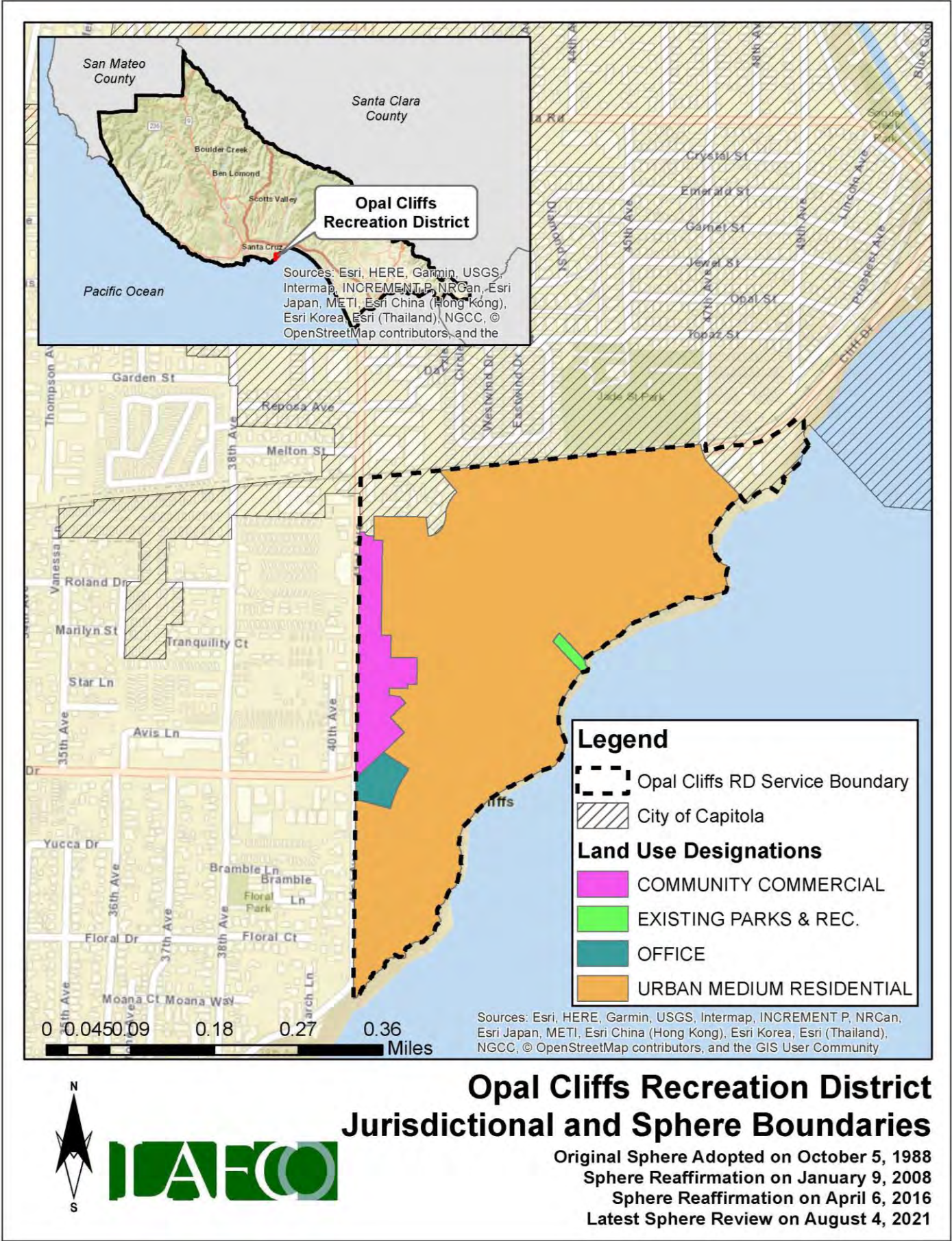




Figure 27: County General Plan's Land Use Designations



## Services & Operations

All park and recreation districts are public agencies that must follow statutory requirements – regardless of its size or level of service. Based on LAFCO's analysis, OCRD is a single-function special district. Nearly 85% of California's special districts perform a single function. Single function districts provide only one service such as water, sewer, or in this case recreational services. OCRD is currently responsible in maximizing public beach access and recreational opportunities while managing and maintaining the Opal Cliffs Park's blufftop and beach accessway and amenities. Electronic key cards to operate the gate were previously available from a local surf shop. The annual key rentals cost were \$50 for district property owners and \$100 for non-constituents. This practice was discontinued in April 2019 after a lengthy process with the Coastal Commission. While the park is now more accessible to the public, LAFCO has identified significant issues on how OCRD is operating and providing services to the Opal Cliffs community.

### Significant Deficiencies

At present, OCRD does not have a general manager or any staff members, it does not operate and maintain a physical office or website, and is in violations with several laws. Below is a summary of statutory requirements that are not being fulfilled by OCRD:

- **Audits** - Special districts are required to have annual, independent audits conducted by the county auditor or a certified public accountant. This information is filed with the State Controller's Office. The annual audit can be changed to a biennial audit if approved unanimously by the district board and the board of supervisors, under certain restrictions (Government Code Section 26909). LAFCO determined that audits have not been produced in the last six years.
- **California Public Records Act** - The purpose of the California Public Records Act (CPRA) is to enable the public to have access to information needed to monitor the functioning of government. The public has a right to inspect public records during the office hours of any government agency and to request and obtain copies of records subject to the payment of fees covering the direct costs of duplication or a statutory fee if applicable (Government Code Section 6250, et seq.). LAFCO determined that OCRD has not had a physical office location in the last six years.
- **Ethics Training** - Local elected officials and key officials designated by the local board (typically management staff) are required to take ethics training courses if the officials receive compensation or reimbursement in their position with a local government agency. This applies even if the official does not actually receive compensation or reimbursement, but if the district's enabling act simply allows for such compensation or reimbursement. By law, the affected local official must take an ethics training course once every two years, and the district has to establish a written policy on reimbursements (Government Code Section 53234, et seq.). LAFCO determined that ethics training has not occurred in the last six years.
- **Policies & Procedures** - Special districts are required to adopt policies and procedures, including but not limited to bidding regulations, governing the purchase of supplies and equipment (Government Code Section 5786.15). LAFCO determined that OCRD has not adopted any policies and procedures. LAFCO staff was informed that the District recently adopted its first bylaws in 2021 for the first time since its inception.

- **Ralph M. Brown Act** - The Brown Act is designed to ensure government actions and deliberations are conducted openly so that the people “may retain control over the instruments they have created.” The Brown Act accomplishes this by requiring meetings of local government bodies be conducted during noticed public meetings. Violations of the Brown Act can lead to invalidation of local agency actions, payment of a challenger’s attorney’s fees and, in some cases, criminal prosecution. The primary requirement of the Brown Act is that meetings of a local government agency’s legislative body be open to the public, allow for public comment and be publicly noticed 72 hours in advance of the meeting. The Brown Act contains procedures for conducting special meetings, emergency meetings, and closed sessions. The Brown Act also limits the ability for a quorum of a legislative body to discuss certain matters outside a noticed public meeting (Government Code Section 54950). LAFCO determined that only 3 board meetings were conducted in 2020 in which none were properly noticed.

#### 2014 County Auditor Letter

The County Auditor performed three audits for OCRD (2010, 2012, and 2014) and issued a management letter with each audit. The 2014 management letter made 32 recommendations. 11 of those recommendations were highlighted in LAFCO’s 2016 service and sphere review for OCRD. **Table 20** summarizes those 11 recommendations and indicates whether they were fulfilled.

**Table 20: 2014 County Auditor Recommendations**

11 Recommendations (out of 32 in total)	Completed (Yes or No)
1. Adopt a schedule of regular meeting and make it available to the public.	No
2. Post meeting agendas in compliance with the Brown Act.	No
3. Adopt preliminary and final budgets by the deadlines specified in State law.	Yes
4. Submit all expenditure documentation (invoices, receipts) to the County Auditor-Controller for their processing and payment.	Yes
5. Maintain records of certificates of insurance.	No
6. Continue working with the consultant the District Board hired to draft and adopt policies and procedures to process key card inventory, other revenues, expenditures, and petty cash.	No
7. Prepare and maintain minutes of Board meetings.	No
8. Hold meetings at least once every three months.	No
9. Require applications to be completed before key cards are issued.*	N/A
10. Reconcile key card sales to revenues collected by surf shop.*	N/A
11. Hire a bookkeeper.	No

*Footnote: Key cards were discontinued as of April 2019*



### 2019 Memorandum of Understanding

OCRD and the County entered into a memorandum of understanding (MOU) in December 2019 to help the District function as a public agency. A copy of this MOU is available as **Appendix D** in this report. In accordance with this MOU, staff members from the County Parks Department have been acting as the District's unofficial employees to help the District Board conduct public meetings, provide maintenance duties, deliver security services, and provide administrative support. LAFCO staff appreciates the collaborative effort between the two organizations. However, strategic partnerships between two or more public agencies are meant to maximize efficiencies not to subsidize the internal deficiencies that have been incurring for at least a decade now.

### **Population & Growth**

Based on staff's analysis, the population of OCRD in 2020 was approximately 700. 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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. **Table 21** shows the anticipated population within OCRD.

### Population Projection

Based on the projections for Santa Cruz County, LAFCO was able to develop a population forecast for OCRD. LAFCO staff increased the District's 2020 population amount by 0.86% each year. Under this assumption, our projections indicate that the entire population of OCRD will be approximately 730 by 2040.

**Table 21: Projected Population**

	2020	2025	2030	2035	2040	Average Rate of Change
Santa Cruz County (unincorporated area)	136,891	137,896	139,105	140,356	141,645	0.86%
<b>Opal Cliffs Recreation District</b>	<b>702</b>	<b>708</b>	<b>714</b>	<b>720</b>	<b>726</b>	<b>0.86%</b>

Source: AMBAG 2018 Regional Growth Forecast

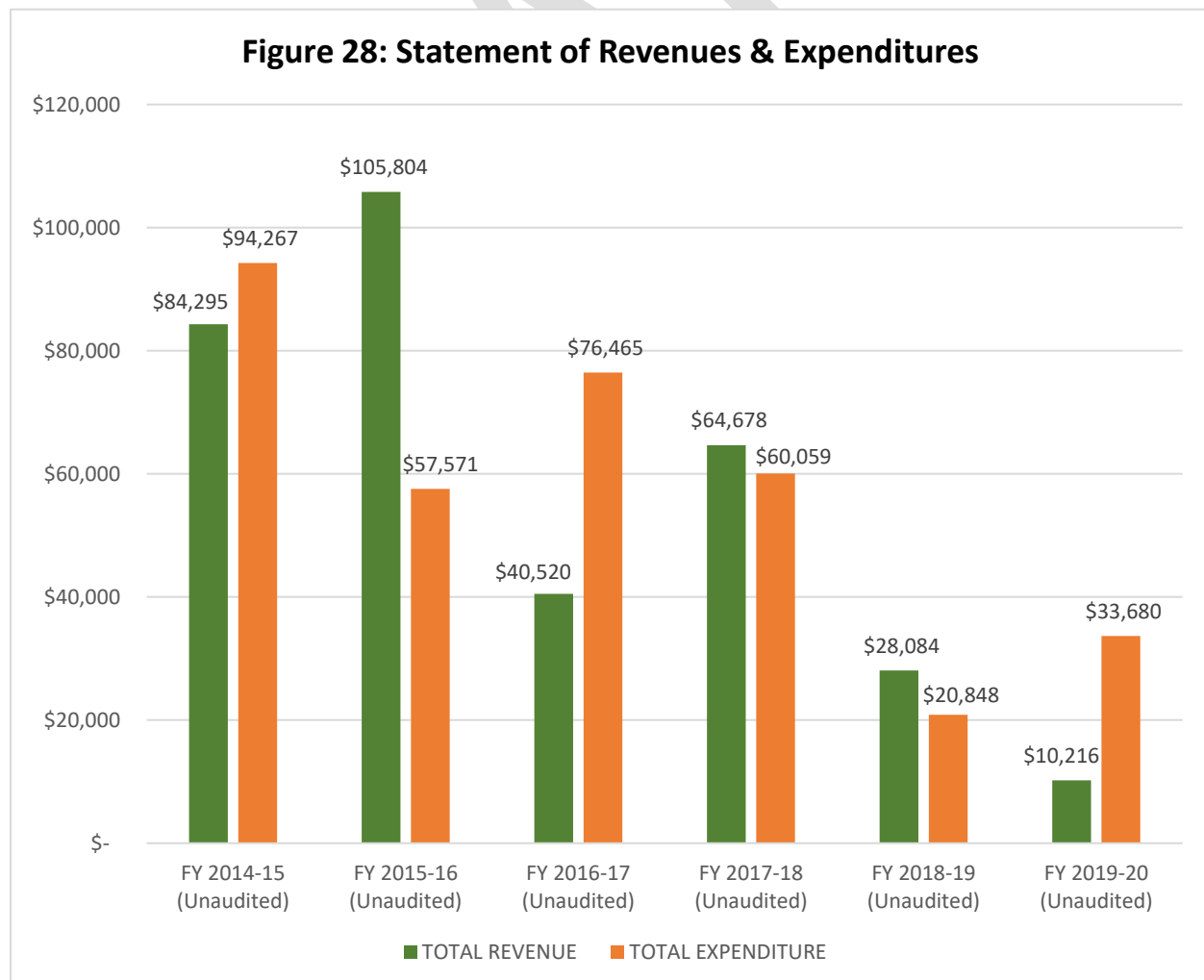




## Finances

State law requires special districts to conduct an annual audit. The law also requires special districts to file a report of the completed audit to the State Controller's Office and LAFCO (Government Code Section 56036). Based on staff's research, LAFCO has not received a report or copy of the District's audits in the last six years. In addition, the audits were not available on the District's website as statutorily required (Government Code Sections 6270.6 and 53087.8). Therefore, LAFCO staff completed an internal investigation to complete this financial analysis. This section will highlight OCRD's financial performance during the most recent fiscal years based on information retrieved. Specifically, LAFCO evaluated OCRD's financial health from FY 2014-15 to FY 2019-20. A comprehensive analysis of the District's financial performance during the past six years is shown on page 68.

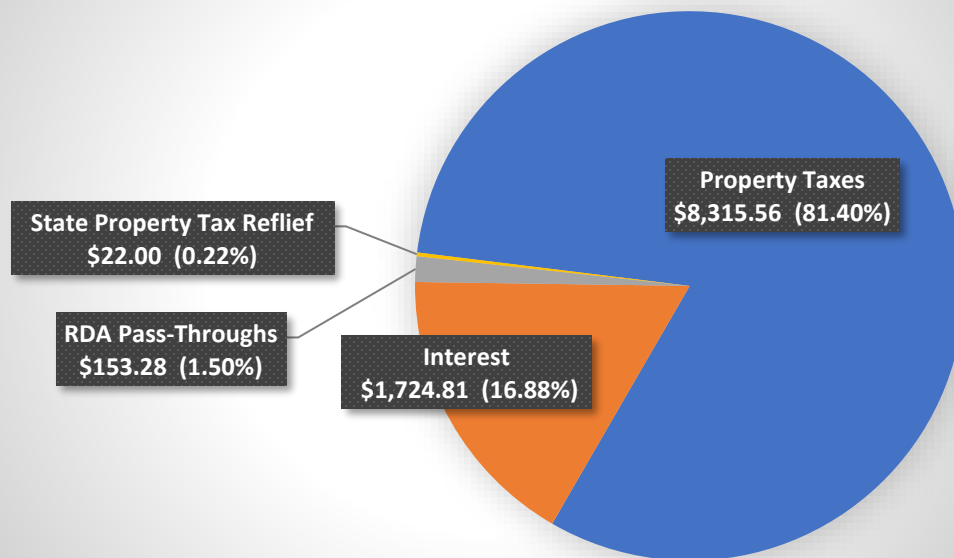
At the end of FY 2019-20, total revenue collected was approximately \$10,000, representing a 64% decrease from the previous year (\$28,084 in FY 2018-19). Total expense for FY 2019-20 was approximately \$34,000, which increased from the previous year by 62% (\$20,848 in FY 2018-19). The District has ended with a deficit in three of the last six years, as shown in **Figure 28**. What is more significant is the fact that total revenue has been dramatically decreasing over the years since 2015. LAFCO believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the Opal Cliffs community.



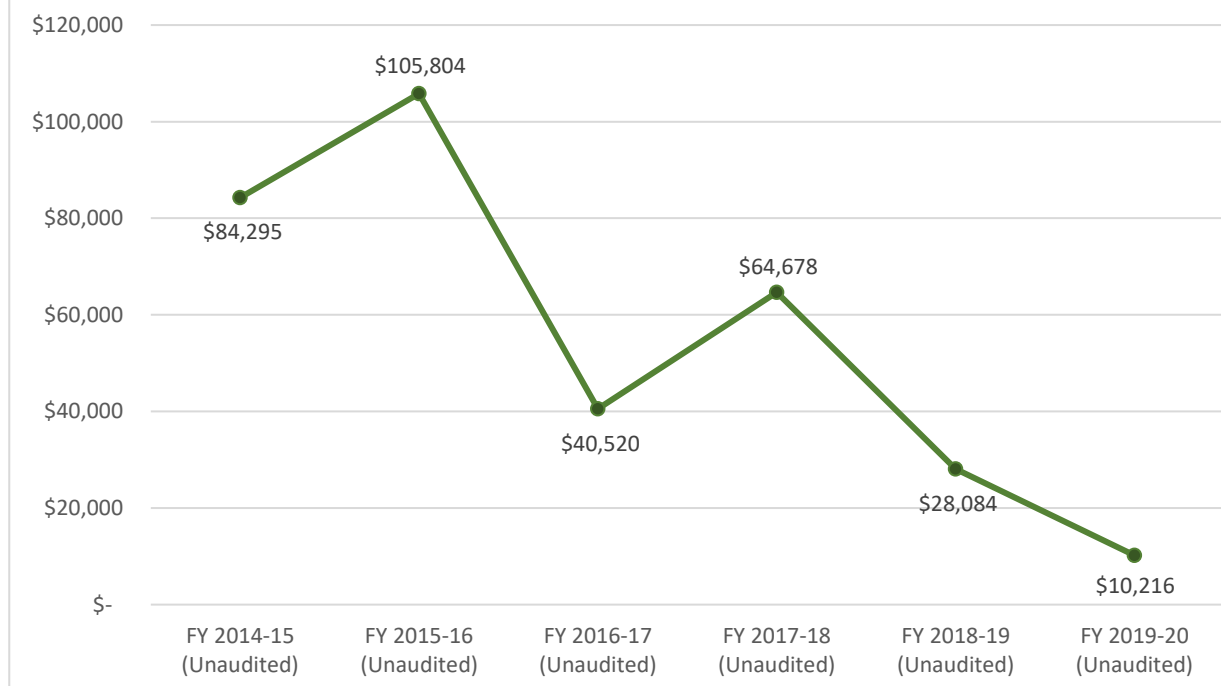
## District Revenues

OCRD's primary source of revenue is Property Taxes. Prior to the discontinuation of key cards in April 2019, key card sales were the primary source of revenue. In FY 2019-20, Property Taxes (approximately \$8,300) represented about 81% of the District's entire revenue stream. Other revenue sources include Interest (17%), RDA Pass-Throughs (1.5%), and State Homeowners' Property Tax Relief (less than 1%). **Figure 29** shows a breakdown of each revenue source received in FY 2019-20. **Figure 30** shows the total revenue received during the last six years. As the figure shows, total revenue has dramatically declined over the years.

**Figure 29: Total Revenue (FY 2019-20)**



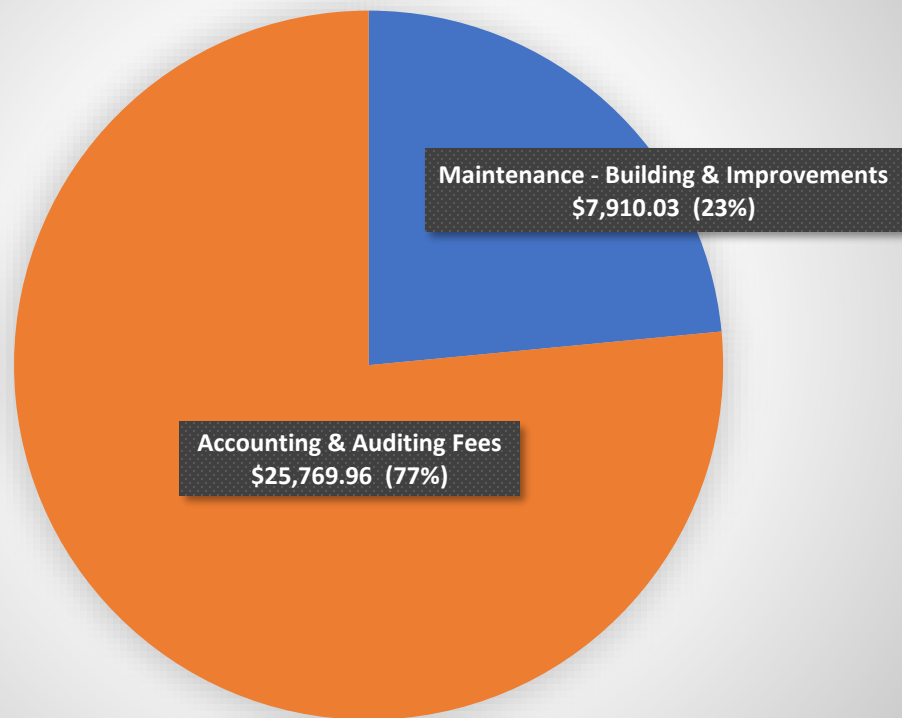
**Figure 30: Total Revenue (2014-2020)**



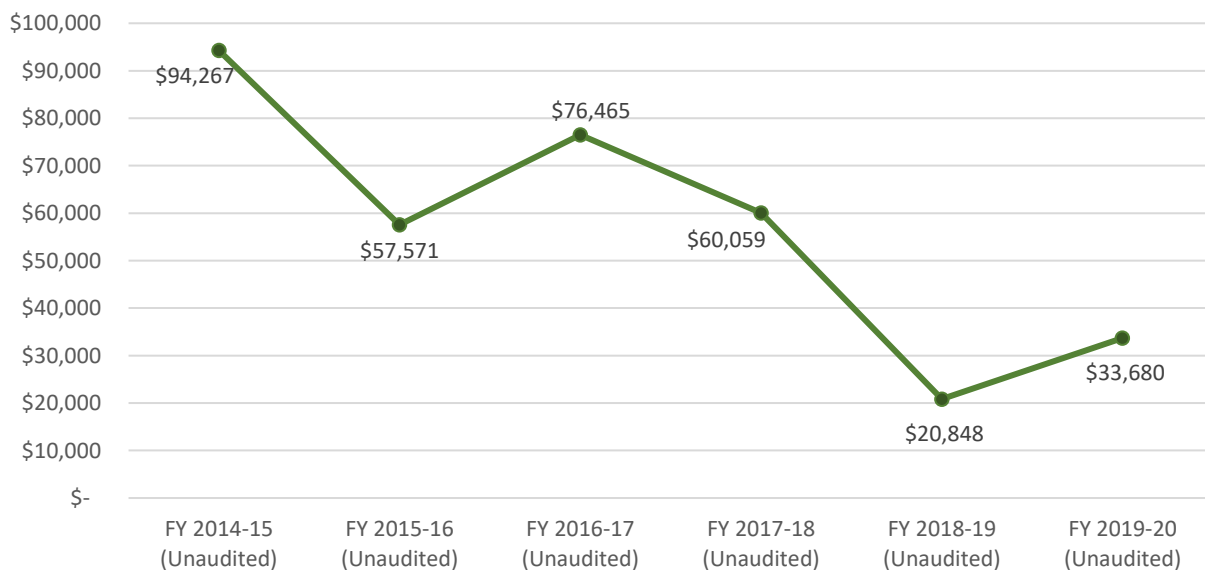
## District Expenditures

OCRD's total expenditures can be categorized into two budgetary groups: Maintenance and Accounting & Auditing Fees. **Figure 31** below distinguishes the cost and percentage per category. As shown below, Accounting services from the County is the highest expenditure during FY 2019-20. **Figure 32** shows the total expenditure modest decreased over the last six years. However, it appears that total expenses may exceed total revenues in the coming years.

**Figure 31: Total Expenditure (FY 2019-20)**



**Figure 32: Total Revenue (2014-2020)**



## Fund Balance/Net Position

As of June 30, 2020, the total fund balance is approximately \$72,000. The fund balance has been declining moderately on an annual basis since 2016, as shown in **Table 22**. **Table 23** below also shows the overall financial performance of OCRD during the last six years.

**Table 22: Fund Balance/Net Position**

	FY 14-15 (Audited)	FY 15-16 (Audited)	FY 16-17 (Audited)	FY 17-18 (Audited)	FY 18-19 (Audited)	FY 19-20 (Audited)
<b>Net Position (Ending Balance)</b>	<b>\$98,904</b>	<b>\$147,133</b>	<b>\$87,493</b>	<b>\$92,106</b>	<b>\$99,330</b>	<b>\$72,431</b>
Change in (\$) from previous year		\$48,229	-\$59,640	\$4,612	\$7,224	-\$26,899
Change in (%) from previous year		49%	-41%	5%	8%	-27%

**Table 23: Total Revenues & Expenditures**

OPAL CLIFFS RECREATION DISTRICT						
	FY 2014-15 (UnAudited)	FY 2015-16 (UnAudited)	FY 2016-17 (UnAudited)	FY 2017-18 (UnAudited)	FY 2018-19 (UnAudited)	FY 2019-20 (UnAudited)
<b>REVENUE</b>						
Charges for Services (Key Sales)	\$ 79,800.00	\$ 99,925.00	\$ 33,640.00	\$ 56,420.00	\$ 18,000.00	\$ -
Property Taxes	\$ 3,936.90	\$ 5,001.68	\$ 5,757.51	\$ 6,910.17	\$ 7,926.79	\$ 8,315.56
Interest	\$ 391.58	\$ 757.26	\$ 1,022.53	\$ 1,257.46	\$ 2,005.93	\$ 1,724.81
RDA Pass-Throughs	\$ 146.92	\$ 99.81	\$ 79.35	\$ 68.08	\$ 129.20	\$ 153.28
State Homeowners' Property Tax Relief	\$ 20.00	\$ 20.69	\$ 20.40	\$ 21.68	\$ 22.00	\$ 22.00
Contribution From Other Govt Agencies	\$ -	\$ -	\$ -	\$ 0.73	\$ -	\$ -
<b>TOTAL REVENUE</b>	<b>\$ 84,295.40</b>	<b>\$105,804.44</b>	<b>\$ 40,519.79</b>	<b>\$64,678.12</b>	<b>\$28,083.92</b>	<b>\$ 10,215.65</b>
<b>EXPENDITURE</b>						
Maintenance - Building & Improvements	\$ 59,606.26	\$ 24,774.43	\$ 45,987.96	\$ 26,364.39	\$ 14,258.27	\$ 7,910.03
Accounting & Auditing Fees	\$ 39.00	\$ 40.00	\$ 42.00	\$ 39.00	\$ 42.00	\$ 25,769.96
Special Departmental Expense	\$ 34,622.00	\$ 32,757.00	\$ 30,435.00	\$ 33,655.47	\$ 6,548.00	\$ -
<b>TOTAL EXPENDITURE</b>	<b>\$ 94,267.26</b>	<b>\$ 57,571.43</b>	<b>\$ 76,464.96</b>	<b>\$60,058.86</b>	<b>\$20,848.27</b>	<b>\$ 33,679.99</b>
<b>Surplus/(Deficit)</b>	<b>\$ (9,971.86)</b>	<b>\$ 48,233.01</b>	<b>\$(35,945.17)</b>	<b>\$ 4,619.26</b>	<b>\$ 7,235.65</b>	<b>\$(23,464.34)</b>
<b>NET POSITION</b>						
<b>Ending Balance</b>	<b>\$ 98,903.79</b>	<b>\$147,133.18</b>	<b>\$ 87,493.21</b>	<b>\$92,105.62</b>	<b>\$99,329.72</b>	<b>\$ 72,430.69</b>
Change (\$)		\$ 48,229.39	\$ (59,639.97)	\$ 4,612.41	\$ 7,224.10	\$ (26,899.03)
Change (%)		49%	-41%	5%	8%	-27%

## Governance

The Opal Cliffs Recreation and Park District is an independent special district governed by a five-member Board of Directors elected at-large by the voters within the District. When candidates run unopposed, or when there is a vacancy, seats are appointed by the County Board of Supervisors in lieu of conducting the election. **Table 24** shows the current board members for Opal Cliffs Recreation and Park District.

**Table 24: Board of Directors**

Board Member	Title	Term of Office Expiration
Michael Carlton	Board Member	First Appointed: September 2007 Next Election: General 2021
Augie Dent	Vice-President	First Elected: September 2017 Next Election: General 2021
Chris Irving	Board Member	First Elected: November 2019 Next Election: General 2023
Jenae Replogle	President	First Elected: November 2019 Next Election: General 2023
Craig Springbett	Board Member	First Appointed: January 2011 Next Election: General 2023

### Public Meetings

OPCD currently does not have a website. However, the County Parks Department has dedicated a webpage which provides the 2021 meeting schedule as well as past agendas and minutes from 2020 to 2021. At present, meetings are held on the third Wednesday of every other month. In 2020, the OCRD Board held 3 public meetings – second lowest amount when compared to the other park and recreation districts in Santa Cruz County (ARPD held zero meetings). Based on LAFCO staff's analysis, recent OCRD meetings last approximately 15 minutes and do not follow the Brown Act.

### 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. It outlines minimum website data requirements, including contact information, financial reports, and meeting agendas/minutes. OCRD does not have an official website and therefore not complying with the statutory requirements under Government Code Sections 6270.5, 53893, 53908, 54954.2, and Section 32139 of the Health and Safety Code.

## Opportunities & Challenges

Independent special districts are tasked to operate in an efficient and transparent manner on a regular basis. It is LAFCO staff's position that public agencies should always prepare and consider future opportunities and potential challenges in order to properly provide services to their constituents. The following section explores possible actions that should be considered by the District.



## **Governance Structure Options**

As previously stated, the County Parks Department is acting as the unofficial staff for OCRD in accordance with the 2019 Memorandum of Understanding. LAFCO staff sees value in local agencies collaborating and exploring opportunities to improve delivery of municipal services. Representatives of the County and the District have expressed mutual support in officially transferring over responsibilities to the County under CSA 11. Therefore, it would be beneficial to the Opal Cliffs community if OCRD and the County consider and initiate the dissolution of OCRD by December 2021. If no application is submitted by the December deadline, the Commission should consider initiating dissolution in accordance with Government Code Section 56375(a)(2)(B).

## **Internal Efficiencies**

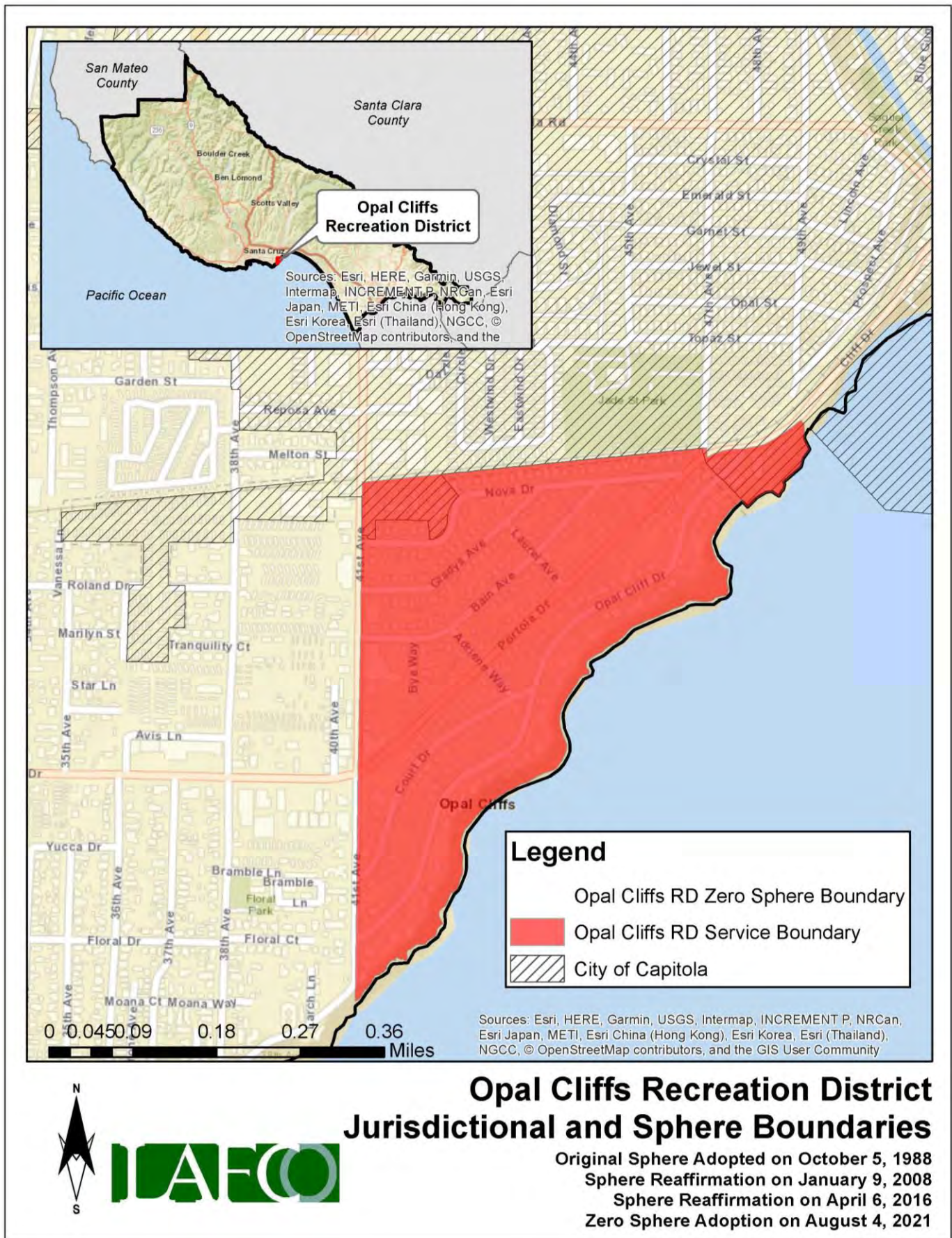
While LAFCO staff believes it would benefit the residents if OCRD is dissolved and subsequently annexed into CSA 11, there are actions that should be implemented immediately if the District remains in place. These actions include hiring full-time employees and a general manager, creating and maintaining a website in accordance with SB 929, conducting internal audits by an independent auditing firm, and adopting balancing annual budgets with capital improvement plans. These actions are necessary to deal with the significant issues identified by LAFCO during our evaluation. LAFCO staff believes that the deficiencies will continue if these internal issues are not resolved immediately.

## **Sphere of Influence**

Santa Cruz LAFCO adopted OCRD's first sphere of influence on October 5, 1988. **Appendix E** provides a copy of the 1988 resolution that implemented the first sphere of influence for OCRD. Unlike the other park and recreation districts in Santa Cruz County, OCRD received a zero sphere of influence during its original adoption.

A "zero" sphere of influence (encompassing no territory) is adopted by LAFCO when the Commission has determined that the service functions of the affected agency are either: nonexistent, no longer needed, or should be reallocated to some other local government. The adoption of a "zero" sphere indicates the public agency should ultimately be dissolved and service responsibilities be transferred to another local agency. Therefore, LAFCO staff is recommending that the Commission reaffirm the zero sphere with the condition that the District be dissolved within a year (August 2022). **Figure 33**, on page 71, shows the proposed zero sphere reaffirmation for OCRD.

**Figure 33: Proposed Zero Sphere Reaffirmation (Precursor to Dissolution)**



## District Summary

Opal Cliffs Recreation and Park District	
<b>Formation</b>	Public Resources Code, Division 5 (Parks and Monuments), Chapter 4 (Recreation and Park Districts); Section 5780
<b>Board of Directors</b>	5 members, elected at-large to four-year terms
<b>Contact Person</b>	No General Manager
<b>Employees</b>	0 Full-Time Employees
<b>Facilities</b>	1 Park (Opal Cliffs Park) which contains several parking spots, an entrance gate, a coastal viewing area, a walkway down the cliff to the beach.
<b>District Area</b>	67 acres (0.10 square miles)
<b>Sphere of Influence</b>	Current sphere of influence is designated as a zero sphere.  <b><i>Proposed Designation:</i></b> Reaffirm Zero Sphere of Influence. A zero sphere indicates that the District should be dissolved. Park and recreational services would be taken over by another public agency, such as the County.
<b>FY 2019-20 Budget</b>	Total Revenue = \$10,216  Total Expenditure = \$33,680  Projected Net Position (Beginning Balance) = \$72,431
<b>Contact Information</b>	Mailing Address: No District Mailing Address  Phone Number: No District Phone Number  Email Address: No District Email Address  Website: No Official District Website
<b>Public Meetings</b>	Meeting schedule is not readily available to the public.
<b>Mission Statement</b>	None

## **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.**

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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of OCRD will be approximately 726 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

OCRD was formed in 1949. The primary purpose of the District is to maximize and provide public beach access to Opal Cliffs Park, a small neighborhood park located at 4524 Opal Cliffs Drive in unincorporated county territory. The park contains several parking spots, an entrance gate, a coastal viewing area, a walkway down the cliff to the beach.

**4. Financial ability of agencies to provide services.**

The District has ended with a deficit in three of the last six years. What is more significant is the fact that total revenue has been dramatically decreasing over the years since 2015. LAFCO believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the Opal Cliffs community or internal improvements are established immediately.

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

Representatives from the District and County have expressed interest in dissolving OCRD and subsequently annexing the area into CSA 11. This will ensure that the Opal Cliffs community will receive recreational services from an existing public agency.

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

OCRD does not have a general manager or any staff members, it does not operate and maintain a physical office or website, and is in violations with several laws.

**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 and sphere 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 County's General Plan designates the vast majority of the area as Urban Medium Residential with only a small portion actually designated as Existing Parks and Recreation. It is important to note that the District also contains a portion of the City of Capitola.

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

Due to the District's ongoing financial constraints, in conjunction with OCRD's interest in transferring service responsibilities to another local agency, LAFCO staff is recommending that the District be dissolved and concurrently annexed into CSA 11.

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

While the park is now more accessible to the public, LAFCO has identified significant issues on how OCRD is operating and providing services to the Opal Cliffs community.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.



## APPENDICES

**Appendix A: ARPD's Original Sphere Adoption (October 1988)**

**Appendix B: BCRPD's Original Sphere Adoption (October 1988)**

**Appendix C: LSBRD's Original Sphere Adoption (March 1990)**

**Appendix D: OCRD's MOU with Santa Cruz County (December 2019)**

**Appendix E: OCRD's Original Sphere Adoption (October 1988)**



Notice of Exemption

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To: ☐ Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento CA 95814

From: (Public Agency)  
Santa Cruz Local Agency Formation Commission  
701 Ocean Street, Room 318-D  
Santa Cruz CA 95060

To: ☒ Clerk of the Board  
County of Santa Cruz  
701 Ocean Street, Room 500  
Santa Cruz CA 95060

Project Title: Countywide Park and Recreation District Service and Sphere Review

Project Location: The four recreation and park districts in Santa Cruz County are Alba, Boulder Creek, La Selva Beach, and Opal Cliffs. A vicinity map depicting the jurisdictional and sphere boundaries for each district is attached (refer to Attachment A).

Project Location City: N/A Project Location County: Santa Cruz County

Description of Nature, Purpose, and Beneficiaries of Project: The report is for use by the Local Agency Formation Commission in conducting 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 of 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). Santa Cruz LAFCO has prepared a municipal service review, and sphere of influence update for the four districts. The purpose of the report is to ensure the effectiveness and efficiency in the delivery of public services by the districts, in accordance with the statutory requirements outlined in the Cortese-Knox-Hertzberg Act.

Name of Public Agency Approving Project: Local Agency Formation Commission of Santa Cruz County. The LAFCO public hearing on this proposal is scheduled for 9:00 a.m. on August 4, 2021.

Name of Person or Agency Carrying Out Project: Santa Cruz Local Agency Formation Commission

Exempt Status: (check one)

- ☐ Ministerial (Sec. 21080(b)(1); 15268);  
☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));  
☐ Emergency Project (Sec. 21080(b)(4); 15269 (b)(c));  
☐ Categorical Exemption: State type and section number  
☐ Statutory Exemptions: State code number  
☒ Other: The activity is not a project subject to CEQA.

Reason Why Project is Exempt: The LAFCO action does not change the services or the planned service area of the City. There is no possibility that the activity may have a significant impact on the environment--State CEQA Guidelines Section 15061(b)(3).

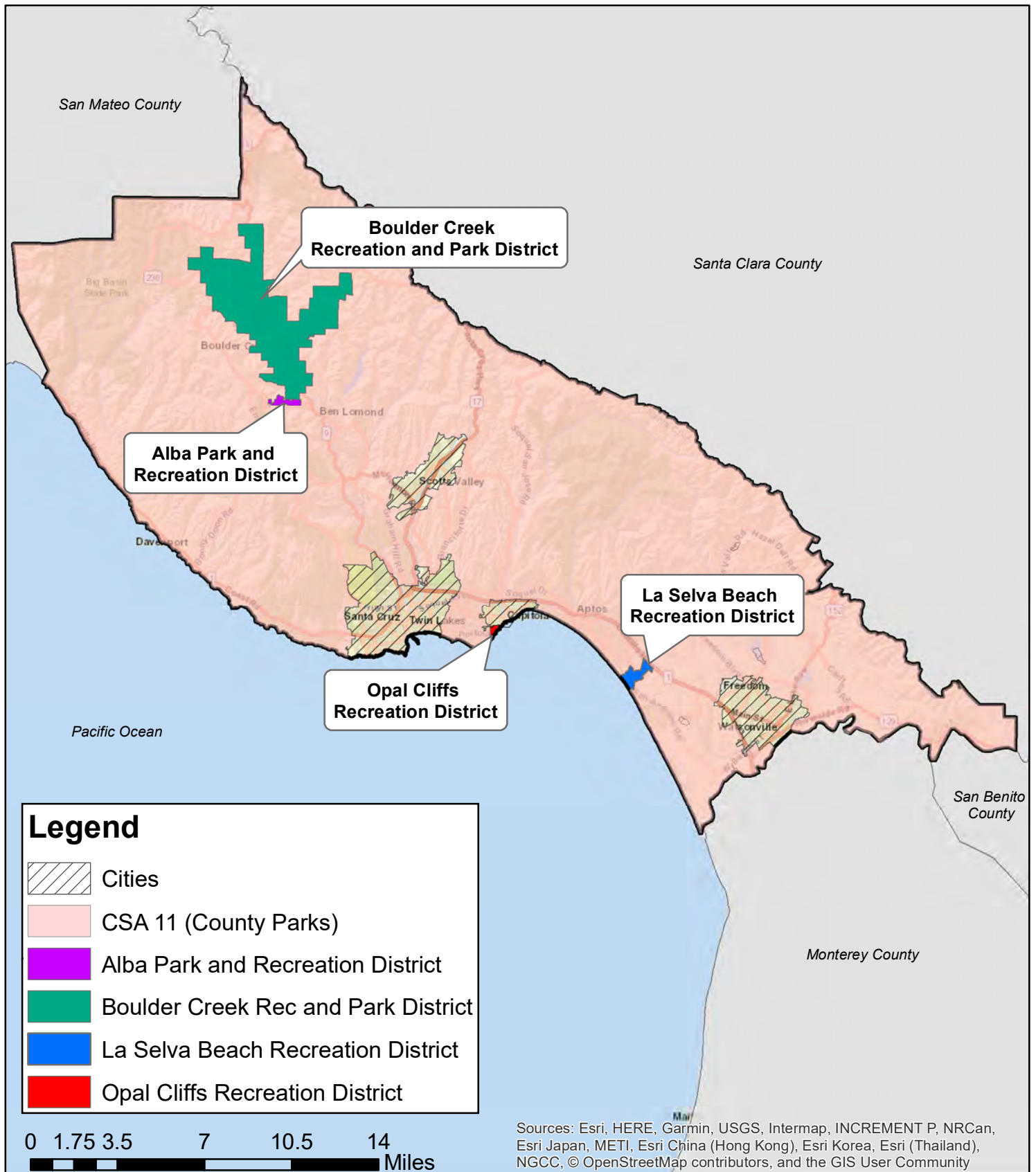
Lead Agency Contact Person: Joe A. Serrano

Area Code/Phone Extension: 831-454-2055.

Signature:   
Joe A. Serrano, Executive Officer

Date: June 3, 2021

☒ Signed by Lead Agency



# Countywide Park and Recreation Service and Sphere Review



**NOTICE OF PUBLIC HEARING  
LOCAL AGENCY FORMATION COMMISSION**

NOTICE IS HEREBY GIVEN that at 9:00 a.m., Wednesday, August 4, 2021, in Room 525 of the County Government Center, 701 Ocean Street, Santa Cruz, CA, the Local Agency Formation Commission of Santa Cruz County (LAFCO) will hold public hearings on the following:

- **De Somer Annexation:** Consideration of a 0.50-acre annexation into County Service Area 10 (LAFCO Project No. DA 21-10). The purpose of the proposal is for the provision of sewer service to a single parcel. The subject area is within unincorporated county territory and is located east of Graham Hill Road, south of Treetop Drive and Nepenthe Drive, west of La Madrona Drive and Highway 17, and north of Sims Road. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.
- **Countywide Park & Recreation Service and Sphere of Influence Review:** Consideration of a service and sphere review for Alba Recreation and Park District, Boulder Creek Recreation and Park District, La Selva Beach Recreation District, and Opal Cliffs Recreation District. These districts are located throughout Santa Cruz County. In compliance with the California Environmental Quality Act (CEQA), LAFCO staff has prepared a Categorical Exemption for this report.

During the meeting, the Commission will consider oral or written comments from any interested person. Maps, written reports, environmental review documents and further information can be obtained by contacting LAFCO's staff at (831) 454-2055 or from LAFCO's website at [www.santacruzlafco.org](http://www.santacruzlafco.org). LAFCO does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs or activities. If you wish to attend this meeting and you will require special assistance in order to participate, please contact the LAFCO office at least 48 hours in advance of the meeting to make arrangements.

A handwritten signature in blue ink, appearing to read 'Joe A. Serrano'.

Joe A. Serrano  
Executive Officer  
Date: July 13, 2021

LOCAL AGENCY FORMATION COMMISSION OF SANTA CRUZ COUNTY  
RESOLUTION NO. 2021-16

On the motion of Commissioner  
duly seconded by Commissioner  
the following resolution is adopted:

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
APPROVING THE 2021 COUNTYWIDE PARK AND RECREATION  
SERVICE AND SPHERE REVIEW

\*\*\*\*\*

The Local Agency Formation Commission of Santa Cruz County (the "Commission") does hereby resolve, determine, and order as follows:

1. In accordance with Government Code Sections 56425, 56427, and 56430, the Commission has initiated and conducted the 2021 Countywide Park and Recreation Service and Sphere of Influence Review for Alba Recreation and Park District, Boulder Creek Recreation and Park District, La Selva Beach Recreation District, and Opal Cliffs Recreation Districts ("Districts").
2. The Commission's Executive Officer has given notice of a public hearing by this Commission of the service and sphere of influence review in the form and manner prescribed by law.
3. The Commission held a public hearing on August 4, 2021, and at the hearing, the Commission heard and received all oral and written protests, objections, and evidence that were presented.
4. This approval of the 2021 Countywide Park and Recreation Service and Sphere of Influence Review for the Districts is exempt under the California Environmental Quality Act ("CEQA") pursuant to the CEQA Guidelines Section 15061(b)(3) because this Commission action does not change the services or the planned service area of the subject agencies. There is no possibility that the activity may have a significant impact on the environment. This action qualifies for a Notice of Exemption under CEQA.
5. The Commission hereby approves the 2021 Countywide Park and Recreation Service and Sphere of Influence Review.
6. The Commission hereby approves the Service Review Determinations, as shown on Exhibits A, D, G, and J.
7. The Commission hereby approves the Sphere of Influence Determinations, as shown on Exhibits B, E, H, and K.



8. The Commission hereby reaffirms the existing sphere of influence boundaries for Boulder Creek Recreation and Park District and La Selva Beach Recreation District, as shown in Exhibits F and I.
9. The Commission hereby adopts a zero sphere of influence boundary for Alba Recreation and Park District, as shown in Exhibit C.
10. The Commission hereby reaffirms the zero sphere of influence boundary for Opal Cliffs Recreation District, as shown in Exhibit L.
11. The Commission hereby directs the LAFCO Executive Officer to coordinate with Alba Recreation and Park District, Opal Cliffs Recreation District, and the County of Santa Cruz to initiate and complete the dissolution of those two recreation districts by August 31, 2022.

PASSED AND ADOPTED by the Local Agency Formation Commission of Santa Cruz County this 4th day of August 2021.

AYES:

NOES:

ABSENT:

---

JUSTIN CUMMINGS, CHAIRPERSON

Attest:

---

Joe A. Serrano  
Executive Officer

Approved as to form:

---

Daniel H. Zazueta  
LAFCO Counsel

**EXHIBIT A**  
**ALBA RECREATION AND PARK DISTRICT**  
**2021 SERVICE REVIEW DETERMINATIONS**

---

**1. Growth and population projections for the affected area.**

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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86%. Under this assumption, LAFCO's projections indicate that the entire population of ARPD will be approximately 232 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

ARPD was formed in 1954. The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility was in operations for over six decades before it was burned down as a result of the CZU Fire in August 2020. It is unknown if the facility will be rebuilt.

**4. Financial ability of agencies to provide services.**

The District has ended with a deficit in three of the last six years. LAFCO staff believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the Alba community or internal improvements are established immediately.

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

Representatives from the District and County have expressed interest in dissolving ARPD and subsequently annexing the area into CSA 11. This will ensure that the community continues to receive recreational services from an existing public agency.

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

Due to the devastating CZU Fire, coupled with various operational issues, the District should be dissolved, and service responsibilities should be assumed by the County.

**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 and sphere review.

**EXHIBIT B**  
**ALBA RECREATION AND PARK DISTRICT**  
**2021 SPHERE OF INFLUENCE DETERMINATIONS**

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

The District is located in unincorporated county territory. The County's General Plan designates the vast majority of this area as Mountain Residential.

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

Due to the District's ongoing financial constraints, in conjunction with ARPD's interest in transferring service responsibilities to another local agency, LAFCO staff recommends adopting a zero sphere as a precursor to dissolution.

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

The primary purpose of the District was to maintain the former Alba School as a library and community center. The facility was in operations for over six decades before it was burned down as a result of the CZU Fire in August 2020. It is unknown if the facility will be rebuilt.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

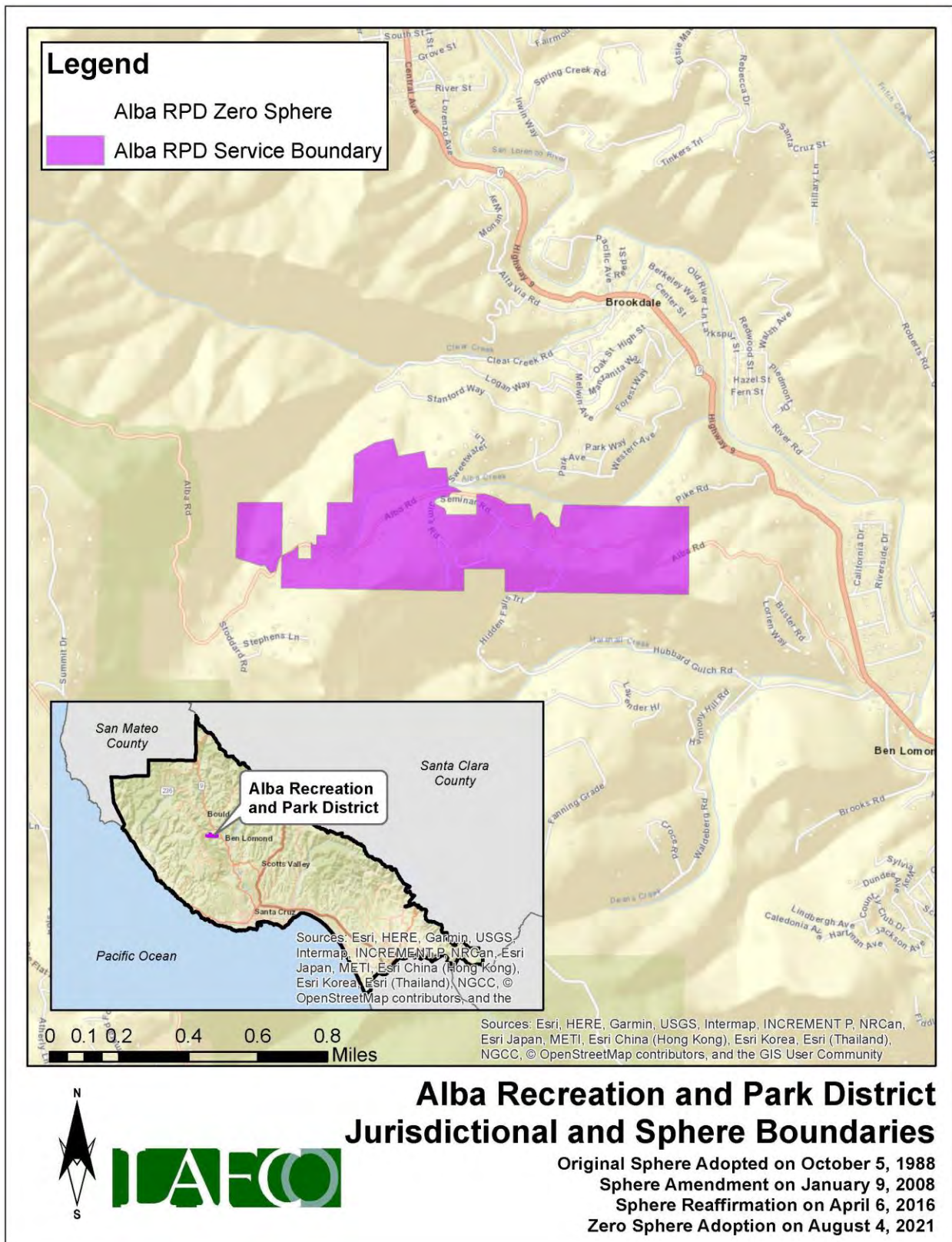
LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

# EXHIBIT C

## ALBA RECREATION AND PARK DISTRICT

### SPHERE OF INFLUENCE MAP

LAFCO adopts a zero sphere (precursor to dissolution).



**EXHIBIT D**  
**BOULDER CREEK RECREATION AND PARK DISTRICT**  
**2021 SERVICE REVIEW DETERMINATIONS**

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**1. Growth and population projections for the affected area.**

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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86% Under this assumption, LAFCO's projections indicate that the entire population of BCRPD will be approximately 8,200 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

BCRPD was formed in 1959. The purpose of the District is to serve the unincorporated communities of Boulder Creek and Brookdale through 5 recreational facilities (3 parks and 2 community centers).

**4. Financial ability of agencies to provide services.**

The District has ended with a deficit in four of the last six years. LAFCO staff believes that this negative trend will continue unless the District increases its revenue or decrease its overall costs to ensure the District has enough funds to cover annual expenses.

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

The District should consider collaborating with the County and the California Special Districts Association to ensure that they are up-to-date with all statutory requirements.

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

BCRPD offers a variety of classes and events that require a varied level of fees and costs. This allows the District to make their programs accessible to more community members to participate.

**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 and sphere review.



**EXHIBIT E**  
**BOULDER CREEK RECREATION AND PARK DISTRICT**  
**2021 SPHERE OF INFLUENCE DETERMINATIONS**

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

The District is located in unincorporated county territory. The area contains various land use designations pursuant to the County's General Plan ranging from rural, mountain and suburban residential to open space, agriculture, and public facilities.

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

The District currently operates 5 recreational facilities to serve the entire area. Implementing a capital improvement plan would help ensure adequate funds are earmarked to maintain and repair the existing facilities.

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

BCRPD is the largest park recreation district in Santa Cruz County when compared with the other three districts (Alba, La Selva Beach, and Opal Cliffs). Implementing a capital improvement plan would help ensure adequate funds are earmarked to address projects within the three parks and two community centers.

**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.**

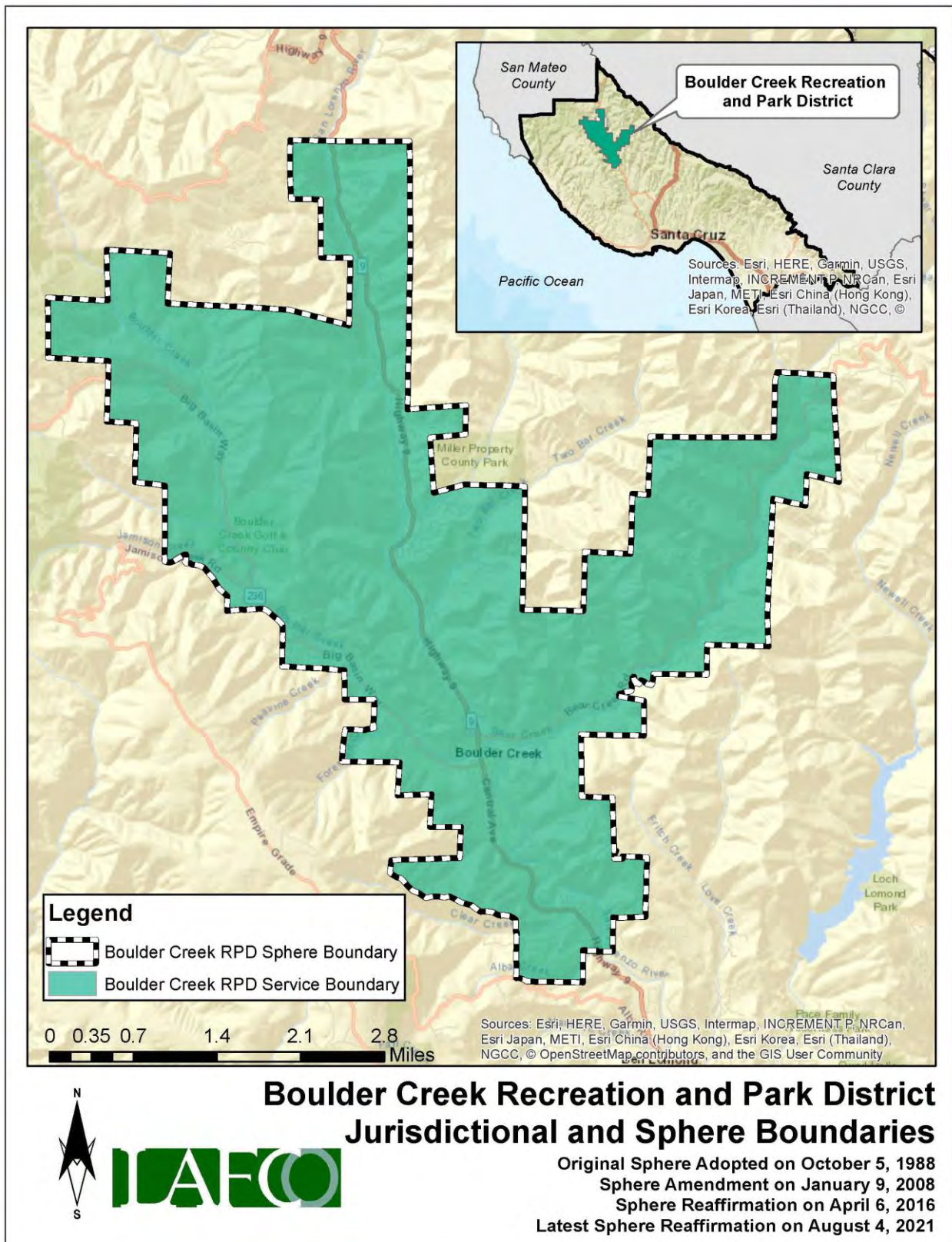
LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**EXHIBIT F**  
**BOULDER RECREATION AND PARK DISTRICT**  
**SPHERE OF INFLUENCE MAP**

LAFCO reaffirms the coterminous sphere (no change to the status quo).



**EXHIBIT G**  
**LA SELVA BEACH RECREATION DISTRICT**  
**2021 SERVICE REVIEW DETERMINATIONS**

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**1. Growth and population projections for the affected area.**

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. Under this assumption, LAFCO's projections indicate that the entire population of LSBRD will be approximately 1,700 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

The District was formed in 1959. The purpose of LSBRD is to serve the unincorporated communities of La Selva Beach through 3 recreational facilities (Triangle Park, Robin's Park, and the La Selva Beach Clubhouse). The District also maintains an open space area and a coastal bluff.

**4. Financial ability of agencies to provide services.**

The District has ended with an annual surplus since 2014, excluding FY 2017-18. LAFCO believes that this positive trend will continue based upon the District's ongoing conservative budgetary practices ensuring that their total revenues cover total expenses on an annual basis.

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

The District is a member of the California Special Districts Association (CSDA), which is a non-profit association that was formed in 1969 to promote good governance for all types of independent special districts. Other park and recreation districts may benefit learning from LSBRD, such as Boulder Creek Recreation and Park District.

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

The District is currently renovating the La Selva Clubhouse, which is a centerpiece of the community, providing space for community events, after-school and summer children's programs, craft fairs, wedding receptions, and educational opportunities. At present, the clubhouse can accommodate up to 150 guests.

**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 and sphere review.

**EXHIBIT H**  
**LA SELVA BEACH RECREATION DISTRICT**  
**2021 SPHERE OF INFLUENCE DETERMINATIONS**

---

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

LSBRD encompasses 816 parcels which totals approximately 500 acres (0.80 square miles). The County's General Plan designates the vast majority of this area as Urban Low Residential with other various zones including but not limited to Existing Parks & Recreation and Urban Open Space.

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

The District currently operates 5 recreational areas to serve the entire La Selva Beach community. Implementing a capital improvement plan would help ensure adequate funds are earmarked to maintain and repair the existing facilities.

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

The La Selva Beach Clubhouse is currently in the process of being renovated after evaluations by contractors and structural engineers revealed significant structural flaws. Measure P was approved by the residents which allows the District to levy a \$50 parcel tax from July 2019 to June 2026. LSBRD is anticipated to collect around \$280,000 for renovation of the clubhouse.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

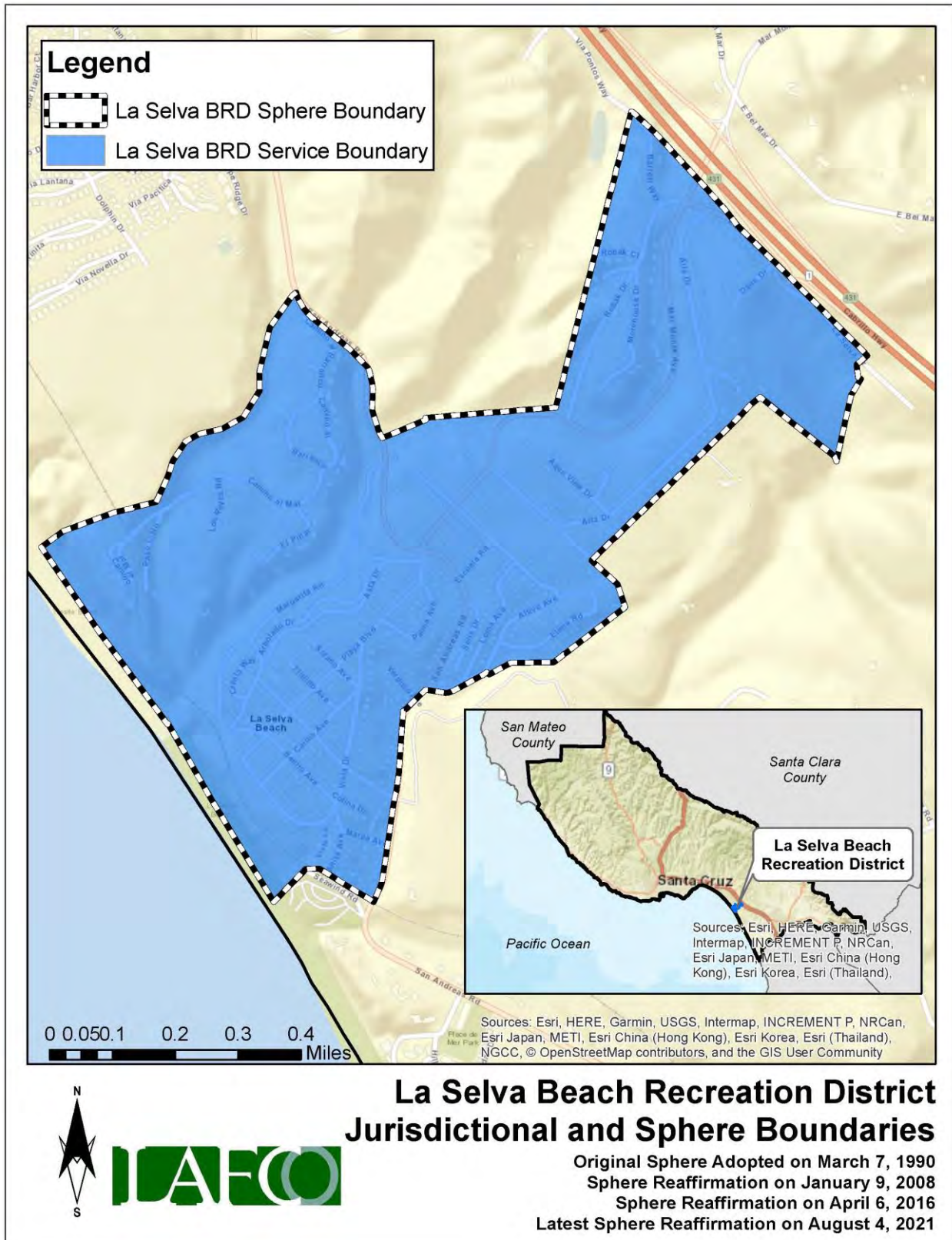


# EXHIBIT I

## LA SELVA BEACH RECREATION DISTRICT

### SPHERE OF INFLUENCE MAP

LAFCO reaffirms the coterminous sphere (no change to status quo).





**EXHIBIT J**  
**OPAL CLIFFS RECREATION DISTRICT**  
**2021 SERVICE REVIEW DETERMINATIONS**

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**1. Growth and population projections for the affected area.**

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. Based on this slow growth trend, the population for unincorporated lands is expected to increase by 0.86% Under this assumption, LAFCO's projections indicate that the entire population of OCRD will be approximately 726 by 2040.

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

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.

**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.**

OCRD was formed in 1949. The primary purpose of the District is to maximize and provide public beach access to Opal Cliffs Park, a small neighborhood park located at 4524 Opal Cliffs Drive in unincorporated county territory. The park contains several parking spots, an entrance gate, a coastal viewing area, a walkway down the cliff to the beach.

**4. Financial ability of agencies to provide services.**

The District has ended with a deficit in three of the last six years. What is more significant is the fact that total revenue has been dramatically decreasing over the years since 2015. LAFCO believes that this negative trend will continue unless a more stable public agency assumes the service responsibilities for the Opal Cliffs community or internal improvements are established immediately.

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

Representatives from the District and County have expressed interest in dissolving OCRD and subsequently annexing the area into CSA 11. This will ensure that the Opal Cliffs community will receive recreational services from an existing public agency.

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

OCRD does not have a general manager or any staff members, it does not operate and maintain a physical office or website, and is in violations with several laws.

**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 and sphere review.

**EXHIBIT K**  
**OPAL CLIFFS RECREATION DISTRICT**  
**2021 SPHERE OF INFLUENCE DETERMINATIONS**

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

The County's General Plan designates the vast majority of the area as Urban Medium Residential with only a small portion actually designated as Existing Parks and Recreation. It is important to note that the District also contains a portion of the City of Capitola.

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

Due to the District's ongoing financial constraints, in conjunction with OCRD's interest in transferring service responsibilities to another local agency, LAFCO staff is recommending that the District be dissolved and concurrently annexed into CSA 11.

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

While the park is now more accessible to the public, LAFCO has identified significant issues on how OCRD is operating and providing services to the Opal Cliffs community.

**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.**

LAFCO staff is not aware of any social or economic communities of interest in the area.

**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.**

LAFCO did not identify any DUCs within or contiguous to the District. It is important to note that the District does not provide water, sewer, or fire protection.





Date: August 4, 2021  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **CALAFCO 2021 Annual Conference**

### SUMMARY OF RECOMMENDATION

Santa Cruz LAFCO is a member of the California Association of LAFCOs (CALAFCO). The annual business meeting and conference hosted by CALAFCO will occur in the first week of October and will be held in Newport Beach. The Commission may take action on various items in advance of the 2021 Annual Business Meeting and Conference.

It is recommended that the Commission take the following actions:

1. Discuss attendance at the upcoming CALAFCO Annual Conference;
2. Reschedule the October 6th LAFCO Meeting to a different date;
3. Designate a Voting Member and Alternate for the Regional Caucus and Business Meeting;
4. Approve the nomination for the “Mike Gotch Excellence in Public Service” Award.

### EXECUTIVE OFFICER'S REPORT:

The annual CALAFCO business meeting and conference will be held on October 6-8 in Newport Beach (refer to **Attachment 1**). The Commission has budgeted a fixed amount that permits Commissioners and staff to attend the CALAFCO event. In the past, the CALAFCO conferences have offered significant educational value for both new and seasoned Commissioners and staff. Commissioners who are interested in attending the 2021 conference should inform staff before or at the August 4th LAFCO Meeting. It is important to note that the October 6th Regular LAFCO Meeting conflicts with the conference and should be rescheduled to a different date (ex. October 13) or cancelled. The following sections include other business items that require Commission direction.

### CALAFCO Board Seats (Now Accepting Nominations)

During this year's conference, voting delegates will address the vacancies on the CALAFCO Board of Directors. CALAFCO's Election Committee is now accepting nominations for the following seats on the CALAFCO Board:

**Table A: CALAFCO Board Upcoming Vacancies**

Central Region	Coastal Region	Northern Region	Southern Region
City Seat	City Seat	County Seat	County Seat
Public Seat	Public Seat	District Seat	District Seat

### Regional Caucus and Business Meeting

CALAFCO board members have been elected by region since 2010. This year, there are two seats open from the Coastal Region: one City Member and one Public Member, as shown in **Table A**. Additional information regarding the election process is provided in **Attachment 2**. The deadline to submit nominations is Tuesday, September 7. The election will be held on Thursday, October 7 at the conference. Nominations do not require Commission action. Therefore, staff recommends that interested Commissioners inform staff so we can help prepare their nomination packets.

In advance of the election process at the annual conference, each LAFCO designates a representative to cast a vote on behalf of their Commission. Santa Cruz LAFCO's designee traditionally consults with the other attending Commissioners and attempts to establish a consensus position before casting any vote. The designee may also represent Santa Cruz LAFCO during the annual Business Meeting held during the conference. Staff is recommending that the Commission appoint a voting delegate and an alternate to represent Santa Cruz LAFCO at the conference. If the Commission does not plan to attend or a voting delegate is not appointed, the Commission should consider requesting an absentee ballot.

### **CALAFCO Awards (Now Accepting Nominations)**

Each year, CALAFCO presents awards to recognize outstanding achievements by dedicated and committed individuals and/or organizations from throughout the State. CALAFCO is currently accepting nominations to recognize and support those who went above and beyond to advance the principles and goals of the Cortese-Knox-Hertzberg Act. Due to the cancellation of last year's conference, the nomination period covers the 2020 and 2021 timeframe. There are a total of eight achievement awards, as shown in **Attachment 3**. Staff is recommending that the Commission nominate the 2020 Fire Consolidation for the "Mike Gotch Excellence in Public Service" Award.

### 2020 Fire Consolidation

The "Mike Gotch" Award recognizes a project or agency(ies) that showcase innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services. This Commission is fully aware of the multi-year process that was required to complete the consolidation. The collaborative effort from the two affected districts, the County, members of the public, LAFCO, and State Legislators was the critical factor in the success of this governance change. That is why staff is recommending that the Commission acknowledge the group's effort by approving the attached nomination form for the "Mike Gotch Excellence in Public Service" Award (refer to **Attachment 4**).

### **CALAFCO Membership Dues Structure**

The CALAFCO Board of Directors spent more than a year deliberating the structural deficit and the current dues structure back in 2018 and 2019. They considered input and feedback from all LAFCOs. The overall consensus was that CALAFCO should work towards a more sustainable dues structure model. After extensive research and discussion, the CALAFCO Board of Directors unanimously approved a dues structure based on a flat rate, county population threshold, and a per capita rate. CALAFCO held an election during the 2019 Annual Conference in which the new model was approved by majority vote. Based on staff's understanding, and confirmation from CALAFCO's Executive Director Pamela Miller, the new membership dues structure will remain in place and no further changes are being considered at this time.



Based on this new structure, Santa Cruz LAFCO will pay \$4,766 to CALAFCO in FY 2021-22. **Table B** shows the most recent dues in comparison to this year's estimated amount. Additionally, **Attachment 5** shows a breakdown of the membership dues for all 58 LAFCOs.

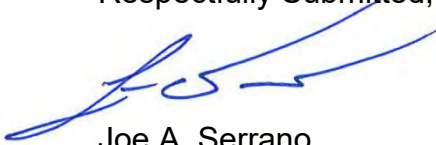
**Table B: Santa Cruz LAFCO's Membership Dues**

	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Dues	\$2,805	\$3,261	\$4,901	\$4,766
Change (\$)		\$456	\$1,640	-\$135
Change (%)		16%	50%	-3%

## CONCLUSION

It has been over a year since Santa Cruz LAFCO has networked in-person with other LAFCOs. Staff believes that CALAFCO offers an array of resources and benefits to Commissioners and fellow employees. Therefore, staff is recommending that the Commission consider attending this year's annual conference and address the items identified in the staff report.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

## Attachments:

1. Conference Announcement Flyer
2. Board Nomination Packet
3. Award Nomination Packet
4. "Mike Gotch Excellence in Public Service" Award Candidate (Draft Form)
5. CALAFCO Membership Dues (FY 2021-22)



# Announcing The 2021 CALAFCO Annual Conference

Hosted by CALAFCO

**October 6 - 8**

Hyatt Regency, Newport Beach

Conveniently located near the John Wayne Airport



## Highly Relevant & Diverse General & Breakout Session Topics

- The New Era: State of the State in terms of extreme water and fire issues, and what it means for LAFCo\* (Wed)
- Looming pension liabilities (Thu)
- City/District funding and property tax agreements (Thu)
- Post-pandemic workforce best practices for hiring staff (Thu)
- Hot topic facilitated breakouts – two rounds (Thu)
- The “bilities” of water and the LAFCo connection: Availability, accessibility, and portability (along with quality and state mandates)\* (Wed)
- Cyber Security threats to LAFCos and local agencies\* (Fri)
- Annual CALAFCO Legislative Update\* (Fri)
- CALAFCO Annual Business Meeting (for all CALAFCO members)\* (Thu)

*Note: The Program is subject to change.  
\*Indicates General Session*

### Special Highlights

#### LAFCo 101

An introduction to LAFCo and LAFCo law for Commissioners, Staff, and anyone interested in learning more about LAFCo

*Wednesday from  
10:00 a.m. to Noon*

#### Special Thursday afternoon session:

#### Hot Topic Roundtables

Join us for a special kind of breakout session format: **topical roundtables**. Choose the topics that are of most interest to you and join the conversation. This is a chance to share issues, existing best practice solutions, and create new and innovation solutions. Each round of the two-round breakouts will be approx. 50 mins.

*Topical list still being prepared and may include LAFCo indemnification, sea level rise, pandemic recovery, local fire issues, local water issues.*

**It's been 2 years since we've  
seen you...are you missing  
each other?**

### We've Created Invaluable Networking Opportunities for Reconnection!

- Regional Roundtable discussions on current regional LAFCo issues
- Extended roundtable discussion for LAFCo legal counsel
- Networking breakfasts and extended breaks
- Welcome Reception Wednesday
- Thursday Pre-dinner Reception & breaks with Sponsors
- Awards Banquet Thursday

### Hyatt Regency Newport Beach at the John Wayne Airport



Make your reservations now at the **Hyatt Regency** at the special CALAFCO rate of \$194 (excludes tax and fees). Special rates available 3 days pre- and post-conference on availability, includes in-room wifi and parking.

**Reservation cutoff date is 9/6/21.**

**TO MAKE HOTEL RESERVATIONS, PLEASE VISIT:** <https://www.hyatt.com/en-US/group-booking/SNARJ/G-CAL2> or call directly at 949-975-1234 and reference CALAFCO event.

Visit [www.calafco.org](http://www.calafco.org) for Conference details or call us at 916-442-6536.

**Mark your calendar and  
plan to attend!**

**Registration is now open!  
Visit [www.calafco.org](http://www.calafco.org)**



June 1, 2021

**To:** Local Agency Formation Commission  
Members and Alternate Members

**From:** Gay Jones, Committee Chair  
CALAFCO Board Election Committee  
CALAFCO Board of Directors

**CALAFCO**



**RE: Nominations for 2021/2022 CALAFCO Board of Directors**

Nominations are now open for the fall elections of the CALAFCO Board of Directors. Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal and operational issues that affect us all. The Board meets four to five times each year at alternate sites around the state. Any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat.

CALAFCO's Election Committee is accepting nominations for the following seats on the CALAFCO Board of Directors:

**Central Region**

City Member  
Public Member

**Southern Region**

County Member  
District Member

**Northern Region**

County Member  
District Member

**Coastal Region**

City Member  
Public Member

The election will be conducted during Regional Caucuses at the CALAFCO Annual Conference prior to the Annual Membership Meeting on Thursday, October 7, 2021 at the Hyatt Regency in Newport Beach at the John Wayne Airport, CA.

**Please inform your Commission that the CALAFCO Election Committee is accepting nominations for the above-cited seats until Tuesday, September 7, 2021 at 5:00 p.m.**

Incumbents are eligible to run for another term. Nominations received by September 7 will be included in the Election Committee's Report and will be on the ballot. The Report will be distributed to LAFCo members no later than September 23, 2021 and ballots made available to Voting Delegates at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance. **The ballot request must be made no later than Tuesday, September 7, 2021. Completed absentee ballots must be returned by 8:00 a.m., Monday, October 4, 2021.**

*Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee.*

**The nomination forms and materials must be received by the CALAFCO Executive Director no later than Tuesday, September 7, 2021 at 5:00 p.m.** Here is a summary of the deadlines for this year's nomination process:

- **June 1** – Nomination Announcement and packet sent to LAFCo membership and posted on the CALAFCO website.
- **September 7** – Completed Nomination packet due
- **September 7** – Request for an absentee/electronic ballot due
- **September 7** – Voting delegate name due to CALAFCO
- **September 23** – Distribution of the Election Committee Report (includes all completed/submitted nomination papers)
- **September 23** – Distribution of requested absentee/electronic ballots.
- **October 4** – Absentee ballots due to CALAFCO
- **October 7** - Elections

Returning the nomination form prior to the deadline ensures your nominee is placed on the ballot. Names will be listed in the order nominations were received should there be multiple candidates. Electronic filing of nomination forms and materials is encouraged to facilitate the recruitment process. Please send e-mails with forms and materials to [info@calafco.org](mailto:info@calafco.org). Alternatively, nomination forms and materials can be mailed to the address below. Please forward nominations to:

CALAFCO Election Committee c/o Executive Director  
California Association of Local Agency Formation Commissions  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, California 95814  
EMAIL: [info@calafco.org](mailto:info@calafco.org)

Questions about the election process can be sent to the Chair of the Committee, Gay Jones, at [gjones@calafco.org](mailto:gjones@calafco.org) or by calling her at 916-208-0736. You may also contact CALAFCO Executive Director Pamela Miller at [pmiller@calafco.org](mailto:pmiller@calafco.org) or by calling 916-442-6536.

Members of the 2021/2022 CALAFCO Election Committee are:

Gay Jones, Chair <a href="mailto:gjones@calafco.org">gjones@calafco.org</a>	Sacramento LAFCo (Central Region) 916-208-0736
Blake Inscore <a href="mailto:binscore@calafco.org">binscore@calafco.org</a>	Del Norte LAFCo (Northern Region) 707-951-0517
Chris Lopez <a href="mailto:clopez@calafco.org">clopez@calafco.org</a>	Monterey LAFCo (Coastal Region) 831-755-5033
David West <a href="mailto:dwest@calafco.org">dwest@calafco.org</a>	Imperial LAFCo (Southern Region) 760-352-3411

Attached please find a copy of the CALAFCO Board of Directors Nomination and Election Procedures as well as the current listing of Board Members and corresponding terms of office.

*Please consider joining us!*

Enclosures

## Board of Directors Nomination and Election Procedures and Forms

The procedures for nominations and election of the CALAFCO Board of Directors [Board] are designed to assure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in the CALAFCO Annual Conference.

The Board nomination and election procedures shall be:

### 1. APPOINTMENT OF AN ELECTION COMMITTEE:

- a. Following the Annual Membership Meeting the Board shall appoint an Election Committee of four members of the Board. The Election Committee shall consist of one member from each region whose term is not ending.<sup>8</sup>
- b. The Board shall appoint one of the members of the Election Committee to serve as Chairman. The CALAFCO Executive Officer shall appoint a CALAFCO staff member to serve as staff for the Election Committee in cooperation with the CALAFCO Executive Director.<sup>8</sup>
- c. Each region shall designate a regional representative to serve as staff liaison to the Election Committee.<sup>8</sup>
- d. Goals of the Committee are to provide oversight of the elections process and to encourage and solicit candidates by region who represent member LAFCOs across the spectrum of geography, size, and urban suburban and rural population if there is an open seat for which no nominations papers have been received close to the deadline.<sup>8</sup>

### 2. ANNOUNCEMENT TO ALL MEMBER LAFCOs:

- a. No later than three months prior to the Annual Membership Meeting, the Election Committee Chair shall send an announcement to each LAFCo for distribution to each commissioner and alternate. The announcement shall include the following:<sup>8</sup>
  - i. A statement clearly indicating which offices are subject to the election.
  - ii. A regional map including LAFCOs listed by region.
  - iii. The dates by which all nominations must be received by the Election Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFCo marked "Received too late for Elections Committee action."<sup>8</sup>
  - iv. The names of the Election Committee members with the Committee Chairman's LAFCo address and phone number, and the names and contact information for each of the regional representatives.<sup>8</sup>
  - v. The address to send the nominations forms.
  - vi. A form for a Commission to use to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.
- b. No later than four months before the annual membership meeting, the Election Committee Chairman shall send an announcement to the Executive Director for distribution to each member LAFCo and for publication in the newsletter and on the web site. The

#### Key Timeframes for Nominations Process

Days*	
90	Nomination announcement
30	Nomination deadline
14	Committee report released

\*Days prior to annual membership meeting



announcement shall include the following:<sup>8</sup>

- i. A statement clearly indicating which offices are subject to the election.
  - ii. The specific date by which all nominations must be received by the Election Committee. Nominations received after the closing dates shall be returned to the proposing LAFCo marked "Received too late for Election Committee action."<sup>8</sup>
  - iii. The names of the Election Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.<sup>8</sup>
  - iv. Requirement that nominated individual must be a commissioner or alternate commissioner from a member in good standing within the region.
- c. A copy of these procedures shall be posted on the web site.

### **3. THE ELECTION COMMITTEE:**

- a. The Election Committee and the regional representatives have the responsibility to monitor nominations and help assure that there are adequate nominations from each region for each seat up for election. No later than two weeks prior to the Annual Conference, the Election Committee Chair shall distribute to the members the Committee Report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.<sup>8</sup>
- b. At the close of the nominations the Election Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the Annual Conference for the purpose of electing their designated seats. Caucus elections must be held prior to the annual membership meeting at the conference. The Executive Director or assigned staff along with a member of the Election Committee shall tally ballots at each caucus and provide the Election Committee the names of the elected Board members and any open seats. In the event of a tie, the staff and Election Committee member shall immediately conduct a run-off ballot of the tied candidates.<sup>8</sup>
- c. Make available sufficient copies of the Committee Report for each Voting Delegate by the beginning of the Annual Conference.
- d. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- e. Advise the Executive Director to provide "CANDIDATE" ribbons to all candidates attending the Annual Conference.<sup>8</sup>
- f. Post the candidate statements/resumes organized by region on a bulletin board near the registration desk.
- g. Regional elections shall be conducted as described in Section 4 below. The representative from the Election Committee shall serve as the Presiding Officer for the purpose of the caucus election.<sup>8</sup>
- h. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Election Committee Chair shall notify the Chair of the Board of Directors that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.<sup>8</sup>

**4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING<sup>6</sup>**  
Limited to the elections of the Board of Directors

- a. Any LAFCo in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.
- b. LAFCOs requesting an electronic ballot shall do so in writing no later than 30 days prior to the annual meeting.
- c. The Executive Director shall distribute the electronic ballot no later than two weeks prior to the annual meeting.
- d. LAFCo must return the ballot electronically to the executive director no later than three days prior to the annual meeting.
- e. LAFCOs voting under this provision may discard their electronic ballot if a representative is able to attend the annual meeting.
- f. LAFCOs voting under this provision may only vote for the candidates nominated by the Election Committee and may not vote in any run-off elections.<sup>8</sup>

**5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING:**

- a. The Election Committee Chairman, another member of the Election Committee or the Chair's designee (hereafter called the Presiding Officer) shall:<sup>8</sup>
  - i. Review the election procedure with the membership.
  - ii. Present the Election Committee Report (previously distributed).
  - iii. Call for nominations from the floor by category for those seats subject to this election:
    - 1. For city member.
    - 2. For county member.
    - 3. For public member.
    - 4. For special district member.
- b. To make a nomination from the floor, a LAFCo, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two minutes in support of the nomination.
- c. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
- d. The Presiding Officer shall conduct a "Candidates Forum". Each candidate shall be given time to make a brief statement for their candidacy.
- e. The Presiding Officer shall then conduct the election:
  - i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:

1. Name the nominees and offices for which they are nominated.
2. Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.
- ii. For categories where there are more candidates than vacancies, the Presiding Officer shall:
  1. Poll the LAFcos in good standing by written ballot.
  2. Each LAFco in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.
  3. Any ballots submitted electronically for candidates included in the Election Committee Report shall be added to the tally.<sup>8</sup>
  4. With assistance from CALAFco staff, tally the votes cast and announce the results.
- iii. Election to the Board shall occur as follows:
  1. The nominee receiving the majority<sup>6</sup> of votes cast is elected.
  2. In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election. Electronic ballots are not included in the tally for any run-off election(s).<sup>6</sup>
  3. In case of tie votes<sup>6</sup>:
    - a. A second run-off election shall be held with the same two nominees.
    - b. If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.
  4. In the case of two vacancies, any candidate receiving a majority of votes cast is elected.<sup>6</sup>
    - a. In the case of no majority for either vacancy, the three nominees receiving the three highest number of votes cast shall face each other in a run-off election.
    - b. In the case of no majority for one vacancy, the two nominees receiving the second and third highest number of votes cast shall face each other in a run-off election.
    - c. In the event of a tie, a second run-off election shall be held with the tied nominees. If there remains a tie after the second run-off election the winner shall be determined by a draw of lots.

## **6. ADDITIONAL PROCEDURES**

- a. For categories where there are more candidates than vacancies, names will be listed in the order nominated.
- b. The Election Committee Chair shall announce and introduce all Board Members elected at the Regional Caucuses at the annual business meeting.<sup>8</sup>
- c. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFco may be nominated

- for at-large seats.
- d. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.
  - e. As required by the Bylaws, the members of the Board shall meet as soon as possible after election of new board members for the purpose of electing officers, determining meeting places and times for the coming year, and conducting any other necessary business.

## 7. LOSS OF ELECTION IN HOME LAFCo

Board Members and candidates who lose elections in their home office shall notify the Executive Director within 15 days of the certification of the election.

## 8. FILLING BOARD VACANCIES

Vacancies on the Board of Directors may be filled by appointment by the Board for the balance of the unexpired term. Appointees must be from the same category as the vacancy, and should be from the same region.

## CALAFCO Regions FOUR REGIONS



The counties in each of the four regions consist of the following:

**Northern Region**

Butte  
Colusa  
Del Norte  
Glenn  
Humboldt  
Lake  
Lassen  
Mendocino  
Modoc  
Nevada  
Plumas  
Shasta  
Sierra  
Siskiyou  
Sutter  
Tehama  
Trinity  
Yuba

**CONTACT:** Steve Lucas  
Butte LAFCo  
slucas@buttecounty.net

**Southern Region**

Orange  
Los Angeles  
Imperial  
Riverside  
San Bernardino  
San Diego

**CONTACT:** Gary Thompson  
Riverside LAFCo  
gthompson@lafco.org

**Coastal Region**

Alameda  
Contra Costa  
Marin  
Monterey  
Napa  
San Benito  
San Francisco  
San Luis Obispo  
San Mateo  
Santa Barbara  
Santa Clara  
Santa Cruz  
Solano  
Sonoma  
Ventura

**CONTACT:** Martha Poyatos  
San Mateo LAFCo  
mpoyatos@smcgov.org

**Central Region**

Alpine  
Amador  
Calaveras  
El Dorado  
Fresno  
Inyo  
Kern  
Kings  
Madera  
Mariposa  
Merced  
Mono  
Placer  
Sacramento  
San Joaquin  
Stanislaus  
Tulare  
Tuolumne  
Yolo

**CONTACT:** Christine Crawford, Yolo LAFCo  
christine.crawford@yolocounty.org



<b>CALAFCO Board Members 2020-21</b> (as of June 1, 2021)		
<b>Board Member Name</b>	<b>LAFCo - Region</b>	<b>Type (Term Expires)</b>
Bill Connelly - <b>Secretary</b>	Butte - <i>Northern</i>	County (2021)
David Couch	Humboldt - <i>Northern</i>	District (2021)
Blake Inscore	Del Norte - <i>Northern</i>	City (2022)
Gay Jones	Sacramento - <i>Central</i>	District (2022)
Michael Kelley – <b>Chair</b>	Imperial - <i>Southern</i>	County (2021)
Christopher Lopez	Monterey – <i>Coastal</i>	County (2022)
Daron McDaniel	Merced – <i>Central</i>	County (2022)
Michael McGill – <b>Immediate Past Chair</b>	Contra Costa - <i>Coastal</i>	District (2022)
Jo MacKenzie	San Diego - <i>Southern</i>	District (2021)
Margie Mohler - <b>Treasurer</b>	Napa - <i>Coastal</i>	City (2021)
Tom Murray	San Luis Obispo - <i>Coastal</i>	Public (2021)
Anita Paque – <b>Vice Chair</b>	Calaveras - <i>Central</i>	Public (2021)
Daniel Parra	Fresno - <i>Central</i>	City (2021)
Josh Susman	Nevada - <i>Northern</i>	Public (2022)
Acquanetta Warren	San Bernardino – <i>Southern</i>	City (2022)
David West	Imperial - <i>Southern</i>	Public (2022)

## Board of Directors 2021/2022 Nominations Form

### ***Nomination to the CALAFCO Board of Directors***

In accordance with the Nominations and Election Procedures of CALAFCO,

\_\_\_\_\_ LAFCo of the \_\_\_\_\_ Region

Nominates \_\_\_\_\_

for the (check one)    ☐ City    ☐ County    ☐ Special District    ☐ Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual  
Membership Meeting of the Association.

\_\_\_\_\_  
LAFCo Chair

\_\_\_\_\_  
Date

#### **NOTICE OF DEADLINE**

Nominations must be received by **September 7, 2021**  
at 5:00 p.m. to be considered by the Election Committee.  
Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, CA 95814

Or email to: [info@calafco.org](mailto:info@calafco.org)

**Board of Directors  
2021/2022 Candidate Resume Form  
(Complete both pages)**

Nominated By: \_\_\_\_\_ LAFCo Date: \_\_\_\_\_

Region (please check one): ☐ Northern ☐ Coastal ☐ Central ☐ Southern

Category (please check one): ☐ City ☐ County ☐ Special District ☐ Public

Candidate Name \_\_\_\_\_

Address \_\_\_\_\_

Phone Office \_\_\_\_\_ Mobile \_\_\_\_\_

e-mail \_\_\_\_\_

Personal and Professional Background:

LAFCo Experience:

CALAFCO or State-level Experience:

Availability:

Other Related Activities and Comments:

**NOTICE OF DEADLINE**

Nominations must be received by **September 7, 2021**  
at 5:00 p.m. to be considered by the Election Committee.  
Send completed nominations to:  
CALAFCO Election Committee  
CALAFCO  
1020 12<sup>th</sup> Street, Suite 222  
Sacramento, CA 95814

Or email to: [info@calafco.org](mailto:info@calafco.org)



**Date:** May 24, 2021

**To:** CALAFCO Members  
LAFCo Commissioners and Staff  
Other Interested Organizations

**From:** CALAFCO Achievement Awards Committee

**Subject: 2021 CALAFCO Achievement Award Nominations**



On behalf of the Association, we are pleased to announce the newly updated CALAFCO Achievement Awards program and the opening of the nomination period. During the past year while the Committee and program were in hiatus due to the pandemic, the program underwent a comprehensive review and update. On April 30, 2021, the Board of Directors unanimously approved and adopted the program.

Each year, CALAFCO recognizes outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at the Annual Conference Achievement Awards Ceremony. This year's ceremony will be on October 7 at the Hyatt Regency Newport Beach John Wayne Airport, during the awards banquet.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who go ***above and beyond*** in their work to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition based on the criteria outlined. *Please carefully review the nomination instructions and the criteria for each category. Incomplete nominations will not be considered by the Committee, nor will nominations that do not adhere to the submittal guidelines.*

*For this year only*, the nomination period covers the 2020 and 2021 timeframe. This is because there were no awards last year. This will be a one-time only expansion of the timeframe. ***SPECIFICALLY, THAT IS JULY 1, 2019 THROUGH JUNE 30, 2020. Please ensure your nomination highlights achievements only during this timeframe.***

To make a nomination, please use the following procedure:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization.
2. Each nomination must meet the specific award category criteria for consideration. The Committee will not consider any nomination for an award for any category other than the one for which it was submitted. Duplicate nominations *will not be considered by the Committee.*
3. Nominations ***must be submitted with a completed nomination form.*** Please use a separate form for each nomination. The form is your opportunity to highlight the most important points of your nomination.
4. Nomination Executive Summaries must be *limited to no more than 250 words in length.* Nomination Summaries must be *limited to no more than 1,000 words or 2 pages in length maximum.* You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount *will not be considered by the Committee.*



5. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. *Limit supporting documentation to no more than 3 pages.* If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount *will not be considered by the Committee.*
6. All nomination materials must be submitted at one time and must be received by the deadline. No late nominations will be accepted – no exceptions. Electronic submittals are required and must be submitted as pdf document, using the fillable pdf document provided.
7. **Nominations and supporting materials must be received no later than 3:00 p.m., Friday, August 13, 2021.** Send nominations via e-mail to:

Stephen Lucas, CALAFCO Executive Officer  
[slucas@buttecounty.net](mailto:slucas@buttecounty.net)

**AND**

Christine Crawford, CALAFCO Deputy Executive Officer  
[christine.crawford@yolocounty.org](mailto:christine.crawford@yolocounty.org)

*Please contact Steve Lucas, CALAFCO Executive Officer, at [slucas@buttecounty.net](mailto:slucas@buttecounty.net) or (530) 538-7784 with any questions.*

## Members of the 2021 CALAFCO Board of Directors Awards Committee

### Board Members:

Anita Paque, Committee Chair (Calveras LAFCo, Central Region)  
 Daron McDaniel (Merced LAFCo, Central Region)  
 Jo MacKenzie (San Diego LAFCo, Southern Region)  
 Margie Mohler (Napa LAFCo, Coastal Region)  
 Josh Susman (Nevada LAFCo, Northern Region)

[apaque@calafco.org](mailto:apaque@calafco.org)  
[dmcdaniel@calaco.org](mailto:dmcdaniel@calaco.org)  
[jmackenzie@calafco.org](mailto:jmackenzie@calafco.org)  
[mmohler@calafco.org](mailto:mmohler@calafco.org)  
[jsusman@calafco.org](mailto:jsusman@calafco.org)

### Regional Officer Members:

Christine Crawford, CALAFCO Deputy Executive Officer (Central Region)  
 Steve Lucas, CALAFCO Executive Officer (Northern Region)  
 Martha Poyatos, CALAFCO Deputy Executive Officer (Coastal Region)  
 Gary Thompson, CALAFCO Deputy Executive Officer (Southern Region)

[christine.crawford@yolocounty.org](mailto:christine.crawford@yolocounty.org)  
[slucas@buttecounty.net](mailto:slucas@buttecounty.net)  
[mpoyatos@smcgov.org](mailto:mpoyatos@smcgov.org)  
[gthompson@lafco.org](mailto:gthompson@lafco.org)

### Included as attachments:

- Achievement Awards Program Summary
- 2021 Achievement Award nomination form
- Achievement Award categories, nomination and selection criteria
- Listing of prior Achievement Award recipients





## CALAFCO ACHIEVEMENT AWARDS SUMMARY OF PROGRAM CHANGES

**AS ADOPTED BY THE BOARD OF DIRECTORS ON APRIL 30, 2021**

### **Purpose of the changes**

There are several goals to updating the CALAFCO Achievement Awards program.

First, nomination criteria did not exist for any award. By adding specific nomination criteria to each award, it will be easier for those considering submittal of a nomination to have clear standards that must be met in order for any nomination to be considered. Further, the criterion creates guidelines for the author of a nomination submittal.

Next, also non-existent were selection criteria. By creating selection criteria for each award, the Awards Committee has clear guidelines by which to review and consider each nomination within a given award category. Each proposed selection criteria is customized to the nomination criteria for that award category. This clear criterion also allows nominators to understand what will be considered by the Awards Committee as the nominations for a given category are considered.

We believe both of these goals create a more transparent and comprehensive Achievement Awards program for our membership.

Additionally, the updated Awards Program does several other things. First, it spotlights achievements *above and beyond* what is expected in the normal course of business. Second, it streamlines the current Award categories. Finally, it links specific achievements back to the mission and purpose of LAFCo, thereby enhancing their value and meaning.

On April 30, 2021, the Board of Directors unanimously approved the updated program. This approval was preceded by months of comprehensive review and work by the Association's Executive Director and Regional Officers, followed by a unanimous approval and recommendation to the Board by the Awards Committee.

### **Difference of the prior program to the updated program**

In addition to the differences noted above, there are other notable differences:

- Prior program had eleven (11) total award categories whereas the updated program has eight (8).
- Eliminated *Distinguished Service Award* (already awarding longevity in *Lifetime Achievement Award*).
- Rolled *Outstanding LAFCo Clerk* into *Outstanding LAFCo Professional* and expanded to all LAFCo personnel. With the new criteria, each LAFCo personnel role shall be treated equally.
- Changed *Outstanding CALAFCO Member* to *Outstanding CALAFCO Volunteer*, thereby excluding "staff person" and expanding scope to all who volunteer for the Association, not just Board or staff.
- Added nomination criteria to *Outstanding CALAFCO Associate Member*.
- Combined the following four awards into one (with two distinct categories): *Most Effective Commission*, *Project of the Year*, *Government Leadership Award* and *Mike Gotch Courage and Innovation in Local Government Award*. These are now the *Mike Gotch Excellence in Public Service Award*.

- Criteria for this new award was taken from all four eliminated awards and tied directly to several aspects of the mission of LAFCo through the creation of the two distinct award subcategories.

### **Adopted changes to the membership and voting of the Achievement Awards Committee**

There are two other changes directly affecting the Awards Committee. One relates to the membership structure of the Awards Committee and the other is to the voting.

First, the four Regional Officers are full voting members of the Committee. These Officers enhance the perspective of the Board Committee Members through their technical expertise and “on the ground” experiences. By adding them as voting members (they were previously “advisors” to the Committee), the full voting membership is nine (9).

And finally, it is now a policy of the Committee that any voting member abstain from voting on any category in which a nomination has been submitted by/for their LAFCo or a member (staff or commissioner) of their LAFCo. With bringing the voting membership to nine, this abstention should not pose a problem in terms of not having a quorum of votes cast.



## **Achievement Award Nomination Form**

**NOMINEE - Person or Agency Being Nominated**

Name:

Organization:

Address:

Phone:

E-mail:

**NOMINATION CATEGORY** (check one – see category criteria on attached sheet)

☐ Outstanding CALAFCO Volunteer

☐ Outstanding CALAFCO Associate Member

☐ Outstanding Commissioner

☐ Outstanding LAFCo Professional

☐ Mike Gotch Excellence in Public Service (choose one category below)  
*Protection of agricultural and open space lands and prevention of sprawl*

☐ *Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*

☐ Legislator of the Year (must be approved by the full CALAFCO Board)

☐ Lifetime Achievement Award

**NOMINATION SUBMITTED BY:**

Name:

Organization:

Address:

Phone:

E-mail:



**2021 Achievement Award Nominations**  
**Due by Friday, August 13, 2021 at 3:00 p.m.**

**EXECUTIVE SUMMARY**

In no more than 250 words, summarize why this recipient is the most deserving of this award.





**2021 Achievement Award Nominations**  
**Due by Friday, August 13, 2021 at 3:00 p.m.**

**NOMINATION SUMMARY**

Please indicate the reasons why this person or agency deserves to be recognized (this section must be no more than 1,000 words or 2 pages maximum).



## **CALAFCO ACHIEVEMENT AWARD CATEGORIES, NOMINATION & SELECTION CRITERIA**

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are being accepted until **3:00 p.m., Friday, August 13, 2021** in the following categories:

### **Outstanding CALAFCO Volunteer**

#### Award Summary:

Recognizes a CALAFCO volunteer who has provided exemplary service during the past year. Exemplary service is service which clearly goes above and beyond that which is asked or expected in the charge of their responsibilities. This category may include a CALAFCO Board member, regional officer, program volunteer, or any other requested volunteer.

#### Nomination criteria:

1. Nominee must have volunteered for the Association during the year in which the nomination is being made.
2. Nominee does not have to be a CALAFCO member.
3. Volunteer efforts must have demonstrated the individual going above and beyond what was asked/expected with positive and effective results.
4. Nominee can be a CALAFCO Board member, regional officer, program volunteer or any other volunteer.

#### Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to each nominee, regardless of their position or role as a volunteer. Only the contributions and outcomes shall be considered, not the individual's position.
3. The extent of the volunteerism and the overall impact to the statewide Association and membership based on that volunteerism shall be considered.
4. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

### **Outstanding CALAFCO Associate Member**

#### Award Summary:

Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCos by consistently producing distinguished work that upholds the mission and goals of LAFCos and has helped elevate the role and mission of LAFCos through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement. Further, the individual or firm has a proven commitment to the Association membership through volunteering time and resources to further the cause of LAFCo and CALAFCO.

#### Nomination criteria:

1. Nominee must be a CALAFCO Associate Member in good standing with the Association.
2. Nominee shall be an Associate Member for the full year in which the nomination is being made.
3. The Associate Member nominated shall have been an Associate Member in good standing with the Association for at least one year prior to the year for which the nomination is being made.
4. As an Associate Member, the nominee may be an individual, firm or agency.
5. The nominee may be an individual within an Associate Member firm or agency.
6. Nominee shall demonstrate that through their work as an Associate Member, the role and mission of LAFCo has been upheld and furthered.
7. Nominee must have proven cooperative and collaborative approaches to situations and solutions that affect LAFCos statewide as an Associate Member.
8. Proven commitment to the Association's membership as an Associate Member by volunteering resources to the Association during the year in which the nomination is made.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. The level of volunteering time and resources to the Association shall be a consideration with all other nomination criteria.

**Outstanding Commissioner**

Award Summary:

Presented to an individual Commissioner for extraordinary service to his or her Commission. Extraordinary service is considered actions above and beyond those required in the course of fulfilling their statutory responsibilities as a Commissioner. It requires consistently demonstrating independent judgment on behalf of the interest of the entire county, developing innovative and collaborative solutions to local issues, and leading the commission and community by example.

Nomination criteria:

1. Nominee must be a Commissioner of a LAFCo in good standing with the Association.
2. Nominee shall be a Commissioner for the full year in which the nomination is being made.
3. Proven demonstration of consistently exercising independent judgment for the greater good of the County is required.
4. Proven leadership of the commission and the community through collaborative, innovative and creative solutions to local issues is required.
5. Proven effective results and outcomes shall be demonstrated in the nomination.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. Representation type (city-county-district-public) shall not be a consideration nor shall be the size or geographic area of the LAFCo on which the Commissioner serves.
4. The overall impact of the leadership of the Commissioner shall be considered.
5. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

**Outstanding LAFCo Professional**

Award Summary:

Recognizes an Executive Officer, Staff Analyst, Clerk, Legal Counsel or any other LAFCo staff person for exemplary service during the past year. Exemplary service is considered actions which clearly go above and beyond that which is asked, expected, or required in the charge of their LAFCo responsibilities.

Nomination criteria:

1. Nominee must be a staff person of a LAFCo in good standing with the Association.
2. Nominee shall be a staff person for the full year in which the nomination is being made.
3. As a staff person, the nominee can be either an employee of the LAFCo or a contractor providing employee-type services to the LAFCo.
4. Efforts must be demonstrated that the individual has consistently gone above and beyond or outside the scope of their role or job responsibilities, with proven results that otherwise would not have occurred.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. Position within a LAFCo shall not be a consideration, nor shall be the size or geographic area of the LAFCo.
4. The overall impact of the LAFCo professional to their LAFCo and the greater community shall be considered.
5. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

## **Lifetime Achievement Award**

### Award Summary:

Recognizes any individual who has made extraordinary contributions to the statewide LAFCo community in terms of longevity of service, exemplary advocacy of LAFCo-related legislation, proven leadership in approaching a particular issue or issues, and demonstrated support in developing and implementing innovative and creative ways to support the goals of LAFCos throughout California. At a minimum, the individual should be involved in the LAFCo community for at least twenty (20) years.

### Nomination criteria:

1. Nomination must be received from a member LAFCo or Associate Member in good standing with the Association.
2. A minimum of 20 years direct involvement with the LAFCo community is required for consideration.
3. During that time, nominee shall have a proven positive impact and effect on the support and evolution of LAFCos statewide.
4. This includes advocacy of LAFCos statewide through legislation, developing creative and innovative solutions to LAFCo issues that serve beyond their LAFCo to the greater good, and collaborative stakeholder approaches to issues and opportunities to further the cause and mission of LAFCo.

### Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Preference may be given to nominees who also have proven experience volunteering for CALAFCO through a regional officer role, serving on committees, serving on the CALAFCO Board, or any other method of volunteering for the Association that serves to promote and support the mission and work of LAFCos throughout the state.

## **Legislator of the Year**

### Award Summary:

Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals that have a statewide effect. The recipient shall have demonstrated clear support and effort to further the cause and ability of LAFCos to fulfill their statutory mission. Selected by CALAFCO Board by super majority.

### Nomination criteria:

1. Nominee shall be a California State legislator during the full year in which the nomination was made.
2. Nominee must have demonstrated extraordinary leadership in the Legislature on behalf of LAFCos statewide, with efforts resulting in a positive impact for all LAFCos.

### Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. All Legislator of the Year nominations shall be forwarded by the Achievement Awards Committee to the Board for consideration.
3. Selection of the recipient of this award shall be done with a super majority approval of the Board (present at the time of the vote).

## **Mike Gotch Excellence in Public Service Award**

Awarded to an individual, group or agency for actions that rise above expected or common functions or actions that are LAFCo-related; *and* reduce or eliminate common institutional roadblocks; *and* result in a truly extraordinary public service outcome. Individuals, a LAFCo, or collaborative effort among multiple LAFCOs or a LAFCo with other entities are eligible. Other entities shall be decision-making bodies at the local, regional or state level. This award has two distinct categories, each focusing on specific areas of the LAFCo mission.

### **Mike Gotch Excellence in Public Service Award categories:**

1. *Protection of agricultural and open space lands and prevention of sprawl*
2. *Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*

#### Mike Gotch Excellence in Public Service Award categories:

##### **Protection of agricultural and open space lands and prevention of sprawl**

Includes the development and implementation of programs or other actions associated with agriculture, water, flood control, parks and recreation, habitat conservation plans and public lands. Demonstrates the recipient has identified, encouraged and ensured the preservation of agricultural and open space lands. Proven actions that encourage cities, counties and special districts to direct development away from all types of agricultural lands, including prime agricultural lands and open space lands. Includes demonstrated consideration given in decisions to Regional Transportation Plans, including sustainable communities strategies and other growth plans to ensure reliable services, orderly growth, and sustainable communities.

##### **Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services**

Includes the development and implementation of innovative support and systems within internal LAFCo operations in the support of local agencies. Actions produce systemic and sustainable improvements and innovation of local government. Proven facilitation of constructive discussions with local and regional agencies and proactive outreach to local and regional agencies as well as local stakeholders and communities to identify issues and solutions and demonstrated action as a coordinating agency in offering and supporting unique local solutions to meet local challenges. Successful demonstration of development of capacities and abilities of local agencies. Provide tools and resources to local agencies to address aging infrastructure, fiscal challenges and the maintenance of existing services. Demonstrated action to streamline the provision of local services with proven results that services are consistent or have been improved as a result, with little to no increased cost to the consumer. Focused efforts and proven results to ensure delivery of services to all communities, especially disadvantaged communities.

#### Nomination criteria:

1. Clear demonstration that the actions rise above expected or common functions or actions.
2. The actions reduced or eliminated common institutional roadblocks.
3. The actions clearly proven a truly extraordinary public service outcome that is systemic and sustainable.
4. Identified unique circumstances and factors leading to the solution/project.
5. The innovative steps taken by the LAFCo or entity/entities/individual to solve the problem, overcome the situation, or to take action.
6. Clear description of the results/outcomes of the work and the short- and long-term effects.
7. How this work can be promoted as a LAFCo best practice.
8. Clear demonstration how this nomination meets all criteria.

#### Selection Criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to each nominee within each category. The size or geographic area of the LAFCo within a given category shall not be a consideration.
3. The overall impact of the actions and outcomes to the greater community being served shall be considered.
4. The level of impact based on the required nomination criteria shall be considered.





## **PREVIOUS CALAFCO ACHIEVEMENT AWARD RECIPIENTS**

### **2019**

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Distinguished Service Award	<b>Charley Wilson</b> , Orange LAFCo
Most Effective Commission	<b>Contra Costa LAFCo</b>
Outstanding Commissioner	<b>Jim DeMartini</b> , Stanislaus LAFCo
Outstanding LAFCo Professional	<b>David Church</b> , San Luis Obispo LAFCo
Project of the Year	<b>Orange LAFCo</b> , for <i>San Juan Capistrano Utilities MSR</i>
Government Leadership Award	<b>CA State Water Resources Control Board, Los Angeles County and Los Angeles LAFCo</b> , for <i>Sativa Water District</i>
Mike Gotch Courage & Innovation in Local Government Leadership Award	<b>Butte LAFCo</b>
Legislator of the Year	<b>Assembly Member Mike Gipson</b>
Lifetime Achievement Award	<b>John Benoit</b> , various LAFCos, <b>Jurg Heuberger</b> , Imperial LAFCo

### **2018**

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Distinguished Service Award	<b>John Withers</b> , Orange LAFCo
Most Effective Commission	<b>Santa Clara LAFCo</b>
Outstanding Commissioner	<b>Margie Mohler</b> , Napa LAFCo
Outstanding LAFCo Professional	<b>George Williamson</b> , Del Norte LAFCo
Outstanding LAFCo Clerk	<b>Elizabeth Valdez</b> , Riverside LAFCo
Outstanding CALAFCO Associate Member	<b>Best Best &amp; Krieger</b>
Project of the Year	<b>Lake LAFCo</b> , water services consolidation
Government Leadership Award	<b>City of Porterville, County of Tulare, Dept. of Water Resources, State Water Resources Control Board, Governor's Office of Emergency Services, Self Help Enterprises, Community Water Center</b> for East Porterville water supply project
Mike Gotch Courage & Innovation in Local Government Leadership Award	<b>Mike Ott</b> , San Diego LAFCo
Legislator of the Year	<b>Assembly Member Anna Caballero</b>
Lifetime Achievement Award	<b>Pat McCormick</b> , Santa Cruz LAFCo, <b>George Spiliotis</b> , Riverside LAFCo

### **2017**

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Most Effective Commission	<b>Los Angeles LAFCo</b>
Outstanding CALAFCO Member	<b>Sblend Sblendorio</b> , Alameda LAFCo
Outstanding Commissioner	<b>John Marchand</b> , Alameda LAFCo
Outstanding LAFCo Professional	<b>Paul Novak</b> , Los Angeles LAFCo
Outstanding LAFCo Clerk	<b>Richelle Beltran</b> , Ventura LAFCo
Outstanding CALAFCO Associate Member	<b>Policy Consulting Associates</b>
Project of the Year	<b>County Services MSR</b> , Butte LAFCo, and <b>Santa Rosa Annexation</b> , Sonoma LAFCo

Government Leadership Award  
Lifetime Achievement Award

**San Luis Obispo County Public Works Dept.**  
**Kathy Rollings McDonald** (San Bernardino)

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**2016**

Distinguished Service Award  
Most Effective Commission  
Outstanding CALAFCO Member  
Outstanding Commissioner  
Outstanding LAFCo Professional  
Outstanding LAFCo Clerk  
Project of the Year  
Government Leadership Award  
Lifetime Achievement Award

**Peter Brundage**, Sacramento LAFCo  
**San Luis Obispo LAFCo**  
**John Leopold**, Santa Cruz LAFCo  
**Don Tatzin**, Contra Costa LAFCo  
**Steve Lucas**, Butte LAFCo  
**Cheryl Carter-Benjamin**, Orange LAFCo  
**Countywide Water Study**, (Marin LAFCo)  
**Southern Region of CALAFCO**  
**Bob Braitman** (retired Executive Officer)

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**2015**

Mike Gotch Courage & Innovation in  
Local Government Leadership Award  
Distinguished Service Award  
Most Effective Commission  
Outstanding CALAFCO Member  
Outstanding Commissioner  
Outstanding LAFCo Professional  
Outstanding LAFCo Clerk  
Project of the Year  
  
Government Leadership Award  
  
CALAFCO Associate Member of the Year  
Legislators of the Year Award  
Lifetime Achievement Award

**Yuba County Water Agency**  
  
**Mary Jane Griego**, Yuba LAFCo  
**Butte LAFCo**  
**Marjorie Blom**, formerly of Stanislaus LAFCo  
**Matthew Beekman**, formerly of Stanislaus LAFCo  
**Sam Martinez**, San Bernardino LAFCo  
**Terri Tuck**, Yolo LAFCo  
**Formation of the Ventura County Waterworks District No. 38** (Ventura LAFCo) and **2015 San Diego County Health Care Services five-year sphere of influence and service review report** (San Diego LAFCo)  
**The Cities of Dublin, Pleasanton, Livermore and San Ramon, the Dublin San Ramon Services District and the Zone 7 Water Agency**  
**Michael Colantuono** of Colantuono, Highsmith & Whatley  
**Assembly member Chad Mayes**  
**Jim Chapman** (Lassen LAFCo) and **Chris Tooker** (formerly of Sacramento LAFCo)

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**2014**

Mike Gotch Courage & Innovation in  
Local Government Leadership Award  
Distinguished Service Award  
Most Effective Commission  
Outstanding CALAFCO Member  
Outstanding Commissioner  
Outstanding LAFCo Professional  
Outstanding LAFCo Clerk  
Project of the Year

**David Church**, San Luis Obispo LAFCo  
  
**Kate McKenna**, Monterey LAFCo  
**Santa Clara LAFCo**  
**Stephen Lucas**, Butte LAFCo  
**Paul Norsell**, Nevada LAFCo  
**Kate McKenna**, Monterey LAFCo  
**Paige Hensley**, Yuba LAFCo  
**LAFCo Procedures Guide: 50<sup>th</sup> Year Special Edition**,  
San Diego LAFCo

Government Leadership Award

Legislators of the Year Award

Lifetime Achievement Award

**Orange County Water District, City of Anaheim, Irvine Ranch Water District, and Yorba Linda Water District**

**Assembly member Katcho Achadjian**

**Susan Wilson, Orange LAFCo**

## **2013**

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

LAFCo Outstanding LAFCo Clerk

Project of the Year

**Simón Salinas, Commissioner, Monterey LAFCo**

**Roseanne Chamberlain, Amador LAFCo**

**Stanislaus LAFCo**

**Harry Ehrlich, San Diego LAFCo**

**Jerry Gladbach, Los Angeles LAFCo**

**Lou Ann Texeira, Contra Costa**

**Kate Sibley, Contra Costa LAFCo**

**Plan for Agricultural Preservation, Stanislaus LAFCo**

Government Leadership Award

Legislators of the Year Award

Lifetime Achievement Award

**Orange County LAFCo Community Islands Taskforce,  
Orange LAFCo**

**Senators Bill Emmerson and Richard Roth**

**H. Peter Faye, Yolo LAFCo; Henry Pellissier, Los Angeles  
LAFCo; Carl Leverenz, Butte LAFCo; Susan Vicklund-Wilson,  
Santa Clara LAFCo.**

## **2012**

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

LAFCo Outstanding LAFCo Professional

Outstanding LAFCo Clerk

Project of the Year

**Bill Chiat, CALAFCO Executive Director**

**Marty McClelland, Commissioner, Humboldt LAFCo**

**Sonoma LAFCo**

**Stephen A. Souza, Commissioner, Yolo LAFCo and  
CALAFCO Board of Directors**

**Sherwood Darington, Monterey**

**Carole Cooper, Sonoma LAFCo**

**Gwenna MacDonald, Lassen LAFCo**

**Countywide Service Review & SOI Update, Santa Clara  
LAFCo**

**North Orange County Coalition of Cities, Orange LAFCo**

**P. Scott Browne, Legal Counsel LAFcos**

Government Leadership Award

Lifetime Achievement Award

## **2011**

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

Distinguished Service Award

LAFCo Most Effective Commission

Outstanding CALAFCO Member

Outstanding Commissioner

Outstanding LAFCo Professional

Outstanding LAFCo Clerk

**Martin Tuttle, Deputy Director for Planning, Caltrans**

**Mike McKeever, Executive Director, SACOG**

**Carl Leverenz, Commissioner and Chair, Butte**

**San Bernardino LAFCo**

**Keene Simonds, Executive Officer, Napa LAFCo**

**Louis R. Calcagno, Monterey LAFCo**

**June Savala, Deputy Executive Officer, Los Angeles LAFCo**

**Debbie Shubert, Ventura LAFCo**

Project of the Year

**Cortese-Knox-Hertzberg Definitions Revision**

Bob Braitman, Scott Browne, Clark Alsop, Carole Cooper, and George Spiliotis

Government Leadership Award

**Contra Costa Sanitary District**

**Elsinore Water District and Elsinore Valley Municipal Water District**

**2010**

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award  
Distinguished Service Award

**Helen Thompson**, Commissioner, Yolo LAFCo

Most Effective Commission  
Outstanding CALAFCO Member  
Outstanding Commissioner  
Outstanding LAFCo Professional

**Kathleen Rollings-McDonald**, Executive Officer, San Bernardino LAFCo  
**Bob Braitman**, Executive Officer, Santa Barbara LAFCo  
**Tulare LAFCo**  
**Roger Anderson, Ph.D.**, CALAFCO Chair, Santa Cruz LAFCo  
**George Lange**, Ventura LAFCo  
**Harry Ehrlich**, Government Consultant, San Diego LAFCo

Outstanding LAFCo Clerk

**Candie Fleming**, Fresno LAFCo

Project of the Year

**Butte LAFCo**

Sewer Commission - Oroville Region Municipal Service Review

Government Leadership Award

**Nipomo Community Services District and the County of San Luis Obispo**

Special Achievement

**Chris Tooker**, Sacramento LAFCo and CALAFCO Board of Directors

**2009**

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Mike Gotch Courage & Innovation in  
Local Government Leadership Award

**Paul Hood**, Executive Officer, San Luis Obispo LAFCo

Distinguished Service Award

**William Zumwalt**, Executive Officer, Kings LAFCo

Most Effective Commission

**Napa LAFCo**

Outstanding CALAFCO Member

**Susan Vicklund Wilson**, CALAFCO Vice Chair  
**Jerry Gladbach**, CALAFCO Treasurer

Outstanding Commissioner

**Larry M. Fortune**, Fresno LAFCo

Outstanding LAFCo Professional

**Pat McCormick**, Santa Cruz LAFCo Executive Officer

Outstanding LAFCo Clerk

**Emmanuel Abello**, Santa Clara LAFCo

Project of the Year

**Orange LAFCo Boundary Report**

Government Leadership Award

**Cities of Amador City, Jackson, Ione, Plymouth & Sutter Creek; Amador County; Amador Water Agency; Pine Grove CSD – Countywide MSR Project**

Legislator of the Year Award

**Assembly Member Jim Silva**

**2008**

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Distinguished Service Award

**Peter M. Detwiler**, Senate Local Government Committee Chief Consultant

Most Effective Commission

**Yuba LAFCo**

Outstanding Commissioner

**Dennis Hansberger**, San Bernardino LAFCo

Outstanding LAFCo Professional

**Michael Ott**, San Diego LAFCo Executive Officer  
**Martha Poyatos**, San Mateo Executive Officer

Outstanding LAFCo Clerk  
Project of the Year

Government Leadership Award  
Legislator of the Year Award

**Wilda Turner**, Los Angeles LAFCo  
**Kings LAFCo**  
City and Community District MSR and SOI Update  
**San Bernardino Board of Supervisors**  
**Assembly Member Anna M. Caballero**

## **2007**

Outstanding CALAFCo Member  
Distinguished Service Award  
Counsel Most Effective Commission  
Outstanding Commissioner

**Kathy Long**, Board Chair, Ventura LAFCo  
**William D. Smith**, San Diego Legal  
**Santa Clara LAFCo**  
**Gayle Uilkema**, Contra Costa LAFCo

Outstanding LAFCo Professional  
Outstanding LAFCo Clerk  
Project of the Year

**Joyce Crosthwaite**, Orange LAFCo Executive Officer  
**Debby Chamberlin**, San Bernardino LAFCo  
**San Bernardino LAFCo and City of Fontana**  
Islands Annexation Program

Government Leadership Award  
Lifetime Achievement

**City of Fontana - Islands Annexation Program**  
**John T. "Jack" Knox**

## **2006**

Outstanding CALAFCo Member  
Distinguished Service Award  
Most Effective Commission Award  
Outstanding Commissioner Award

**Everett Millais**, CALAFCo Executive Officer and Executive  
Officer of Ventura LAFCo

**Clark Alsop**, CALAFCo Legal Counsel  
**Alameda LAFCo**

**Ted Grandsen**, Ventura LAFCo  
**Chris Tooker**, Sacramento LAFCo

Outstanding LAFCo Professional Award  
Outstanding LAFCo Clerk Award

**Larry Calemine**, Los Angeles LAFCo Executive Officer  
**Janice Bryson**, San Diego LAFCo  
**Marilyn Flemmer**, Sacramento LAFCo

Project of the Year Award

**Sacramento Municipal Utility District** Sphere of Influence  
Amendment and Annexation; **Sacramento LAFCo**

Outstanding Government Leadership Award

**Cities of Porterville, Tulare, and Visalia and Tulare LAFCo**  
Island Annexation Program

Legislator of the Year Award

**Senator Christine Kehoe**

## **2005**

Outstanding CALAFCo Member  
Distinguished Service Award  
Most Effective Commission Award  
Outstanding Commissioner Award

**Peter Herzog**, CALAFCo Board, Orange LAFCo  
**Elizabeth Castro Kemper**, Yolo LAFCo  
**Ventura LAFCo**

**Art Aseltine**, Yuba LAFCo  
**Henri Pellissier**, Los Angeles LAFCo

Outstanding LAFCo Professional Award  
Outstanding LAFCo Clerk Award  
Project of the Year Award

**Bruce Baracco**, San Joaquin LAFCo  
**Danielle Ball**, Orange LAFCo

**San Diego LAFCo**  
MSR of Fire Protection and Emergency Medical Services  
**Sacramento Area Council of Governments (SACOG)**

## **2004**

Outstanding CALAFCo Member  
Distinguished Service Award  
Most Effective Commission Award

**Scott Harvey**, CALAFCo Executive Director  
**Julie Howard**, Shasta LAFCo  
**San Diego LAFCo**



Outstanding Commissioner Award  
Outstanding LAFCo Professional Award  
Project of the Year Award

**Edith Johnsen**, Monterey LAFCo  
**David Kindig**, Santa Cruz LAFCo  
**San Luis Obispo LAFCo**  
Nipomo CSD SOI Update, MSR, and EIR

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### 2003

Outstanding CALAFCo Member  
Distinguished Service Award  
Most Effective Commission Award  
Outstanding Commissioner Award  
Outstanding LAFCo Professional Award  
Outstanding LAFCo Clerk Award  
Project of the Year Award  
  
Special Achievement Award

**Michael P. Ryan**, CALAFCo Board Member  
**Henri F. Pellissier**, Los Angeles LAFCo  
**San Luis Obispo LAFCo**  
**Bob Salazar**, El Dorado LAFCo  
**Shirley Anderson**, San Diego LAFCo  
**Lori Fleck**, Siskiyou LAFCo  
**Napa LAFCo**  
Comprehensive Water Service Study  
**James M. Roddy**

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### 2002

Outstanding CALAFCo Member  
Most Effective Commission Award  
Commissioner Award  
Outstanding LAFCo Professional Award  
Outstanding LAFCo Clerk Award  
Project of the Year Award  
Outstanding Government Leadership Award

**Ken Lee**, CALAFCo Legislative Committee Chair  
**San Diego LAFCo** Outstanding  
**Ed Snively**, Imperial LAFCo  
**Paul Hood**, San Luis Obispo LAFCo  
**Danielle Ball**, Orange LAFCo  
**San Luis Obispo LAFCo**  
**Napa LAFCo**, **Napa County Farm Bureau**, **Napa Valley Vintners Association**, **Napa Valley Housing Authority**, **Napa County Agricultural Commissioner's Office**, **Napa County Counsel Office**, and **Assembly Member Patricia Wiggins**

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### 2001

Outstanding CALAFCo Member  
Distinguished Service Award  
  
Outstanding Commissioner Award  
Outstanding LAFCo Professional Award  
Project of the Year Award  
Outstanding Government Leadership Award  
  
Legislator of the Year Award

**SR Jones**, CALAFCo Executive Officer  
**David Martin**, Tax Area Services Section, State Board of Equalization  
**H. Peter Faye**, Yolo LAFCo  
**Ingrid Hansen**, San Diego LAFCo  
**Santa Barbara LAFCo**  
**Alameda County Board of Supervisors**, **Livermore City Council**, **Pleasanton City Council**  
**Senator Jack O'Connell**

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### 2000

Outstanding CALAFCo Member  
Distinguished Service Award  
  
Most Effective Commission Award  
Outstanding Commissioner  
Outstanding LAFCo Professional Award  
Outstanding LAFCo Clerk Award  
Project of the Year Award  
Legislator of the Year Award

**Ron Wootton**, CALAFCo Board Chair  
**Ben Williams**, Commission on Local Governance for the 21st Century  
**Yolo LAFCo**  
**Rich Gordon**, San Mateo LAFCo  
**Annamaria Perrella**, Contra Costa LAFCo  
**Susan Stahmann**, El Dorado LAFCo  
**San Diego LAFCo**  
**Robert Hertzberg**, Assembly Member

**1999**

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Distinguished Service Award	<b>Marilyn Ann Flemmer-Rodgers</b> , Sacramento LAFCo
Most Effective Commission Award	<b>Orange LAFCo</b>
Outstanding Executive Officer Award	<b>Don Graff</b> , Alameda LAFCo
Outstanding LAFCo Clerk Award	<b>Dory Adams</b> , Marin LAFCo
Most Creative Solution to a Multi-Jurisdictional Problem	<b>San Diego LAFCo</b>
Outstanding Government Leadership Award	<b>Assembly Member John Longville</b>
Legislator of the Year Award	<b>Assembly Member Robert Hertzberg</b>

**1998**

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Outstanding CALAFCO Member	<b>Dana Smith</b> , Orange LAFCo
Distinguished Service Award	<b>Marvin Panter</b> , Fresno LAFCo
Most Effective Commission Award	<b>San Diego LAFCo</b>
Outstanding Executive Officer Award	<b>George Spiliotis</b> , Riverside LAFCo
Outstanding Staff Analysis	<b>Joe Convery</b> , San Diego LAFCo <b>Joyce Crosthwaite</b> , Orange LAFCo
Outstanding Government Leadership Award	<b>Santa Clara County Planning Department</b>

**1997**

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Most Effective Commission Award	<b>Orange LAFCo</b>
Outstanding Executive Officer Award	<b>George Finney</b> , Tulare LAFCo
Outstanding Staff Analysis	<b>Annamaria Perrella</b> , Contra Costa LAFCo
Outstanding Government Leadership Award	<b>South County Issues Discussion Group</b>
Most Creative Solution to a Multi-Jurisdictional Problem	<b>Alameda LAFCo and Contra Costa LAFCo</b>
Legislator of the Year Award	<b>Assembly Member Tom Torlakson</b>





**2021 Achievement Award Nominations**  
**Due by Friday, August 13, 2021 at 3:00 p.m.**

## Achievement Award Nomination Form

**NOMINEE - Person or Agency Being Nominated**

Name:

Organization:

Address:

Phone:

E-mail:

**NOMINATION CATEGORY** (check one – see category criteria on attached sheet)

- ☐ Outstanding CALAFCO Volunteer
- ☐ Outstanding CALAFCO Associate Member
- ☐ Outstanding Commissioner
- ☐ Outstanding LAFCo Professional
- ☒ Mike Gotch Excellence in Public Service (choose one category below)
- ☒ *Protection of agricultural and open space lands and prevention of sprawl*
- ☐ *Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*
- ☐ Legislator of the Year (must be approved by the full CALAFCO Board)
- ☐ Lifetime Achievement Award

**NOMINATION SUBMITTED BY:**

Name:

Organization:

Address:

Phone:

E-mail:

**EXECUTIVE SUMMARY**

In no more than 250 words, summarize why this recipient is the most deserving of this award.

Since the 1980s, several reports analyzed how two fire districts (Central and Aptos/La Selva FPDs) could work more efficiently together through either a joint powers authority, shared services agreement, or consolidation. Following a multi-year process, coupled with a collaborative effort at the local, regional, and state level, the consolidation of the two fire districts was officially approved in November 2020 and recorded in July 2021. This consolidation encompassed 25,000 acres, over 30,000 parcels, and approximately 90,000 residents. Due to the extensive work and outreach effort by the affected parties over the years, it was no surprise that LAFCO received ZERO petitions of opposition out of 90,000 residents during the protest period.

This successful consolidation will preserve the current levels of service, maintain local demand expectations, and continue the existing funding sources while maximizing economies of scale, combining best practices, and ultimately lead to cost-savings. Santa Cruz LAFCO truly believes that this consolidation will be a model for future consolidations throughout the State. That is why Santa Cruz LAFCO is nominating the fire consolidation, and the affected parties, for the "Mike Gotch Excellence in Public Service" Award for its innovation, collaboration, outreach, and effective support to ensure the efficient and effective delivery of municipal services - in this case fire protection.

**NOMINATION SUMMARY**

Please indicate the reasons why this person or agency deserves to be recognized (this section must be no more than 1,000 words or 2 pages maximum).

Over the years, the State Legislature, the Little Hoover Commission and several grand juries have encouraged LAFCOs throughout California to be more proactive in initiating consolidations. There are many significant actions that need to come to fruition when considering consolidation, including conformity between the unions, staff and district boards, dedication to the analysis and findings, assurance to the affected communities, commitment to the efficient delivery of fire protection, and devotion to the idea of “good government” by all affected parties. Good government in the sense that the two fire districts adopted a mindset of “serving beyond borders” by focusing on how to effectively provide a critical municipal service, such as fire protection, to its communities. Today the new public agency located in Santa Cruz County is known as the Central Fire District but the history and best practices established by these local leaders will live on beyond this LAFCO's jurisdiction.

Attached to this nomination is the November 2020 Staff Report which provides more detailed information about the entire consolidation process.

DRAFT



# 6A: ATTACHMENT 5

CALAFCO Member LAFCo Dues for FY 2021-22  
As adopted by the CALAFCO Board of Directors on January 22, 2021

Counties	58	<b>Base Dues</b>	1,000
CALAFCO Budget	300,000	<b>Population Threshold</b>	700,000
CA Population	39,782,419	<b>Per Capita Rate</b>	0.0139
Population for Dues	17,356,427	Budget from Base Dues	58,000
		Budget from Per Capita	242,000

County	Updated Population Estimate 2020	Population Estimate for FY 20- 21 Dues	Population difference	Population For Dues Calculation	Base Dues	Per Capita Dues	Base + Per Capita Dues FY 21-22	Total Per Capita Rate	Diff FY 20-21 to 21-22
ALAMEDA	1,671,855	1,703,660	-31,805	700,000	1,000	9,760	10,760	0.0064	98
ALPINE	1,115	1,107	8	1,115	1,000	16	1,016	0.9108	1
AMADOR	37,577	37,560	17	37,577	1,000	524	1,524	0.0406	6
BUTTE	206,362	230,701	-24,339	206,362	1,000	2,877	3,877	0.0188	-307
CALAVERAS	44,286	44,953	-667	44,286	1,000	617	1,617	0.0365	-3
COLUSA	22,075	23,144	-1,069	22,075	1,000	308	1,308	0.0592	-11
CONTRA COSTA	1,149,800	1,178,639	-28,839	700,000	1,000	9,760	10,760	0.0094	98
DEL NORTE	27,193	26,997	196	27,193	1,000	379	1,379	0.0507	6
ELDORADO	192,012	189,576	2,436	192,012	1,000	2,677	3,677	0.0192	60
FRESNO	1,026,358	1,033,095	-6,737	700,000	1,000	9,760	10,760	0.0105	98
GLENN	29,507	29,691	-184	29,507	1,000	411	1,411	0.0478	1
HUMBOLDT	132,706	137,711	-5,005	132,706	1,000	1,850	2,850	0.0215	-51
IMPERIAL	188,090	195,814	-7,724	188,090	1,000	2,623	3,623	0.0193	-80
INYO	18,429	18,724	-295	18,429	1,000	257	1,257	0.0682	-1
KERN	912,975	930,885	-17,910	700,000	1,000	9,760	10,760	0.0118	98
KINGS	154,745	154,549	196	154,745	1,000	2,158	3,158	0.0204	25
LAKE	63,771	65,302	-1,531	63,771	1,000	889	1,889	0.0296	-12
LASSEN	28,872	30,626	-1,754	28,872	1,000	403	1,403	0.0486	-20
LOS ANGELES	10,171,593	10,435,036	-263,443	700,000	1,000	9,760	10,760	0.0011	98
MADERA	158,794	162,990	-4,196	158,794	1,000	2,214	3,214	0.0202	-36
MARIN	258,956	265,152	-6,196	258,956	1,000	3,611	4,611	0.0178	-49
MARIPOSA	17,778	18,031	-253	17,778	1,000	248	1,248	0.0702	-1
MENDOCINO	87,491	90,175	-2,684	87,491	1,000	1,220	2,220	0.0254	-25
MERCED	284,761	286,746	-1,985	284,761	1,000	3,970	4,970	0.0175	12
MODOC	9,416	9,422	-6	9,416	1,000	131	1,131	0.1201	1
MONO	13,447	13,986	-539	13,447	1,000	187	1,187	0.0883	-6
MONTEREY	441,290	454,599	-13,309	441,290	1,000	6,153	7,153	0.0162	-121
NAPA	138,711	143,800	-5,089	138,711	1,000	1,934	2,934	0.0212	-51
NEVADA	97,439	99,548	-2,109	97,439	1,000	1,359	2,359	0.0242	-15
ORANGE	3,190,832	3,260,012	-69,180	700,000	1,000	9,760	10,760	0.0034	98
PLACER	397,469	397,368	101	397,469	1,000	5,542	6,542	0.0165	57
PLUMAS	18,246	19,374	-1,128	18,246	1,000	254	1,254	0.0687	-13
RIVERSIDE	2,449,299	2,500,975	-51,676	700,000	1,000	9,760	10,760	0.0044	98
SACRAMENTO	1,562,242	1,572,886	-10,644	700,000	1,000	9,760	10,760	0.0069	98
SAN BENITO	62,789	60,067	2,722	62,789	1,000	875	1,875	0.0299	46
SAN BERNARDINO	2,184,112	2,230,602	-46,490	700,000	1,000	9,760	10,760	0.0049	98
SAN DIEGO	3,352,145	3,398,672	-46,527	700,000	1,000	9,760	10,760	0.0032	98
SAN FRANCISCO	899,891	905,637	-5,746	700,000	1,000	9,760	10,760	0.0120	98
SAN JOAQUIN	776,068	782,662	-6,594	700,000	1,000	9,760	10,760	0.0139	98
SAN LUIS OBISPO	276,151	284,126	-7,975	276,151	1,000	3,850	4,850	0.0176	-72
SAN MATEO	775,132	792,271	-17,139	700,000	1,000	9,760	10,760	0.0139	98
SANTA BARBARA	451,329	460,444	-9,115	451,329	1,000	6,293	7,293	0.0162	-62
SANTA CLARA	1,962,251	2,011,436	-49,185	700,000	1,000	9,760	10,760	0.0055	98
SANTA CRUZ	270,067	282,627	-12,560	270,067	1,000	3,766	4,766	0.0176	-135
SHASTA	177,692	180,198	-2,506	177,692	1,000	2,478	3,478	0.0196	-9
SIERRA	3,117	3,129	-12	3,117	1,000	43	1,043	0.3348	0
SISKIYOU	43,792	44,186	-394	43,792	1,000	611	1,611	0.0368	1
SOLANO	440,198	453,784	-13,586	440,198	1,000	6,138	7,138	0.0162	-125
SONOMA	491,134	515,486	-24,352	491,134	1,000	6,848	7,848	0.0160	-267
STANISLAUS	555,955	572,000	-16,045	555,955	1,000	7,752	8,752	0.0157	-143
SUTTER	101,160	101,418	-258	101,160	1,000	1,410	2,410	0.0238	10
TEHEMA	65,266	65,119	147	65,266	1,000	910	1,910	0.0293	11
TRINITY	13,291	13,389	-98	13,291	1,000	185	1,185	0.0892	0
TULARE	480,788	487,733	-6,945	480,788	1,000	6,704	7,704	0.0160	-28
TUOLUMNE	52,353	53,976	-1,623	52,353	1,000	730	1,730	0.0330	-15
VENTURA	841,439	869,486	-28,047	700,000	1,000	9,760	10,760	0.0128	98
YOLO	221,718	229,023	-7,305	221,718	1,000	3,091	4,091	0.0185	-70
YUBA	79,089	79,087	2	79,089	1,000	1,103	2,103	0.0266	11
	39,782,419			17,356,427	58,000	242,000	300,000		



Date: August 4, 2021  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Legislative Update**

### SUMMARY OF RECOMMENDATION

LAFCO staff tracks bills during the legislative session and provides periodic updates. The Commission may take a position on any tracked bill. This agenda item is for informational purposes only and does not require any action at this time. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

### EXECUTIVE OFFICER'S REPORT:

State Senate and Assembly bills continue to make their way through the legislative process, and many of the proposed bills involve efforts to address governmental transparency and statewide housing. The following table shows key dates for the state legislative process. **Attachment 1** provides an overview of this year's legislative calendar. The website for additional bill information is <http://leginfo.legislature.ca.gov/>.

**Table A: 2021 Legislative Calendar (Key Dates)**

Date	Description
May 21, 2021	Last day for fiscal committees to hear and report bills introduced in their respective legislative House
June 4, 2021	Last day for bills to be passed out of the House of origin
June 15, 2021	Budget bill must be passed by midnight
July 16, 2021	Summer Recess Begins
<b>August 16, 2021</b>	<b>Legislature reconvenes from Summer Recess</b>
October 10, 2021	Last day for Governor to sign or veto bills by the Legislature

### TRACKED BILLS

The California Association of LAFCOs (CALAFCO) monitors legislative matters that may impact the Commission's ability to effectively administer its regulatory responsibilities. At present, there are 33 bills that directly or indirectly impact LAFCOs. An overview of each of the tracked bills is attached (refer to **Attachment 2**). Out of the 33 bills, four of them have been signed by the Governor: AB 1581, SB 810, SB 811, and SB 812. The following section summarizes those recently approved bills.

#### Assembly Bill 1581 (Omnibus Bill)

The Omnibus Bill is an annual bill used by CALAFCO to introduce technical and non-substantive changes to the Cortese-Knox-Hertzberg Act that address small inconsistencies, minor technical corrections to language, and provide clarification to remove any ambiguity in the law. This year's Omnibus Bill clarifies, amends, and removes

language within the following key provisions: approval or denial for an extension of services, property tax changes process for dissolving inactive districts, and obsolete protest provisions specific to Los Angeles, Marin, Santa Clara, and Santa Cruz LAFCOs.

On March 18, in anticipation of the bill being heard by the Assembly Local Government Committee, CALAFCO called for letters of support from LAFCOs for the Omnibus Bill. In response to this request, this Commission adopted a "Support" position on April 7 and directed staff to send a letter of support. As a result of the overwhelming support by LAFCOs and other organizations, the Governor signed the bill into law on June 28, 2021. The changes in the CKH Act will go into effect on January 1, 2022.

#### Senate Bills 810, 811, and 812 (Validations)

During each legislative session, the Legislature adopts the annual Validating Acts to cure public officials' minor procedural errors or omissions. Authored by the Senate Governance and Finance Committee, the annual bills affect the state government, cities, counties, special districts, and LAFCOs and are enacted to retroactively fix typographical, grammatical, and procedural errors that might invalidate boundary changes or bond issues. The Acts are not meant to protect against fraud, corruption, or unconstitutional acts. For LAFCOs in particular, these acts validate the boundaries of local agencies which the commissions are responsible to administrate. As in past years, the passage of the Validating Acts of 2021 will ensure that bonds receive the highest possible ratings, resulting in the lowest possible borrowing costs for constituents. CALAFCO supported the three bills throughout the process and on June 28 the Governor signed the bills into law.

#### **2021-22 State Budget**

CALAFCO regularly provides LAFCOs with a newsletter from Hurst, Brooks, & Espinosa LLC that offers a detailed overview of other legislative activities, as shown in **Attachment 3**. The latest edition covers the ongoing efforts to adopt the State's final budget for the upcoming fiscal year. The budget's spending plan includes major elements including economic stimulus packages for families and businesses, funding towards homelessness programs, and funding to assist independent special districts with revenue loss and increased costs associated with the COVID-19 pandemic. Funding for special districts will be limited to those who have not received other forms of relief from the federal or state government. Funds are anticipated to be distributed by September 1, 2021.

#### **CONCLUSION**

LAFCO staff will continue to monitor and provide periodic updates on the 33 tracked bills and any new LAFCO-related bills as the legislative session unfolds.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachment:

1. State Legislative Calendar
2. Tracking Sheet of LAFCO-related Bills (as of July 1, 2021)
3. Legislative Newsletter (dated June 28, 2021)

## 2021 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICES OF THE SECRETARY OF THE SENATE AND THE CHIEF CLERK  
Revised 12-21-2020

## DEADLINES

JANUARY						
S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

FEBRUARY						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						

MARCH						
S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

APRIL						
S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

MAY						
S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

- [Jan. 1](#) Statutes take effect (Art. IV, Sec. 8(c)).
- [Jan. 10](#) Budget must be submitted by Governor (Art. IV, Sec. 12 (a)).
- [Jan. 11](#) Legislature **reconvenes** (J.R. 51(a)(1)).
- [Jan. 18](#) Martin Luther King, Jr. Day.
- [Jan. 22](#) Last day to submit **bill requests** to the Office of Legislative Counsel.

- [Feb. 15](#) Presidents' Day
- [Feb. 19](#) Last day for bills to be **introduced** (J.R. 61(a)(1)), (J.R. 54(a)).

- [Mar. 25](#) **Spring Recess** begins upon adjournment of this day's session (J.R. 51(a)(2)).
- [Mar. 31](#) Cesar Chavez Day.

- [Apr. 5](#) Legislature reconvenes from **Spring Recess** (J.R. 51(a)(2)).
- [Apr. 30](#) Last day for **policy committees** to hear and report to Fiscal Committees **fiscal bills** introduced in their house (J.R. 61(a)(2)).

- [May 7](#) Last day for **policy committees** to hear and report to the Floor **non-fiscal** bills introduced in their house (J.R. 61(a)(3)).
- [May 14](#) Last day for **policy committees** to meet prior to June 7 (J.R. 61(a)(4)).
- [May 21](#) Last day for **fiscal committees** to hear and report to the Floor bills introduced in their house (J.R. 61 (a)(5)). Last day for **fiscal committees** to meet prior to June 7 (J.R. 61 (a)(6)).
- [May 31](#) Memorial Day.

\* Holiday schedule subject to final approval by Rules Committee

**2021 TENTATIVE LEGISLATIVE CALENDAR**  
COMPILED BY THE OFFICES OF THE SECRETARY OF THE SENATE AND THE CHIEF CLERK  
Revised 12-21-2020

JUNE						
S	M	T	W	TH	F	S
		<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	5
6	<u>7</u>	8	9	10	11	12
13	14	<u>15</u>	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

JULY						
S	M	T	W	TH	F	S
				1	<u>2</u>	3
4	5	6	7	8	9	10
11	12	13	<u>14</u>	15	<u>16</u>	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST						
S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	<u>16</u>	17	18	19	20	21
22	23	24	25	26	<u>27</u>	28
29	<u>30</u>	<u>31</u>				

SEPTEMBER						
S	M	T	W	TH	F	S
			<u>1</u>	<u>2</u>	<u>3</u>	4
5	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

**June 1-4 Floor Session Only.** No committee, other than Conference or Rules, may meet for any purpose (J.R. 61(a)(7)).

**June 4** Last day for bills to be **passed out of the house of origin** (J.R. 61(a)(8)).

**June 7** Committee meetings may resume (J.R. 61(a)(9)).

**June 15 Budget bill** must be passed by **midnight** (Art. IV, Sec. 12 (c)(3)).

**July 2** Independence Day observed.

**July 14** Last day for **policy committees** to meet and report bills (J.R. 61(a)(10)).

**July 16 Summer Recess** begins upon adjournment of this day's session, provided Budget Bill has been passed (J.R. 51(a)(3)).

**Aug. 16** Legislature reconvenes from **Summer Recess** (J.R. 51(a)(3)).

**Aug. 27** Last day for **fiscal committees** to meet and report bills to the Floor (J.R. 61(a)(11)).

**Aug. 30-Sept. 10 Floor Session only.** No committees, other than conference committees and Rules Committee, may meet for any purpose (J.R. 61(a)(12)).

**Sept. 3** Last day to **amend** bills on the Floor (J.R. 61(a)(13)).

**Sept. 6** Labor Day.

**Sept. 10** Last day for **each house to pass bills** (J.R. 61(a)(14)).  
**Interim Study Recess** begins at end of this day's session (J.R. 51(a)(4)).

## IMPORTANT DATES OCCURRING DURING INTERIM STUDY RECESS

### 2021

Oct. 10

Last day for Governor to sign or veto bills passed by the Legislature on or before Sept. 10 and in the Governor's possession after Sept. 10 (Art. IV, Sec. 10(b)(1)).

### 2022

Jan. 1

Statutes take effect (Art. IV, Sec. 8(c)).

Jan. 3

Legislature reconvenes (J.R. 51 (a)(4)).



# CALAFCO Daily Legislative Report as of Thursday, July 01, 2021

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## **AB 39 (Lee D) Local government: open and public meetings.**

**Current Text:** Amended: 6/25/2021 [html](#) [pdf](#)

**Introduced:** 1/28/2021

**Last Amended:** 6/25/2021

**Status:** 6/25/2021-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

### **Calendar:**

7/1/2021 Upon adjournment of Agriculture Committee - Room 3191 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

7/13/2021 1:30 p.m. - Senate Chamber SENATE JUDICIARY, UMBERG, Chair

### **Summary:**

The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Under existing law, a member of the legislative body who attends a meeting where action is taken in violation of this provision, with the intent to deprive the public of information that the member knows the public is entitled to, is guilty of a crime. This bill would require local agencies to conduct meetings subject to the act consistent with applicable state and federal civil rights laws, as specified.

### **Attachments:**

[AB 339 Fact Sheet](#)

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** This bill allows for continued remote participant in local (and state) hearings/meetings while adding requirements for both call-in and internet service based options for all public meetings; requires providing closed caption services; and requires agencies to provide language access services. The bill requires teleconferenced meetings to include an in-person public comment opportunity that creates a place where members of the public can gather at a designated site to give public comment (barring any in-person restrictions). Further, the bill requires the agenda and instructions for accessing the meeting to be translated into all languages for which 5% of the population in the area governed by the local agency is a speaker.

The bill adds requirements for local agencies to employ a sufficient amount of qualified bilingual people to provide translation services during the meeting in the language of the non-English speaking person (consistent with all languages for which 5% of the population in the area governed by the local agency speak). The bill adds similar requirements for any state legislative body. All of these new requirements are unfunded mandates.

This bill is sponsored by the Leadership Counsel for Justice and Accountability. A fact sheet is posted in the tracking section of the bill.

UPDATE AS OF 4/20/21 - The bill was significantly amended on 4-15-21. These amendments removed all state requirements as noted above. Further, they require public participation by phone or internet (with video/audio), and allow agencies to create a registration process for public comments so long as people can register to speak via phone and in person.

The amendments remove the blanket requirement to translate the agenda and meeting access information and makes those an on-request requirements. The amendments also remove the blanket requirement for agencies to have sufficient qualified bilingual translators during meetings and changes that requirement to on-request, and requires agencies to make public the process to make such a request.

All requirements remain unfunded mandates.

UPDATE: Amended on 5-4-21 as a result of the ALGC hearing, this version of the bill now:

- Limits the bill's applicability to the meetings of city councils and county boards of supervisors only, the jurisdictions of which contain a population of at least 250,000 people;
- Requires public access via telephone OR internet (not both);
- Removes language requiring two-way operability for internet;
- Removes all language translation requirements;
- Removes language allowing local agencies to require members of the public to register in order to provide public comment;
- Removes language allowing teleconferencing to be used by members of the legislative body (to avoid inadvertently precluding the use of teleconferencing by the public);
- Refines language referring to "all meetings" to state "all open and public meetings" (to ensure closed sessions are not subject to the provisions of the bill);
- Restores current law allowing public comment before an agenda item is taken up; and,
- Adds a sunset date of December 31, 2023.

## **AB 361 (Rivas, Robert D) Open meetings: local agencies: teleconferences.**

**Current Text:** Amended: 5/10/2021 [html](#) [pdf](#)

**Introduced:** 2/1/2021

**Last Amended:** 5/10/2021

**Status:** 5/27/2021-Referred to Coms. on GOV. & F. and JUD.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

### **Calendar:**

7/1/2021 Upon adjournment of Agriculture Committee - Room 3191 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

7/13/2021 1:30 p.m. - Senate Chamber SENATE JUDICIARY, UMBERG, Chair

### **Summary:**

Would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M.

Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state of emergency or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body determines, by majority vote, that meeting in person would present imminent risks to the health or safety of attendees.

**Attachments:**

[AB 361 Fact Sheet](#)

**Position:** Watch

**Subject:** Brown Act

**CALAFCO Comments:** Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that certain requirements are met (noticing, public access, etc.). This bill allows a local agency to conduct meetings using teleconference methods without complying with certain teleconferencing requirements if they are meeting for the purposes of declaring or ratifying a local emergency, during a declared state or local emergency (as defined in statute), when state or local health officials have imposed or recommended certain measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

The legislative body must give notice of the meeting and post agendas to allow members of the public to access the meeting and address the legislative body, offer public comment, and protect rights of the parties and public appearing before the legislative body. The bill also rescinds the requirement that at least a quorum of the body must meet within the jurisdictional boundaries of the agency under these circumstances when meeting via telecon.

UPDATE: As amended on 4/6/21, the bill now specifies that the new statute can be applied if meeting in person presents imminent risk to the health & safety of attendees; Requires the agenda to provide opportunity for anyone to attend via call-in or internet option; should there be a service disruption that prevents remote public participation, the agency must take no further action on any agenda item until service is restored; the agency cannot require submittal of public comments in advance of the meeting; and requires the legislative body, every 30 days after the initial declaration of emergency, should the emergency remain active, to make certain findings that the emergency still exists and prevents in-person meetings.

UPDATE: As amended on 5-10-21, the amendments tighten restrictions for in-person meetings to only the determination that meeting in person presents imminent risk to the health and safety of attendees (removing the option to consider if attendance by one of more members of the legislative body is hindered).

This bill is sponsored by the CA Special Districts Association (CSDA). The bill is not marked fiscal. A fact sheet is posted in the tracking section of the bill.

**[AB 703](#) (Rubio, Blanca D) Open meetings: local agencies: teleconferences.**

**Current Text:** Amended: 4/29/2021 [html](#) [pdf](#)

**Introduced:** 2/16/2021

**Last Amended:** 4/29/2021

**Status:** 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 2/25/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the notice requirements particular to teleconferencing and would revise the requirements of the act to allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda, provided that the public is allowed to observe the meeting and address the legislative body directly both in person and remotely via a call-in option or internet-based service option, and that a quorum of members participate in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the jurisdiction.

**Position:** Watch

**Subject:** Brown Act

**CALAFCO Comments:** As amended on 4/29/21, the bill requires local agencies to allow for public participation during meetings of the legislative body both at in-person and via a call-in or internet-based option. It further requires that if the agency holds a teleconference meeting, at least a quorum of the governing body shall participate in person from a single location which shall be open to the public (and located within the boundaries of the jurisdiction).

Despite these requirements, the bill is not marked fiscal. Further, it applies only to local agencies, not state agencies.

The bill is sponsored by Three Valleys Municipal Water Agency.

**[AB 1581](#) (Committee on Local Government) Local government: omnibus.**

**Current Text:** Chaptered: 6/29/2021 [html](#) [pdf](#)

**Introduced:** 3/9/2021

**Last Amended:** 4/19/2021

**Status:** 6/28/2021-Approved by the Governor. Chaptered by Secretary of State - Chapter 31, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law requires a local agency formation commission to develop and determine the sphere of influence of each city and each special district within the county and enact policies designed to promote the logical and orderly development of areas within each sphere. Current law requires, when a proposed change of organization or reorganization applies to 2 or more affected counties, that exclusive jurisdiction vest in the commission of the principal county, unless certain things occur. This bill would add the determination of a sphere of influence to the types of proposed changes for which exclusive jurisdiction may or may not vest in a principal county.

**Attachments:**

[LAFco Template Request Gov Signature](#)

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is the annual ALGC Omnibus bill which CALAFCO sponsors. Sections amended are: 56133(a) and (f); 56325.1 (renumbered to 56331.4); 56427; and 56879(a).

As amended on 4/19, additional sections amended include 56066, 56123, 56124, 56375. Further the bill repeals sections 56375.2, 56387, 56388, 56747, 56760, 57001.1, 57075.5, 57202.1 and 57383.

**[SB 810](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 6/29/2021 [html](#) [pdf](#)

**Introduced:** 2/23/2021

**Status:** 6/28/2021-Approved by the Governor. Chaptered by Secretary of State. Chapter 36, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

This bill would enact the First Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

**Attachments:**

[CALAFCO Support Letter March 2021](#)

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** These are the annual validating Acts.

**[SB 811](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 6/29/2021 [html](#) [pdf](#)

**Introduced:** 2/23/2021

**Status:** 6/28/2021-Approved by the Governor. Chaptered by Secretary of State. Chapter 37, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

This bill would enact the Second Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

**Attachments:**

[CALAFCO Support Letter March 2021](#)

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** These are the annual validating Acts.

**[SB 812](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 6/29/2021 [html](#) [pdf](#)

**Introduced:** 2/23/2021

**Status:** 6/28/2021-Approved by the Governor. Chaptered by Secretary of State. Chapter 38, Statutes of 2021.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

This bill would enact the Third Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**

[CALAFCO Support Letter March 2021](#)

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** These are the annual validating Acts.

**[AB 1195](#) (Garcia, Cristina D) Drinking water.**

**Current Text:** Amended: 5/24/2021 [html](#) [pdf](#)

**Introduced:** 2/18/2021

**Last Amended:** 5/24/2021

**Status:** 6/17/2021-In committee: Set, first hearing. Hearing canceled at the request of author.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.

**Attachments:**[AB 1195 Fact Sheet](#)**Position:** Watch With Concerns**Subject:** Water

**CALAFCO Comments:** As amended on 4-6-21, the bill was gut and amended and now creates the So LA County Human Rights to Water Collaboration Act. It requires the Water Board to appoint a commissioner to implement the Safe & Affordable Funding for Equity & Resilience Program and gives the commissioner certain authorities (although they are not clearly spelled out). It requires the commissioner by 12-31-24 to submit to the Water Board a plan for the long-term sustainability of public water systems in southern LA County and prescribes what shall be included in the plan. The bill also creates a technical advisory board and requires the commissioner to oversee the Central Basin Municipal Water District.

In its current form the bill creates numerous concerns. CALAFCO's letter of concern is posted in the tracking section of the bill, and includes: (1) Focus of the bill is very broad as is the focus of the commissioner; (2) In an attempt to prevent privatization of water systems there is language regarding severing water rights. That language could be problematic should a consolidation be ordered; (3) Diminishing local control that is being invested in the state (an ongoing concern since SB 88); (4) A clear distinction needs to be made between an Administrator and Commissioner; (5) The poorly written section on the technical advisory board; and (6) The lack of LAFCo involvement in any consolidation process.

UPDATE: As amended on 5-24-21, the bill changes the water rights provision now requiring approval by the water Board; uses the definitions of "at risk system" and "at risk domestic well" found in SB 403 (Gonzalez) as well as the 3,300 connect cap; requires the commissioner appointed by the board to be from the local area; requires the commissioner to do certain things prior to completing the regional plan; and requires the commissioner to apply to LA LAFCo for extension of service, consolidation or dissolution as appropriate. The bill also creates a pilot program for LA LAFCo giving them the authority to take action rather than the water board, providing it is within 120 days of receipt of a completed application. If the LAFCo fails to take action within that time, the matter goes to the water board for their action.

The pilot program also gives LA LAFCo the authority to approve, approve with conditions or deny the application; further giving LAFCo authority to consider consolidation or extension of service with a local publicly owned utility that provides retail water, a private water company or mutual; the bill also waives protest proceedings, gives the LAFCo authority to address governance structure and CEQA is waived, provides full LAFCo indemnification and funding.

There are still issues with the proposed technical advisory board section of the bill, and questions about timing of some of the processes. CALAFCO continues to work with the author and speakers' offices as well as other stakeholders on ongoing amendments.

The bill is author-sponsored and we understand there is currently no funding source. A fact sheet is posted in the tracking section of the bill. CALAFCO's letter of concern is also posted there.

**[AB 1250](#) (Calderon D) Water and sewer system corporations: consolidation of service.****Current Text:** Amended: 5/24/2021 [html](#) [pdf](#)**Introduced:** 2/19/2021**Last Amended:** 5/24/2021**Status:** 6/28/2021-VOTE: Do pass as amended, but first amend, and re-refer to the Committee on [Environmental Quality] (PASS)

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/7/2021 Upon adjournment of Education Committee - John L. Burton Hearing Room (4203) SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

**Summary:**

The California Safe Drinking Water Act, provides for the operation of public water systems and imposes on the State Water Resources Control Board related regulatory responsibilities and duties. Current law authorizes the state board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water, as provided. This bill, the Consolidation for Safe Drinking Water Act of 2021, would authorize a water or sewer system corporation to file an application and obtain approval from the commission through an order authorizing the water or sewer system corporation to consolidate with a public water system or state small water system. The bill would require the commission to approve or deny the application within 8 months, except as provided.

**Attachments:**[AB 1250 Fact Sheet 2021](#)**Position:** Watch**Subject:** Municipal Services, Water

**CALAFCO Comments:** The intent of the bill is to prescribe response timelines for the PUC in terms of processing consolidations. This bill creates the Consolidation for Safe Drinking Water Act of 2021. The bill allows a water or sewer corp to file an application with the Public Utilities Commission (PUC) to approval to consolidate with a public or state small system. The bill requires the PUC to act on the application within 8 months of receipt. If a consolidation is valued at \$5 million or less, the water or sewer corp can file an advise letter and get the PUC approval via resolution. In this instance, the PUC has 120 days to act on the request. The bill also give the PUC authority to designate a different procedure to request consolidation for systems valued less than \$5M.

The bill requires the PUC to prioritize consolidation requests based on compliance records and requires the entity requesting consolidation to conduct a thorough public process.

The bill is sponsored by the California Water Association and does not have an impact on LAFCos. Nevertheless, CALAFCO will keep a watch on the bill. A fact sheet is posted in the tracking section of the bill.

UPDATE: The amendments on 5/24/21 establish the Consolidation For Safe Drinking Water Fund, with all moneys available, upon appropriation, going to the PUC in order to process the applications and cover any associated regulatory costs, and requires a water or sewer system corporation to pay a fee of \$10,000 when filing an application pursuant to the above provision and requires the fee to be deposited into the fund.

**[SB 403](#) (Gonzalez D) Drinking water: consolidation.**



**Current Text:** Amended: 6/8/2021 [html](#) [pdf](#)

**Introduced:** 2/12/2021

**Last Amended:** 6/8/2021

**Status:** 6/16/2021-From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 6. Noes 3.) (June 16). Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water or where a disadvantaged community is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would authorize the state board to also order consolidation where a water system serving a disadvantaged community is an at-risk water system, as defined, or where a disadvantaged community is substantially reliant on at-risk domestic wells, as defined.

**Attachments:**

[CALAFCO Removal of Opposition Letter June 2021](#)

[CALAFCO Oppose Unless Amended Letter April 2021](#)

[SB 403 Fact Sheet 2021](#)

**Position:** Neutral

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** Current law (Health & Safety Code Section 116682) authorizes the State Water Resources Control Board (Board) to order consolidation (physical or operational) of a public water system or state small water system serving a disadvantaged community that consistently fails to provide an adequate supply of safe drinking water, or a disadvantaged community (in whole or part) that is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would add to that a water system or domestic well(s) that are at risk of failing to provide an adequate supply of safe drinking water, as determined by the Board. The bill also requires the Board, before ordering consolidation, to conduct outreach to ratepayers and residents served by the at-risk system and to consider any petition submitted by members of a disadvantaged community being served by the at-risk system.

There appears to be several problems with this bill: (1) The bill does not define "at risk" and there is no definition of "at risk" currently in H&S Code Sec. 116681; (2) There is a lack of consultation with GSAs by the State Board when considering ordering consolidation or extension of service; (3) There is no requirement or even consideration for annexation upon extension of service; and (4) there does not appear to be a limitation of the number of connections or the extent to which the system can be extended.

The bill is co-sponsored by the Leadership Counsel for Justice and Accountability, Clean Water Action and Community Water Center. A fact sheet is posted in the tracking section of the bill. CALAFCO's position letter is also posted there.

Specific to SB 403, we requested 3 amendments: (1) Define "at risk"; (2) Add a requirement for the SWRCB to consult with GSAs when considering a domestic well consolidation; and (3) Put a cap on the number of users to be added by the subsuming system or the extent to which the service is being extended. Additionally, CALAFCO recommended a comprehensive review of the current mandatory consolidation process citing a host of issues the current process creates.

UPDATE: As amended on 4/27/21, the bill now defines "at risk system" and "at risk domestic well"; creates an appeal process for potentially subsumed water systems; requires inspection or testing of wells to determine "at risk" status; and allows the Board to prioritize systems historically overburdened by pollution and industrial development or other environmental justice concerns. It also puts a cap of 3,300 or fewer connections on systems that can be subsumed. These amendments address 2 of our 3 requested amendments. We will continue to work with the author on requiring the SWRCB to consult with GSAs on wells.

UPDATE: Amends from 6/8/21 add a requirement for the Water Board to consult with GSAs. This is the last remaining amendment requested by CALAFCO so we have removed our opposition and gone to Neutral. The other amendment in this version simply reorders a subsection with no substantive impacts.

**3**

**[AB 11](#) (Ward D) Climate change: regional climate change authorities.**

**Current Text:** Amended: 1/21/2021 [html](#) [pdf](#)

**Introduced:** 12/7/2020

**Last Amended:** 1/21/2021

**Status:** 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would require the Strategic Growth Council, by January 1, 2023, to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation authorities, state agencies, and other relevant stakeholders.

**Attachments:**

[AB 11 Fact Sheet](#)

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** As amended on 1/21/21, this bill authorizes/requires the Strategic Growth Council (SGC) to establish up to 12 regional climate change authorities by January 1, 2023, to include local agencies and regional stakeholders. The SGC is required to adopt guidelines that: (1) Define the authority; (2) Include guidelines for establishing an authority via a stakeholder-driven process; (3) Consult with OPR (and other state authorities) in development of the guidelines and award annual grants to authorities.

The bill outlines the regional climate change authorities in summary as: coordination, capacity-building, and technical assistance activities within their boundaries, promote regional alignment and assist local agencies in creating and implementing plans developed pursuant to Section 65302 of the Government Code, other federal or state mandates, and programs designed address climate change impacts and risks. The bill also requires the authority to submit annual reports to the SGC, with the scope of the report outlined in the bill.



This is an author-sponsored bill. There is no appropriation to fund the cost of the program. A fact sheet is posted in the tracking section of the bill.

UPDATE 3/17/21: CALAFCO learned from the author's office they do not intend to move the bill forward, but instead work with Assm. Mullin on AB 897 and merge the two bills.

**[AB 473](#) (Chau D) California Public Records Act.**

**Current Text:** Introduced: 2/8/2021 [html](#) [pdf](#)

**Introduced:** 2/8/2021

**Status:** 6/30/2021-From committee: Do pass. To Consent Calendar. (Ayes 11. Noes 0.) (June 29).

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/1/2021 #5 SENATE ASSEMBLY BILLS - SECOND READING FILE

**Summary:**

The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. This bill would recodify and reorganize the provisions of the act. The bill would include provisions to govern the effect of recodification and state that the bill is intended to be entirely nonsubstantive in effect. The bill would contain related legislative findings and declarations. The bill would become operative on January 1, 2023.

**Position:** Watch

**Subject:** Public Records Act

**CALAFCO Comments:** This bill is a redo of AB 2138 from 2020 that did not move forward. According to the author's office, this bill and AB 474 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

**[AB 474](#) (Chau D) California Public Records Act: conforming revisions.**

**Current Text:** Amended: 6/21/2021 [html](#) [pdf](#)

**Introduced:** 2/8/2021

**Last Amended:** 6/21/2021

**Status:** 6/30/2021-From committee: Do pass. To Consent Calendar. (Ayes 11. Noes 0.) (June 29).

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/1/2021 #6 SENATE ASSEMBLY BILLS - SECOND READING FILE

**Summary:**

Would enact various conforming and technical changes related to another bill, AB 473, which recodifies and reorganizes the California Public Records Act. This bill would only become operative if AB 473 is enacted and reorganizes and makes other nonsubstantive changes to the California Public Records Act that become operative on January 1, 2023. The bill would also specify that any other bill enacted by the Legislature during the 2021 calendar year that takes effect on or before January 1, 2022, and that affects a provision of this bill shall prevail over this act, except as specified.

**Position:** Watch

**Subject:** Public Records Act

**CALAFCO Comments:** This bill is a redo of AB 2438 from 2020 that did not move forward. According to the author's office, this bill and AB 473 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

UPDATE: Amendments of 5/27 are technical and minor in nature, and make it the conforming act to AB 473

**[AB 897](#) (Mullin D) Office of Planning and Research: regional climate networks: climate adaptation action plans.**

**Current Text:** Amended: 4/19/2021 [html](#) [pdf](#)

**Introduced:** 2/17/2021

**Last Amended:** 4/19/2021

**Status:** 6/28/2021-From committee: Do pass and re-refer to Com. on N.R. & W. (Ayes 4. Noes 1.) (June 28). Re-referred to Com. on N.R. & W.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/13/2021 9 a.m. - John L. Burton Hearing Room (4203) SENATE NATURAL RESOURCES AND WATER, STERN, Chair

**Summary:**

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office to encourage the inclusion of agencies with land use planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

**Attachments:**

[AB 897 Fact Sheet](#)

**Position:** Watch

**Subject:** Climate Change

**CALAFCO Comments:** As introduced, the bill builds on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region.

As amended, the bill requires OPR to develop guidelines (the scope of which are outlined in the bill) for Regional Climate Adaptation Action

Plans (RCAAPs) by 1-1-23 through their normal public process. Further the bill requires OPR to make recommendations to the Legislature on potential sources of financial assistance for the creation & implementation of RCAAPs, and ways the state can support the creation and ongoing work of regional climate networks. The bill outlines the authority of a regional climate network, and defines eligible entities. Prior versions of the bill kept the definition as rather generic and with each amended version gets more specific. As a result, CALAFCO has requested the author add LAFCOs explicitly to the list of entities eligible to participate in these regional climate networks.

As amended on 4/7, AB 11 (Ward) was joined with this bill - specifically found in 71136 in the Public Resources Code as noted in the amended bill. Other amendments include requiring OPR to, before 7-1-22, establish geographic boundaries for regional climate networks and prescribes requirements in doing so.

This is an author-sponsored bill. The bill necessitates additional resources from the state to carry out the additional work required of OPR (there is no current budget appropriation). A fact sheet is posted in the tracking section of the bill.

UPDATE: As amended 4/19/21: There is no longer a requirement for OPR to include in their guidelines how a regional climate network may develop their plan: it does require ("may" to "shall") a regional climate network to develop a regional climate adaptation plan and submit it to OPR for approval; adds requirements of what OPR shall publish on their website; and makes several other minor technical changes.

#### **AB 903 (Frazier D) Los Medanos Community Healthcare District.**

**Current Text:** Amended: 4/19/2021 [html](#) [pdf](#)

**Introduced:** 2/17/2021

**Last Amended:** 4/19/2021

**Status:** 5/19/2021-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

#### **Calendar:**

7/8/2021 Upon adjournment of Session - Room 3191 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

#### **Summary:**

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to develop and conduct the Los Medanos Area Health Plan Grant Program focused on comprehensive health-related services in the district's territory. The bill would require the county to complete a property tax transfer process to ensure the transfer of the district's health-related ad valorem property tax revenues to the county for the sole purpose of funding the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service from the County of Contra Costa as specified, the bill would impose a state-mandated local program.

**Position:** Watch

**CALAFCO Comments:** This bill mandates the dissolution of the Los Medanos Community Healthcare District with the County as the successor agency, effective 2-1-22. The bill requires the County to perform certain acts prior to the dissolution. The LAFCo is not involved in the dissolution as the bill is written. Currently, the district is suing both the Contra Costa LAFCo and the County of Contra Costa after the LAFCo approved the dissolution of the district upon application by the County and the district failed to get enough signatures in the protest process to go to an election.

The amendment on 4/5/21 was just to correct a typo in the bill.

As amended on 4/19/21, the bill specifies monies received by the county as part of the property tax transfer shall be used specifically to fund the Los Medanos Area Health Plan Grant Program within the district's territory. It further adds a clause that any new or existing profits shall be used solely for the purpose of the grant program within the district's territory.

#### **AB 959 (Mullin D) Park districts: ordinances: nuisances: abatement.**

**Current Text:** Amended: 6/18/2021 [html](#) [pdf](#)

**Introduced:** 2/17/2021

**Last Amended:** 6/18/2021

**Status:** 6/18/2021-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

#### **Calendar:**

7/1/2021 Upon adjournment of Agriculture Committee - Room 3191 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

#### **Summary:**

Current law prescribes procedures, including the election of a board of directors, for the formation of regional park districts, regional park and open-space districts, or regional open-space districts. Current law authorizes a city legislative body to declare what constitutes a nuisance. Current law authorizes the legislative body of a city, county, or city and county to provide for the summary abatement of any nuisance resulting from the defacement of the property of another by graffiti or other inscribed material, at the expense of the minor or other person creating, causing, or committing the nuisance, and, by ordinance, authorizes the legislative body to make the expense of abatement of the nuisance a lien against property of the minor or other person and a personal obligation against the minor or other person. This bill would authorize the board of directors of a district to declare what constitutes a nuisance, as provided. The bill would, among other things, authorize a district to exercise the authority granted to a city, as described above, for purposes of abating a nuisance, as provided.

#### **Attachments:**

[AB 959 Fact Sheet](#)

**Position:** Watch

**CALAFCO Comments:** As introduced, this bill gives authority to independent regional park & open space districts governed by PRC 5500 to: (1) Declare by ordinance what constitutes a public nuisance; (2) Abate those public nuisances by either administrative or civil actions; and (3) Ability to recover costs incurred in abating the public nuisance, including attorneys' fees. There are 4 of these independent special districts: (1) Midpeninsula Regional Open Space District; (2) East Bay Regional Park District; (3) Monterey Peninsula Regional Park District; and (4) Napa County Regional Park and Open Space District. A fact sheet is posted in the tracking section of the bill.

UPDATE: As amended on 5-10-21, the bill requires the district Board to adopt an ordinance declaring what constitutes a nuisance. It authorizes the district to initiate civil action and recover damages.

**AB 975 (Rivas, Luz D) Political Reform Act of 1974: statement of economic interests and gifts.****Current Text:** Amended: 5/18/2021 [html](#) [pdf](#)**Introduced:** 2/18/2021**Last Amended:** 5/18/2021**Status:** 6/1/2021-Ordered to inactive file at the request of Assembly Member Luz Rivas.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. The Fair Political Practices Commission is the filing officer for statewide elected officers and candidates and other specified public officials. If the Commission is the filing officer, the public official generally files with their agency or another person or entity, who then makes a copy and files the original with the Commission. This bill would revise and recast these filing requirements to make various changes, including requiring public officials and candidates for whom the Commission is the filing officer to file their original statements of economic interests electronically with the Commission.

**Position:** Watch**Subject:** FPPC

**CALAFCO Comments:** As introduced, this bill makes two notable changes to the current requirements of gift notification and reporting: (1) It increases the period for public officials to reimburse, in full or part, the value of attending an invitation-only event, for purposes of the gift rules, from 30 days from receipt to 30 days following the calendar quarter in which the gift was received; and (2) It reduces the gift notification period for lobbyist employers from 30 days after the end of the calendar quarter in which the gift was provided to 15 days after the calendar quarter. Further it requires the FPPC to have an online filing system and to redact contact information of filers before posting.

The amendment on 4/21/21 just corrects wording (technical, non-substantive change).

The amendments on 5/18/21 clarify who is to file a statement of economic interest to include candidates (prior text was office holders).

**AB 1021 (Mayes I) Imperial Irrigation District.****Current Text:** Amended: 5/24/2021 [html](#) [pdf](#)**Introduced:** 2/18/2021**Last Amended:** 5/24/2021**Status:** 6/16/2021-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/8/2021 Upon adjournment of Session - Room 3191 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

**Summary:**

Would require the commissions for the County of Imperial and the County of Riverside to conduct and publish on their internet websites a joint study of voting rights in the Imperial Irrigation District, options for providing electricity in the Imperial Irrigation District, and options for alternative governance structures for the Imperial Irrigation District board of directors, as specified. The bill would require the study to be published no later than July 1, 2023. By imposing new duties on the specified local agency formation commissions, the bill would impose a state-mandated local program.

**Attachments:**

[CALAFCO Oppose Unless Amended 5-26-21](#)

**Position:** Oppose unless amended**Subject:** Special Districts Governance

**CALAFCO Comments:** As amended on 3/18/21, the bill focuses on the Imperial Irrigation District. The bill requires Imperial and Riverside LAFcos to conduct a special study of voting rights and options for providing electricity in the district area should the district decide it no longer desires to provide that serve, to be completed by December 31, 2022, as an unfunded mandate. The bill also requires membership of the district board to increase from 5 to 8 members, with the additional 3 members residing in Riverside County in the area being serviced by the district and appointed by the County Supervisor of that County district. The three new members will be non-voting members.

CALAFCO met with the author's staff on March 18 to discuss concerns on the bill, with input from Riverside and Imperial LAFcos (who will meet with the author's office as well). Concerns include: (1) The unfunded mandate and timing of the study; (2) As representation in the Riverside County service area is the issue, governance structure should also be a part of the study; (3) Section 21562.6 of the Water Code as added is far too vague. CALAFCO offered specific suggestions for clarification in this section.

This bill is similar to AB 854 (2019), which died in Appropriations. CALAFCO had a Watch position on that bill as the two member LAFcos had opposing positions, and this is a local matter. However, there is concern about requiring a study without funding (the last time the Legislature mandated a special study on a district it required the study be funded by the district).

The bill is author-sponsored and as of now there is no budget appropriation to cover cost.

UPDATE AS OF 4/21/21 - As amended on 4/19/21, the bill makes substantive changes including: (1) Requires state funding for the study and prescribes an 18-month timeline for completion upon receipt of funds; (2) Adds study content of options for governance structure of the district; (3) Changes the number from 3 to 1 of nonvoting board members appointed to the district Board; and (4) Specifies requirements for the appointment.

UPDATE: The amendments of 5/24/21 remove the funding for the special study, making it an unfunded mandate. The bill also now requires the study to be completed by 7-1-23. As a result of the funding removal and the concerning precedent setting nature of requiring LAFco to conduct a special study without funding, CALAFCO has taken an OPPOSE UNLESS AMENDED position requesting funding be restored.

**AB 1053 (Gabriel D) City selection committees: County of Los Angeles: quorum: teleconferencing.****Current Text:** Amended: 4/20/2021 [html](#) [pdf](#)**Introduced:** 2/18/2021

**Last Amended:** 4/20/2021

**Status:** 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/18/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law creates a city selection committee in each county that consists of 2 or more incorporated cities for the purpose of appointing city representatives to boards, commissions, and agencies. Under current law, a quorum for a city selection committee requires a majority of the number of the incorporated cities within the county entitled to representation on the city selection committee. Current law requires a city selection committee meeting to be postponed or adjourned to a subsequent time and place whenever a quorum is not present at the meeting. This bill, for the city selection committee in the County of Los Angeles, would reduce the quorum requirement to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to items that appeared on the immediately preceding agenda where a quorum was not established.

**Attachments:**

[CALAFCO Removal of Opposition Letter April 2021](#)

[CALAFCO Oppose Unless Amended April 2021](#)

**Position:** Watch

**Subject:** Other

**CALAFCO Comments:** As amended on 3/18/21, the bill reduces the quorum requirement for a city selection committee to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to replicate the meeting for which a quorum was not established. The bill also authorizes a city selection committee to conduct their meetings by teleconference and electronic means.

The bill is sponsored by the Las Virgenes-Malibu Council of Governments.

CALAFCO's letter of Oppose Unless Amended is posted in the bill detail area.

UPDATE AS OF 4/21/21 - As amended on 4/20/21, the scope of the bill is significantly narrowed to apply only to the County of Los Angeles' City Selection Committee. This amendment resolves CALAFCO's concerns and we have removed our opposition and will retain a Watch position. CALAFCO's letter of opposition removal is posted in the bill detail area.

UPDATE: The bill failed to move out of committee so it is now a 2-year bill.

**[AB 1246](#) (Nguyen R) Community services districts.**

**Current Text:** Introduced: 2/19/2021 [html](#) [pdf](#)

**Introduced:** 2/19/2021

**Status:** 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/19/2021)(May be acted upon Jan 2021)

2 year	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law, the Community Services District Law, authorizes the formation of community services districts for various specified purposes, including supplying water, treating sewage, disposing of solid waste, and providing fire protection. The law specifies its relation and effect on certain districts organized pursuant to former laws and to actions taken by them, among other things. This bill would make nonsubstantive changes to those provisions.

**Position:** Watch

**CALAFCO Comments:** This is a spot bill.

**[AB 1295](#) (Muratsuchi D) Residential development agreements: very high fire risk areas.**

**Current Text:** Introduced: 2/19/2021 [html](#) [pdf](#)

**Introduced:** 2/19/2021

**Status:** 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/4/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law requires the Director of Forestry and Fire Protection to identify areas in the state as very high fire hazard severity zones based on the severity of fire hazard that is expected to prevail in those areas, as specified, and requires each local agency to designate, by ordinance, the very high fire hazard severity zones in its jurisdiction. Current law additionally requires the director to classify lands within state responsibility areas into fire hazard severity zones. This bill, beginning on or after January 1, 2022, would prohibit the legislative body of a city or county from entering into a residential development agreement for property located in a very high fire risk area. The bill would define "very high fire risk area" for these purposes to mean a very high fire hazard severity zone designated by a local agency or a fire hazard severity zone classified by the director.

**Attachments:**

[AB 1295 Fact Sheet](#)

**Position:** Watch

**Subject:** Growth Management, Planning

**CALAFCO Comments:** This bill prohibits a city or county from entering into a residential development agreement for property located within a very high fire risk area as of 1-1-2022.

This bill appears similar to SB 55 (Stern) except: (1) This bill explicitly calls out residential development, whereas SB 55 addresses new development (housing, commercial, retail or industrial) in a very high fire hazard severity zone; and (2) SB 55 adds a state responsibility area.

The bill is not marked fiscal. This is an author-sponsored bill and a fact sheet is posted in the tracking section of the bill.

**[SB 10](#) (Wiener D) Planning and zoning: housing development: density.**

**Current Text:** Amended: 6/24/2021 [html](#) [pdf](#)

**Introduced:** 12/7/2020

**Last Amended:** 6/24/2021



**Status:** 6/24/2021-Read second time and amended. Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would, notwithstanding any local restrictions on adopting zoning ordinances, authorize a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area or an urban infill site, as those terms are defined. The bill would prohibit a local government from adopting an ordinance pursuant to these provisions on or after January 1, 2029. The bill would specify that an ordinance adopted under these provisions, and any resolution to amend the jurisdiction's General Plan, ordinance, or other local regulation adopted to be consistent with that ordinance, is not a project for purposes of the California Environmental Quality Act. The bill would prohibit an ordinance adopted under these provisions from superceding a local restriction enacted or approved by a local voter initiative that designates publicly owned land as open-space land or for park or recreational purposes.

**Position:** Watch

**Subject:** Housing

**CALAFCO Comments:** While not directly affecting LAFcos, the requirements in the bill are of interest. As amended on 4/13/21, the bill authorizes a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site, as those terms are defined in the bill. In this regard, the bill would require the Department of Housing and Community Development, in consultation with the Office of Planning and Research, to determine jobs-rich areas and publish a map of those areas every 5 years, commencing January 1, 2023, based on specified criteria. The bill would specify that an ordinance adopted under these provisions, and any resolution adopted to amend the jurisdiction's General Plan, ordinance, or other local regulation adopted to be consistent with that ordinance, is exempt from CEQA. The bill imposes specified requirements on a zoning ordinance adopted under these provisions. The bill would prohibit a legislative body that adopts a zoning ordinance pursuant to these provisions from subsequently reducing the density of any parcel subject to the ordinance and makes void and unenforceable any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that effectively prohibits or unreasonably restricts a use or density authorized by an ordinance adopted pursuant to the provisions in the bill.

UPDATE: The amendment of 4/27/21 amends 65913.5(a)(3) to remove exemption of parcels excluded from specified hazard zones by a local agency pursuant to 51179(b).

UPDATE: The amendments on 5/26 prohibit a residential or mixed-use residential project consisting of 10 or more units that is located on a parcel zoned pursuant to these provisions from being approved ministerially or by right or from being exempt from CEQA, except as specified, and repealw these provisions on January 1, 2029.

**SB 12 (McGuire D) Local government: planning and zoning: wildfires.**

**Current Text:** Amended: 5/4/2021 [html](#) [pdf](#)

**Introduced:** 12/7/2020

**Last Amended:** 5/4/2021

**Status:** 6/24/2021-From committee: Do pass and re-refer to Com. on H. & C.D. (Ayes 6. Noes 2.) (June 23). Re-referred to Com. on H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/12/2021 Upon adjournment of Session - State Capitol, Room 4202 ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT, CHIU, Chair

**Summary:**

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

**Position:** Watch

**Subject:** Growth Management, Planning

**SB 13 (Dodd D) Local agency services: contracts: Counties of Napa and San Bernardino.**

**Current Text:** Amended: 6/28/2021 [html](#) [pdf](#)

**Introduced:** 12/7/2020

**Last Amended:** 6/28/2021

**Status:** 6/29/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Calendar:**

7/1/2021 #51 ASSEMBLY THIRD READING FILE - SENATE BILLS

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes a pilot program under which the commissions in the Counties of Napa and San Bernardino, upon making specified determinations at a noticed public hearing, may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to support existing or planned uses involving public or private properties, as provided. Current law requires the Napa and San Bernardino commissions to submit a report to the Legislature on their participation in the pilot program, as specified, before January 1, 2020, and repeals the pilot program as of January 1, 2021. This bill would reestablish the pilot program, which would remain in effect until January 1, 2026. The bill would impose a January 1, 2025, deadline for the Napa and San Bernardino commissions to report to the Legislature on the pilot program, and would require the contents of that report to include how many requests for extension of services were received under these provisions.

**Attachments:**

[CALAFCO Oppose Unless Amended letter May 2021](#)

**Position:** Oppose unless amended

**Subject:** CKH General Procedures



**CALAFCO Comments:** This bill is the same as SB 799 from 2020 and seeks to re-establish and continue the pilot program for five more years. The program ended as of January 1, 2021 but due to the pandemic, SB 799 from 2020 to extend the sunset was not moved forward in the legislature.

UPDATE: As amended on 4/29/21, the bill now adds 56133.6 which seeks to address several projects in the City of St. Helena, and resolve a current law suit between the winery and the city. The amendments authorize Napa LAFCo to consider new or extended service by the city to specific parcels with certain conditions. The bill requires the Napa LAFCo make certain determinations if approving, include any decision in their required report to the Legislature and has a sunset of 1-1-26.

CALAFCO has made a request for several technical amendments to the version dated 4-29-21, and has concern this addition strays too far from the original intent of the pilot program. Requested amendments on the table now include: (1) Rewording of both sections 56133.5(a) (2) and 56133.6(a)(3) to explicitly state both (A) and (B) are required; (2) Reword the new addition to 56133.5(d) so that it does not presume Napa LAFCo will authorize the new or extension of service; and (3) Rewrite 56133.6(a)(1) to clarify that (A) must apply to both (B) and (C).

As amended on 5-11-21, all requested technical amendments were made, however the intent of the pilot program has changed with the addition of 56133.6 and Napa LAFCo's ability to approve extension of service for parcels that do not meet the pilot program's requirement of planned use as defined in 56133.5. For this reason, CALAFCO is opposed unless amended, requesting the removal of 56133.6. Our letter is in the bill detail section.

**[SB 55](#) ([Stern D](#)) Very high fire hazard severity zone: state responsibility area: development prohibition: supplemental height and density bonuses.**

**Current Text:** Amended: 4/5/2021 [html](#) [pdf](#)

**Introduced:** 12/7/2020

**Last Amended:** 4/5/2021

**Status:** 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 3/3/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would, in furtherance of specified state housing production, sustainability communities strategies, greenhouse gas reduction, and wildfire mitigation goals, prohibit the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area unless there is substantial evidence that the local agency has adopted a comprehensive, necessary, and appropriate wildfire prevention and community hardening strategy to mitigate significant risks of loss, injury, or death, as specified. By imposing new duties on local governments with respect to the approval of new developments in very high fire hazard severity zones and state responsibility areas, this bill would impose a state-mandated local program.

**Attachments:**

[SB 55 Fact Sheet](#)

**Position:** Watch

**Subject:** Growth Management, Planning

**CALAFCO Comments:** This bill prohibits the creation or approval of a new development (housing, commercial, retail or industrial) in a very high fire hazard severity zone or a state responsibility area. The bill is author-sponsored and imposes unfunded mandates. A fact sheet is posted in the tracking section of the bill.

As amended on 4/5/21, the bill removes the "blanket approach" to prohibiting development as noted above by adding specificity. The bill prohibits development in either of the areas noted above unless there is substantial evidence that the local agency has adopted a comprehensive, necessary and appropriate wildfire preventions and community hardening strategy to mitigate significant risks of loss, injury or death as specified in the bill. Additionally, the bill provides a qualifying developer a supplemental height bonus and a supplemental density bonus, as specified, if the development is located on a site that meets certain criteria, including, among others, not being located in a moderate, high, or very high fire hazard severity zone, as specified. These requirements are unfunded mandates.

This bill appears similar to AB 1295 (Muratsuchi) except this bill appears to be broader in scope in terms of the type of development prohibited and includes a state responsibility area, whereas AB 1295 only addresses residential development in a very high fire risk area.

**[SB 96](#) ([Dahle R](#)) Fallen Leaf Lake Community Services District Fire Department Protection Act of 2021: elections.**

**Current Text:** Introduced: 12/21/2020 [html](#) [pdf](#)

**Introduced:** 12/21/2020

**Status:** 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 1/28/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would require the El Dorado County elections official, with the assistance of the Fallen Leaf Lake Community Services District, to conduct district elections pursuant to the Uniform District Election Law, except as otherwise provided in the bill. The bill, notwithstanding existing law, would provide that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services District, as specified. The bill would require the designations of voters and authority of legal representatives to be filed with the El Dorado County elections official and the secretary of the Fallen Leaf Lake Community Services District and maintained with the list of qualified voters of the district. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Special Districts Governance

**CALAFCO Comments:** This bill is the same as SB 1180 from 2020 which did not move through the legislature. It is a local El Dorado County/district bill. This bill does several things. (1) Provides that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services. (2) The bill also would authorize a voter who is not a resident of the district but owns a real property interest in the district to designate only one voter to vote on their behalf, regardless of the number of parcels in the district owned by the nonresident voter. (3) This bill would prohibit the Fallen Leaf Lake

Community Services District from providing any services or facilities except fire protection and medical services, including emergency response and services, as well as parks and recreation services and facilities.

**SB 261 (Allen D) Regional transportation plans: sustainable communities strategies.**

**Current Text:** Introduced: 1/27/2021 [html](#) [pdf](#)

**Introduced:** 1/27/2021

**Status:** 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/15/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

current law requires certain transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system. Certain of these agencies are designated under federal law as metropolitan planning organizations. Existing law requires that each regional transportation plan include a sustainable communities strategy developed to achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035 established by the State Air Resources Board. This bill would require that the sustainable communities strategy be developed to additionally achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2045 and 2050 and vehicle miles traveled reduction targets for 2035, 2045, and 2050 established by the board. The bill would make various conforming changes to integrate those additional targets into regional transportation plans.

**Position:** Watch

**Subject:** Sustainable Community Plans

**SB 273 (Hertzberg D) Water quality: municipal wastewater agencies.**

**Current Text:** Amended: 6/21/2021 [html](#) [pdf](#)

**Introduced:** 1/29/2021

**Last Amended:** 6/21/2021

**Status:** 6/30/2021-Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (June 30). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize a municipal wastewater agency, as defined, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, as defined, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency's existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The bill would require a municipal wastewater agency that enters into or amends one of these agreements after January 1, 2022, to file a copy of the agreement or amendment with the local agency formation commission in each county where any part of the municipal wastewater agency's territory is located, but would exempt those agreements and amendments from local agency formation commission approval except as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

**Attachments:**

[CALAFCO Support June 2021](#)

[SB 273 Fact Sheet](#)

**Position:** Support

**Subject:** Municipal Services

**CALAFCO Comments:** This bill is a redo of SB 1052 from 2020 that was not moved forward because of the pandemic. This bill adds authority to municipal wastewater agencies as outlined in 13911(a) and (b) relating to stormwater runoff and management. The bill authorizes this additional authority while keeping the LAFCo process to activate these latent powers intact.

The CALAFCO requested an amendment to add a requirement that upon entering into the agreement, the agency has 30 days to file a copy of that agreement or amended agreement with the LAFCo, was accepted by the author in the ALGC hearing.

The bills is sponsored by the CA Assn of Sanitation Agencies. A fact sheet is posted in the tracking section of the bill.

**SB 274 (Wieckowski D) Local government meetings: agenda and documents.**

**Current Text:** Amended: 4/5/2021 [html](#) [pdf](#)

**Introduced:** 1/29/2021

**Last Amended:** 4/5/2021

**Status:** 6/24/2021-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (June 23). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Ralph M. Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by email or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.

**Attachments:**

[CALAFCO Support SB 274 \(3-15-21\)](#)

[SB 274 Fact Sheet](#)

**Position:** Support

**Subject:** Public Records Act

**CALAFCO Comments:** This bill is a modified redo of SB 931 from 2020 that did not move forward because of the pandemic. This bill updates the Government Code to require a public agency to email the agenda or agenda items to anyone who requests it or the link to the website where the documents can be accessed (current law requires the mailing of such documents upon request, this bill adds the option to email if requested). A fact sheet is posted in the tracking section of the bill.

The amendment on 4/5/21 was to correct a typo reflecting the authority to email information.

**[SB 475](#) (Cortese D) Transportation planning: sustainable communities strategies.**

**Current Text:** Amended: 3/10/2021 [html](#) [pdf](#)

**Introduced:** 2/17/2021

**Last Amended:** 3/10/2021

**Status:** 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 4/26/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would require the State Air Resources Board, on or before June 30, 2023, and in coordination with the California Transportation Commission and the Department of Housing and Community Development, to issue new guidelines on sustainable communities strategies and require these guidelines to be updated thereafter at least every 4 years. The bill would delete the provisions related to the Regional Targets Advisory Committee and instead require the State Air Resources Board to appoint, on or before January 31, 2022, the State-Regional Collaborative for Climate, Equity, and Resilience, consisting of representatives of various entities. The bill would require the State-Regional Collaborative for Climate, Equity, and Resilience to develop a quantitative tool for metropolitan planning organizations to use to evaluate a transportation plan's consistency with long-range greenhouse gas emission reduction targets and recommend guidelines for metropolitan planning organizations to use when crafting long-range strategies that integrate state goals related to climate resilience and social equity.

**Position:** Watch

**Subject:** Sustainable Community Plans

**[SB 499](#) (Leyva D) General plan: land use element: uses adversely impacting health outcomes.**

**Current Text:** Introduced: 2/17/2021 [html](#) [pdf](#)

**Introduced:** 2/17/2021

**Status:** 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 2/25/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would prohibit the land use element from designating land uses that have the potential to significantly degrade local air, water, or soil quality or to adversely impact health outcomes in disadvantaged communities to be located, or to materially expand, within or adjacent to a disadvantaged community or a racially and ethnically concentrated area of poverty. By expanding the duties of cities and counties in the administration of their land use planning duties, the bill would impose a state-mandated local program.

**Attachments:**

[SB 499 Fact Sheet](#)

**Position:** Watch

**Subject:** Disadvantaged Communities

**CALAFCO Comments:** As introduced, this bill would prohibit the land use element of a general plan from designating or expanding land uses that have the potential to significantly degrade local air, water, or soil quality or to adversely impact health outcomes within or adjacent to disadvantaged communities (DACs) or a racially and ethnically concentrated area of poverty.

The sponsor of this bill is the Leadership Counsel for Justice and Accountability. A fact sheet is posted in the tracking section of the bill.

**[SB 574](#) (Laird D) Agricultural preserves: Williamson Act.**

**Current Text:** Amended: 3/4/2021 [html](#) [pdf](#)

**Introduced:** 2/18/2021

**Last Amended:** 3/4/2021

**Status:** 6/24/2021-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To consent calendar. (Ayes 8. Noes 0.) (June 23). Re-referred to Com. on APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Under the California Land Conservation Act of 1965, the board of supervisors or city council may grant tentative approval for a cancellation by petition of a landowner as to all or any part of land subject to a contract, as specified. Prior to any action by the board or council giving tentative approval to the cancellation of any contract, the county assessor is required to determine the current fair market value of the land as though it were free of the contractual restriction, and requires the assessor to send the fair market value to the Department of Conservation, hereafter department, at the same time the assessor sends the value to the landowner. Current law provides for a certificate of tentative cancellation upon tentative approval of a petition by a landowner accompanied by a proposal for a specified alternative use of the land, as provided. Current law requires the board of supervisors or city council to provide notice to the department related to cancellation of the contract as well as in other specified instances. This bill would revise and recast these provisions to no longer require the assessor to provide notice to the department and to require the board of supervisors or city council to provide notice to the department if the certificate of tentative cancellation is withdrawn, as specified.

**Position:** Watch

**CALAFCO Comments:** This bill narrows the role of Department of Conservation (DOC) in administering the Williamson Act. It does not change other provisions in the Act except for lessening reporting requirements by local governments to the DOC. The bill repeals the ability of the DOC to agree on a cancellation value for contracted land with a landowner, along with the requirement that the department provide a preliminary valuation to the applicable assessor, and repeals the requirement that the DOC approve cancellation of a farmland security contract. The bill also repeals and narrows reporting requirements by requiring the DOC to post all local government reports on Williamson Act lands/contracts on its website rather than create a report and submit to the Legislature. The bill also repeals certain reporting requirements by local governments (cities and counties) to the DOC regarding Williamson Act contracts.

As amended on 3/4/21, the bill requires cities/counties to file annual maps on Act lands; and removes the requirement for state approval

for the amount of security to be paid when paying cancellation fee.  
CALAFCO will continue to watch this bill to ensure no detrimental changes are made to the Act through future amendments.

**[SB 813](#) (Committee on Governance and Finance) Local Government Omnibus Act of 2021.**

**Current Text:** Amended: 6/21/2021 [html](#) [pdf](#)

**Introduced:** 2/23/2021

**Last Amended:** 6/21/2021

**Status:** 6/21/2021-From committee with author's amendments. Read second time and amended. Re-referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law provides that a person who has made an offer to purchase an interest in an undivided-interest subdivision, as specified, and not exempted, has the right to rescind any contract resulting from the acceptance of that offer during a specified timeframe. Current law defines and describes the terms "subdivided lands" and "subdivision" for these purposes. Current law requires any person who intends to offer subdivided lands for sale or lease, as specified, to file with the Bureau of Real Estate an application for a public report consisting of, among other things, a notice of intention and a completed questionnaire. Current law exempts the proposed sale or lease of those lots or other interests in a subdivision that are limited to industrial or commercial uses by law or by a declaration of covenants, conditions, and restrictions that has been recorded in the official records of the county or counties in which the subdivision is located from certain of those provisions relating to the filing of a report with the Bureau of Real Estate and sales contracts. This bill would instead exempt the proposed sale or lease of those lots or other interests from all provisions as specified.

**Position:** Watch

**CALAFCO Comments:** This is the annual Senate Governance & Finance Committee Omnibus bill.

Total Measures: 33

Total Tracking Forms: 33

7/1/2021 8:16:04 AM



## HURST+BROOKS+ESPINOSA

June 28, 2021

TO: HBE Clients

FROM: Hurst Brooks Espinosa, LLC

**RE: 2021-22 State Budget – Summary of Final Budget Deal**

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The Legislature finally(!) took action on the 2021-22 state budget today, after a long two weeks of negotiations between the Legislature and the Administration. Please note that there has yet to be an official “announcement” from legislative leaders or the Governor that a final deal has been struck. However, the full Senate and Assembly budget committees met to hear budget-related bills earlier today and, as we finalize tonight’s update, both houses have wrapped up floor sessions where they approved a Budget Bill, Jr. along with the first round of trailer bills. All parties acknowledge that a few key issues remain outstanding, including child care rates and rate reform as well as homelessness trailer bill language. Summaries of the package can be found [here](#) and [here](#).

Below we summarize major elements of the state’s 2021-22 spending plan, followed by a list of trailer bills and a brief summary of each piece of implementing legislation voted on today. We will continue to update the trailer bill chart as additional legislative actions are taken. Please note that given the tremendous volume of budget and trailer bill language to get through you can expect further clarification and details from us in the days ahead. We will continue to build out the content of the trailer bill summary table, which begins on page 17 of this document.

### RESERVES

The 2021-22 Budget Act includes \$25.2 billion in General Fund reserves as follows:

- \$4 billion in the state’s “regular” reserve, the Special Fund for Economic Uncertainties (SFEU)
- \$900 million in the Safety Net Reserve Fund
- \$4.5 billion in the Proposition 98 Reserve
- \$15.8 billion in the Budget Stabilization Account (Rainy Day Fund)

### GANN LIMIT

In a departure from the May Revision, the 2021-22 Budget Act maintains spending below the constitutional state appropriations limit (also known as the “Gann Limit”); the two-year period of current year (2020-21) and budget year are also below the state appropriations limit. Put simply, the plan incorporates some specific characterization of expenditures outside of the limit (see our discussion of the Golden State Stimulus II, below), as well as recommendations from the Legislative Analyst’s Office to make adjustments to the state’s current practice for characterizing of expenditures. Of note, the general government trailer bill (AB 137/SB 137) incorporates language to



move expenditures associated with 1991 and 2011 Realignment from state “proceeds of taxes” to local “proceeds of taxes” only for purposes of calculating the state and local appropriations limits, starting in 2020-21. Local agencies will need to recalculate their local limits for 2020-21 and 2021-22; local agencies are held harmless for any overage that results from shifting Realignment revenues to the local level.

## ECONOMIC STIMULUS

The final budget agreement includes a number of investments in programs to assist families and businesses most impacted by the COVID-19 pandemic, including:

- \$8.1 billion for the Golden State Stimulus 2, payments of \$500, \$600, \$1,000, or \$1,100, for Californians with incomes of up to \$75,000.
- An additional \$1.5 billion for the Small Business COVID-19 Relief Grant Program for small businesses and non-profits.
- Additional business supports, including \$50 million for grants for microbusinesses, \$150 million to create the California Venues Grant Program, tax credits that support small business hiring and the hiring of homeless individuals, an additional \$110 million for the California Competes Tax Credit, and \$120 million to establish the California Competes Grant Program.

## GENERAL GOVERNMENT

### Homelessness

The June 28 budget package provides about \$12 billion in new funding (federal and state) for homelessness programs over the next two years, including \$1 billion in support for local governments to address homelessness for both 2021-22 and 2022-23. More than \$4 billion is provided over the two-year period for various programs operated out of the Department of Social Services to address those at highest risk of becoming homeless, including vulnerable seniors, families with children, and foster children. Details for these proposals are anticipated to be worked out in a future trailer bill.

Specifically, the budget includes:

- \$805 million one-time, to be spent across multiple years, for the development and stabilization of Residential Care Facilities for the Elderly and Adult Residential Facilities across the state.
- \$300 million General Fund one-time for the Home Safe Program over two years to help combat senior homelessness.
- \$380 million one-time for the CalWORKs Housing Support Program over two years to house families in the program and help them avoid eviction.
- \$185 million General Fund one-time to help aid in family maintenance when a child welfare case is partly due to housing instability.
- \$50 million to address encampments for persons experiencing homelessness
- \$1.5 billion for Project Homekey grants (includes \$1.2 billion in federal recovery funds and \$250 million in General Fund)

## **Elections**

The 2021-22 budget includes \$215 million for counties to administer the forthcoming gubernatorial recall election, as well as \$35 million for the Secretary of State to cover its costs. SB 152 contains provisions associated with conducting the recall election, including requirements for counties conducting regular elections before January 1, 2022, as well as consolidating previously called special elections with a gubernatorial recall election. SB 152 also includes intent language suggesting that the Legislature will provide additional resources should its initial appropriation fail to cover costs associated with the recall.

## **Funding for Special Districts**

The budget includes \$100 million to assist independent special districts with revenue loss and increased costs associated with the COVID-19 pandemic. Relief is limited to those who have not received other forms of relief from the federal or state government. Funds are anticipated to be distributed by September 1, 2021.

## **Assessment Appeals Deadline Extension**

The statutory deadline for adjudication in certain assessment appeals cases is extended to December 31, 2021 in the general government trailer bill.

## **Assessor Grant Program**

The budget agreement deletes the \$30 million identified for the State Supplementation for County Assessors' Program (SSCAP).

## **Property Tax Backfill for Wildfire Losses**

The budget includes nearly \$11 million in funding to local agencies for property tax losses associated with the 2020 wildfires. Counties will use a countywide claims process to report losses experienced by counties, cities, and special districts; the Department of Finance will review these claims and submit to the State Controller for distribution to county auditor-controllers to then distribute to impacted agencies.

## **Broadband**

The 2021-22 budget appropriates \$6 billion over a multi-year period for broadband infrastructure and improved access to broadband services in unserved and underserved communities throughout the state, including \$3.75 billion for middle-mile infrastructure in unserved communities. Ongoing negotiations regarding further deployment of resources are anticipated, but the current agreement apparently includes administrative flexibilities to allow the appropriated funds to be accelerated to ensure they are available as needed to fund the expansion and improvements.

## **Libraries**

The 2021-22 state budget includes an impressive list of investments in public libraries, including:

- \$1 million ongoing for the Zip Books project, which provides for easily accessible online purchasing and convenient shipping of library books to ensure timely and cost-effective access to information in hard-to-reach and underserved communities.

- \$800,000 ongoing to support the Lunch at the Library program.
- \$3 million one-time to support grants to local library jurisdictions to acquire bookmobiles and vans.
- \$5 million one-time funds to provide grants for early learning and after school programs to library jurisdictions.
- \$500,000 ongoing and \$300,000 one-time to support increased costs for library broadband services as part of the CENIC network.
- \$439 million one-time to provide grants for local library infrastructure improvements through an equity-focused matching infrastructure grant program.
- \$5 million one-time to support the Civil Liberties Education Grant Program to support the creation and dissemination of educational and public awareness resources concerning the history and lessons of civil rights violations or injustices carried out against communities or populations.
- \$6 million one-time funds to support the Broadband Connectivity initiative for public libraries to leverage federal funds to connect rural and under-sourced public libraries, tribal libraries and cultural centers, and to upgrade local library equipment to support high speed connectivity.
- \$35 million one-time to support local projects to expand broadband access for isolated and under-served communities through a collaborative partnership of local educational agencies, regional and local libraries, and telehealth providers.
- \$300,000 to support CENIC circuit deployment fees to local libraries.
- \$15 million to expand access and support to the English as a Second Language Learners program available through local libraries.
- \$6.4 million to support a two-year pilot project for real-time, online tutoring service program for elementary and secondary school pupils through local libraries.
- \$1.6 million one-time and \$220,000 ongoing to support a pilot project in collaboration with the Braille Institute of America to implement new assistive technologies and expand access to those resources to visually-impaired Californians.
- About \$2.4 million to support the development of disaster preparedness plans to protect at-risk art and historically and culturally significant collections that are publicly and privately held by underserved and underrepresented communities.
- \$1.8 million ongoing to the California Library Services Act.

## HEALTH AND HUMAN SERVICES

### Health

There are two health related trailer bills in print as of Monday afternoon – AB 133/SB 133 on health and AB 134/SB 134 on Mental Health Services Act (MHSA). More bills are anticipated in the coming weeks. AB 133 includes several provisions, including but not limited to: CalAIM, telehealth, Medi-Cal expansion to undocumented adults, Medi-Cal optional benefits, Medi-Cal asset test, conversion of the Office of Statewide Health Planning and Development into the Department of Health Care Access and Information.

AB 134/SB 134 provides flexibilities related to MHSA and would appropriate \$187 million from the Federal Trust Fund to the State Department of Health Care Services to support community mental

health services. Both bills are expected to be discussed in Senate Budget and Fiscal Review Committee on Wednesday and voted on by the full Senate and Assembly on Thursday, July 1.

### ***Public Health***

- Provides \$300 million annually beginning in 2022-23 for public health purposes, including addressing preventable death and disease, reducing health disparities, and supporting an agile public health workforce. These investments will be governed by statutory changes developed in collaboration with the Administration later in the legislative session. This is one of the trailer bills that likely will not be ready after the legislative summer recess.
- Appropriates \$13 million ongoing General Fund to support investments to End the Epidemics of HIV/AIDS, hepatitis, sexually transmitted infections, and drug overdose deaths. This funding has been provided to community-based organizations and a limited amount was available previously to local health departments.

### ***Public Hospitals***

The budget includes \$300 million (state General Fund) to provide grants to public hospitals for their COVID-related losses.

### ***Telehealth***

AB 133 contains an extension of existing telehealth flexibilities, including video and audio visits paid at parity with in-person visits until December 31, 2022. Additionally, the bill creates an advisory group on telehealth for purposes of informing the 2022–23 proposed Governor’s Budget. The Advisory Group will provide recommendations to inform the department in establishing and adopting billing and utilization management protocols for telehealth modalities to increase access and equity and reduce disparities in the Medi-Cal program. The advisory group will analyze the impact of telehealth in increased access for patients, changes in health quality outcomes and utilization, best practices for the appropriate mix of in-person visits and telehealth, and the benefits or liabilities of any practice or care model changes that have resulted from telephonic visits.

### ***Youth Behavioral Health***

- Invests \$4.4 billion dollars over five years to create a new, modern, and innovative behavioral health system for youth ages 0 to 25, including \$205 million for the Mental Health Student Services Act to fund school and county mental health partnerships to support the mental health and emotional needs of children and youth as they return to schools and everyday life.

### ***Behavioral Health Continuum Infrastructure***

- Invests \$2.2 billion for competitive grants to construct, acquire, and rehabilitate real estate assets to expand the community continuum of behavioral health treatment resources. These funds include an allocation of \$150 million, combined with \$55 million of federal funding, to support mobile crisis support teams to assist youth and adults experiencing a behavioral health crisis.

### ***CalAIM***

- Includes funding and trailer bill (AB 133) to implement CalAIM, including, but not limited to, the following components:
  - Establishes the CalAIM Act and requires DHCS to identify conflicts between the Act and the Terms and Conditions and statutes and submit recommended amendments.

- Establishes an incentive payment program for Medi-Cal managed care (MCMC) plans that meet certain milestones and metrics, including In Lieu of Services (ILOS) and Enhanced Care Management (ECM).
- Reforms the reimbursement system for County Mental Health Plans.
- Authorizes DHCS to require Medi-Cal managed care plans and subcontractors to be accredited by NCQA, but prohibits deeming, except for credentialing.
- Authorizes the continuation of the Health Homes Program using General Fund and sunsets the program January 1, 2022.
- Requires DHCS to implement the State Plan Dental Improvement Program, a quality incentive program for district hospitals and continue the Global Payment Program.
- Sunsets the Coordinated Care Initiative (CCI) and Cal MediConnect and authorizes transition to enrollment in Medicare Dual-Eligible Special Needs Plans (D-SNPs).
- Requires continuation of the Drug Medi-Cal Organized Delivery System and Specialty Mental Health Services programs, including a placeholder requirement to design an intergovernmental transfer claiming methodology to replace the current claiming process and a Behavioral Health Quality Improvement Program for grants to counties and contracting entities to implement.
- Requires county Boards of Supervisors to designate entities to assist county jail and juvenile inmates with submitting Medi-Cal applications.
- Requires a workgroup to improve collection of Medi-Cal enrollee contact and demographic information.
- Authorizes new incentive payments, grants, or other financial supports in a new program known as Providing Access and Transforming Health (PATH) for qualified entities to support services, infrastructure, and capacity building in advancing select goals and components of CalAIM.
- Authorizes funding for the Population Health Management Service.
- Authorizes funding to extend the Medically Tailored Meals Pilot Project

#### ***Office of Health Care Affordability***

- Includes 58 positions and \$11.2 million in 2021-22, 106 positions and \$24.5 million in 2022-23, 123 positions and \$27.3 million in 2023-24, and annually thereafter from the California Health Data and Planning Fund to establish the Office of Health Care Affordability. However, trailer bill language on the Office of Health Care Affordability has not been released.

#### ***Medi-Cal at 50+, Regardless of Immigration Status***

- Contains \$48 million in the first year, growing to \$1.3 billion, to expand eligibility for full-scope Medi-Cal coverage to income-eligible adults age 50 and older, regardless of immigration status. Provisions take effect May 1, 2022.

#### ***Medi-Cal Asset Test Removal***

- Eliminates the Medi-Cal asset test for seniors to remove the “senior savings” penalty to expand access to more income eligible seniors.

#### ***Optional Medi-Cal Benefits***

- Includes trailer bill language to restore over-the-counter acetaminophen and cough and cold products as Medi-Cal benefit, reflecting a reduction in annual Medi-Cal expenditures of \$21 million (\$7.8 million General Fund and \$13.2 million federal funds).



### ***Screenings, Brief Intervention, and Referral for Treatment (SBIRT)***

- Adopts trailer bill to repeal the statutory December 31, 2021 suspension date for Medi-Cal adult primary care screenings, brief intervention, and referral for treatments of misuse of opioids and other drugs because it is a federally required Medicaid State Plan benefit for all adults as of June 2020.

### ***Lanterman-Petris-Short (LPS) Conservatorships***

The budget rejects the May Revision proposal to halt intake and release LPS conservatees at State Hospitals. However, we anticipate trailer bill language related to addressing the state's felony incompetent to stand trial wait list will include a trigger mechanism on LPS placements at state hospitals. The state will be forming a workgroup of state agencies, the Judicial Council, local governments and public safety representatives to work on short (January 2022), medium (2023), and long-term (2024 and 2025) recommendations to reduce the state's IST waitlist. More information to come once that trailer bill is in print.

### ***Song-Brown Workforce***

- Approves \$50 million General Fund one-time, available over six years, for additional awards to support and sustain new primary care residency programs through the Song-Brown Health Care Workforce Training Program. Of this amount, \$10 million is specifically to support Board of Registered Nursing-approved pre-licensure programs, with priority for public programs.

### ***Geriatric Workforce***

- Approves of \$8 million one-time, available over six years, for geriatric workforce programs.

### ***Department of Health Care Access and Information***

- Approves trailer bill, nine positions and total expenditure authority of \$6.3 million, from various fund sources, in 2021-22 and 13 positions and \$3.9 million annually thereafter to recast and reorganize the Office of Statewide Health Planning and Development (OSHPD) into the Department of Health Care Access and Information (HCAI). The reorganization includes transferring the Office of Rural Health and the J-1 Visa Waiver Program from DHCS to the new department.

### ***Behavioral Health Pilot Project***

- Approves \$40 million General Fund one-time, contingent on federal approval of the State's Home and Community Based Services Spending Plan, to continue the Behavioral Health Pilot Project, which provides grants to acute care hospitals to hire behavioral health counselors and peer navigators in emergency departments, prioritizing grants to hospitals that have yet to receive a grant for this purpose.

### ***Alameda Wellness Campus***

- Approves \$15 million General Fund one-time, and provisional language, to support the Alameda Wellness Campus to provide an integrated model of care that includes permanent supportive housing, medical respite, primary and behavioral health care, end-of-life care, and intensive homeless prevention and housing placement services for homeless seniors.

## Human Services

There are no trailer bills in print to implement various related to human services budget items detailed below.

### ***CalWORKs***

The budget includes:

- **Earned Income Disregard.** \$135 million in ongoing support to raise the CalWORKs applicant earned income disregard from \$90 to \$450.
- **CalWORKs Pregnancy Aid.** Provides \$17 million ongoing to allow a pregnant person to receive aid to meet special needs resulting from pregnancy upon verification of pregnancy and increases the CalWORKs pregnancy supplement from \$47 to \$100.
- **Intensive Case Management Services.** \$37.5 million in 2021-22, \$75 million in 2022-23, and \$128.5 million in 2023-24, and \$257 M in 2024-25 and on-going to incrementally increase CalWORKs intensive case management services over a four-year period. The cost for this is, with trailer bill language to effectuate these changes. All funds are General Fund/TANF.
- **Single Allocation.** Approves funding to restore a program cut, made in the Governor's May Revision, in order to maintain the CalWORKs eligibility funding in the Single Allocation at the 2020-21 level, preventing a large program reduction. The cost for this restoration is \$68.3 million in 2021-22 and \$40.8 million in 2022-23 and on-going. All funds are General Fund/TANF.
- **Training.** Approves funding for a contract for development of trainings for all CalWORKs county staff focused on racial equity, implicit bias, and advancing and institutionalizing the CalWORKs 2.0 and CalOAR, for a cost of \$3 million General Fund/TANF in 2021-22 and \$10 million General Fund/TANF in 2022-23, with trailer bill language to effectuate these changes.
- **Family Reunification CalWORKs Assistance Payment.** Approves the Governor's May Revision funding of \$8.7 million General Fund in 2021-22 and ongoing for counties to continue providing CalWORKs services for no more than 180 days when a child has been removed from the home and is receiving out-of-home care, called the Family Reunification CalWORKs Assistance Payment.

### ***Housing and Homelessness***

The budget provides \$1 billion over four years for various housing and homelessness program administered by the Department of Social Services aimed at the most vulnerable California residents, including seniors and children living in poverty. Specifics include:

- **CalWORKs Housing Support Program (HSP).** \$190 million General Fund in 2021-22 and \$190 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Anticipated trailer bill language to facilitate local use of these funds to combat homelessness, including enabling the ability to provide assistance to a family at risk of homelessness prior to the start of an eviction.
- **Bringing Families Home (BFH) program.** \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Anticipated trailer bill language to effectuate changes that includes a waiver of the county match requirement for the entire three-year period and funding flexibility to serve families at risk of homelessness.

- **Housing and Disability Advocacy Program (HDAP).** \$150 million General Fund in 2021-22 and \$150 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Anticipated trailer bill language to effectuate changes that includes a waiver of the county match requirement for the entire three-year period and allowing the use of funds for prevention.
- **Adult Protective Services (APS) Home Safe Program.** \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Anticipated trailer bill language to effectuate changes that includes a waiver of the county match requirement for the entire three-year period and funding flexibility in homelessness prevention approaches, including the ability to serve APS clients at risk of homelessness.

### ***In-Home Supportive Services (IHSS)***

The Assembly Floor Report notes that the budget includes “trailer bill language to effectuate a seven percent penalty on counties that fail to reach a collective bargaining agreement for their IHSS workers and extends related bargaining tools.” There is no trailer bill language available to verify the details of the penalty proposal. The budget also includes the Governor’s May Revision proposal to retain the IHSS State and County Sharing Ratio, which continues the 65 percent state and 35 percent county sharing ratio and the 10 percent over three years option. This assumes increased state costs of \$57.3 million General Fund in 2021-22 and \$123.8 million ongoing General Fund to reflect this change.

### ***Adult Protective Services***

- Approves funding to expand and enhance the Adult Protective Services (APS) program, lowering the eligibility to age 60 from the current age 65. This is funded with \$70 million in 2021-22 and on-going.

### ***Families First Prevention Services Act (FFPSA)***

- Approves additional resources of \$100 million General Fund in 2022-23, atop the Governor’s May Revision amount of \$122.4 million, for use over a multi-year period, for prevention services to be implemented under the Families First Prevention Services Act (FFPSA).

### ***Addressing Complex Care Needs of Foster Youth***

- Provides additional resources of \$100 million General Fund in 2022-23, atop the Governor’s May Revision amount of \$39.2 million, for use over a multi-year period, for services for high and complex care needs foster youth, some of whom were previously served out of state. Trailer bill language is not yet finalized to effectuate changes, including movement toward a state moratorium on out of state placement for children and youth served in California’s system.

### ***Resource Family Approval***

- Approves funding of \$85 million General Fund in 2021-22 one-time to reflect actual expenditures and true-up costs for counties to conduct the Resource Family Approval (RFA) process, an integral part of the Continuum of Care Reform (CCR) effort.

### ***Emergency Response Social Workers***

- Approves funding of \$50 million General Fund in 2021-22 and another \$50 million General Fund in 2022-23 to increase the number of Emergency Response social workers in the child welfare system.

### ***Short-Term Residential Therapeutic Program***

- Approves \$42 million one-time General Fund in 2021-22 to provide pandemic and stabilization support for Short-Term Residential Therapeutic Program (STRTP) providers, with budget bill language to effectuate this.

### ***Foster Care Providers***

- Provides a \$1500 per child caregiver stipend to all household types with a foster child in care, at a cost of \$80 million one-time General Fund in 2021-22.

### ***Food for All***

- Begins implementing expansion of state-funded nutrition benefits to those ineligible for CalFresh or the California Food Assistance Program solely due to immigration status. Automation changes to the program will begin immediately, and targeted enrollments will begin in 2023-24 once automation updates are completed.

### ***Aid for Food Banks***

- Provides close to \$300 million one-time to help food banks address the overwhelming need brought on by the COVID-19 pandemic and operate in the 2021-22 fiscal year.

### ***SSI/SSP Legacy Cut Restoration***

- Provides \$225 million in 2021-22 and \$450 million in 2022-23 to restore 50 percent of the remaining 2009 SSI/SSP grant cut and anticipates the remaining 50 percent of the cut will be restored in the 2023-24 budget year. This restoration (combined with Governor's May Revision proposal) will increase the SSP grant by approximately \$36 per month for individuals and \$92 per month for couples.

### ***Child Care***

- Subject to final agreement on details, implements rate reform and rate increases for child care and state preschool providers. Increases child care access by 120,000 slots in the 2021-22 fiscal year in Alternative Payment, General Child Care, Migrant Child Care, bridge program for foster children, and prioritizes ongoing vouchers for essential workers currently receiving short-term child care. Over a five-year period, total slots increase to 206,500 ongoing slots.

### ***Immigration Programs and Services***

The budget includes several investments, including:

- \$30 million General Fund in 2021-22 one-time for the Immigrant Services Funding program, also called One California.
- \$8 million General Fund in 2021-22 one-time to fund case management support for asylees, also called the Enhanced Services Program for Asylees (ESPA), with trailer bill language to effectuate these changes.
- \$105.2 million one-time General Fund for the Rapid Response Fund to provide support for migrant family arrivals at the Southern California border and additional funding for other emergency responses, including wildfires and drought. Approves budget bill language requiring a reporting on the use of the funds by April 1, 2022.
- \$20 million General Fund and \$5 million Proposition 98 General Fund in 2021-22 to provide additional support for Unaccompanied Undocumented Minors (UUM) through Opportunities for

Youth pilot project (\$4.7 million General Fund), the UUM legal services (\$14 million General Fund), state operations (\$1.3 million General Fund) and the California Newcomer Education and Well-Being Project (\$5 million Proposition 98 General Fund) will be available through 2022-23.

- \$25 million one-time General Fund in 2021-22 to fund filing fees for Deferred Action for Childhood Arrivals (DACA) and naturalization.

## **LOCAL PUBLIC SAFETY / JUDICIAL BRANCH**

### **Pretrial Services Funding**

Despite the Legislature's rejection of this investment in its placeholder budget, SB 129 provides \$140 million in funding to the Judicial Council for a statewide pretrial services program that promotes safe, fair, and timely pretrial release decisions. Of this amount, half of the funds will be dedicated to supporting and providing technical assistance to the 41 trial courts that did not receive funding under a 2019 pretrial services pilot program. The second \$70 million is intended to support all 58 superior courts statewide; it will be apportioned to courts based on the county's share of population aged 18 to 25.

Budget bill language enumerates eligible uses for this funding, including judicial officer workload, costs of technology and automation, ability-to-pay assessment where necessary, as well as provision of services for and monitoring of individuals released pretrial. Additional provisions (1) specify that courts must contract with a county department – including probation departments – to provide pretrial services and (2) maintain existing pretrial services programs and organizational features in the Santa Clara County and the City and County of San Francisco. Counties may, in turn, contract with community-based organizations for supplemental and complementary services in furtherance of the pretrial services program, if specified contracting-out provisions are met.

### **DJJ Realignment: Office of Youth and Community Restoration and Pine Grove Fire Camp Placements**

The final budget package conforms to the Governor's May Revision to provide \$7.6 million in 2021-22 and \$7.2 million annually thereafter to support 33 positions million associated with the state's establishment of the Office of Youth and Community Restoration (OYCR) within the Health and Human Services Agency effective July 1, 2021. The 2020 DJJ Realignment measure (SB 823) created the OYCR and outlined various roles and responsibilities for the office associated with supporting youth in the juvenile justice system. In addition to operational funding for the new office, the budget provides \$20 million in one-time funds to "provide technical assistance, disseminate best practices, and issue grants to counties and probation departments for the purpose of transforming the juvenile justice system to improve outcomes for justice involved youth". The funding, to be allocated through a process determined by the OYCR once established, is available for expenditure or encumbrance until July 1, 2024.

Additionally, the budget provides authorization for the Division of Juvenile Justice to enter into contracts with counties to facilitate placement of youth at the Pine Grove Youth Conservation Camp.

### **Public Defender Funding**

SB 129 provides \$50 million annually over a period of three years to the Board of State and Community Corrections (BSCC) for the Public Defense Pilot Program, intended to support in each



county the provision of local indigent defense services in criminal matters. Qualifying entities include public defenders, alternate defenders, and other agencies that provide associated services. Of this amount, \$500,000 is provided to cover BSCC's administrative costs as well as to permit BSCC to contract with a university or research institution to complete an independent evaluation of the pilot program, which sunsets January 1, 2025.

### **Methodology for Distributing AB 1869 (2020) Backfill**

The courts trailer bill (AB/SB 143) specifies the methodology to be used to distribute the \$65 million in backfill authorized in AB 1869, a 2020-21 budget trailer bill that repealed about two dozen criminal justice administrative fees and vacated all associated debt. Pursuant to the provisions of AB 1869, the backfill will be paid to counties for five years (2021-22 through 2025-26) in recognition of revenue loss connected to elimination of fee authority. The Department of Finance is required to develop a specific county-by-county allocation schedule by October 1, 2021, which shall be based on the following weighted formula:

- 50% based on the three-year average of each county's adult population compared to that of the state from 2017 to 2019, inclusive.
- 25% based on the three-year average of each county's total felony and misdemeanor arrests compared to that of the state from 2017 to 2019, inclusive.
- 25% based on the three-year average of each county's total traffic and nontraffic felony and misdemeanor filings compared to that of the state from 2017 to 2019, inclusive.

Additionally, the measure makes clear that each county's board of supervisors has the authority to determine how the backfill funds are to be spent. Each county must report to the Director of Finance, the Legislative Analyst's Office, and the Joint Legislative Budget Committee on or before May 1, 2022 on the actual revenue loss associated with each individual fee repealed by AB 1869 (2020) for the three most recent years the county collected that revenue prior to enactment of that bill.

Recognizing that not all counties will be able to produce statute-specific revenue loss information, counties can – in the alternative – provide a detailed description of how it calculated the revenue loss along with other required details. Additionally, counties will be required to report how they spent the backfill allocation by January 10 annually for the five years that the backfill is provided, including the following information: (1) the total annual budget of the county department or departments that receive the allocation, the share of the backfill allocation received, and an accounting of the expenditures of the allocation by county department that receive a share of this allocation and (2) a description of the programs, services, strategies, and enhancements supported by or made with the allocation by county department.

### **Dependency Counsel Funding**

SB 129 provides for a two-part augmentation for dependency counsel funding, as follows:

- \$10 million in one-time General Funds to cover pandemic-driven caseload increases as well as unanticipated dependency counsel operational adjustments and purchases necessary to comply with public health orders and social distancing requirements. These funds will be distributed by the Judicial Council using the methodology customarily used to distribute the statewide dependency counsel funding.
- Up to \$30 million ongoing to address any shortfalls experienced in drawing down federal Title IV-E funds. Requires the Judicial Council by April 1, 2022 to report to the Legislature regarding

invoices received for the first two quarters of 2021-22, any projected shortfall, and a proposed distribution of any such shortfall. To allow necessary time for final invoices for the entire fiscal year to be submitted and reviewed, payments to dependency counsel providers associated with any federal funding shortfall will be made no later than September 30, 2022. Any portion of the \$30 million not needed to address the shortfall will revert to the General Fund.

### **Remote Court Proceedings**

The courts trailer bill also contains provisions permitting – but not requiring – courts to conduct proceedings remotely but only for infractions and only with the defendant’s consent.

### **Expanding Ability-to-Pay Program Statewide**

The budget approves funding for and language to establish – no later than June 30, 2024 – a statewide online tool for adjudicating infraction violations that includes and ability-to-pay determinations. Those determinations could lead to reduction or waiving of a person’s associated financial obligation.

### **Other Proposed Reductions to Court-Related Fines and Fees**

Subject to future negotiations on the specific fines and fees to be addressed, the budget assumes that an additional set of criminal justice administrative fees and possibly other associated penalties will be eliminated. Associated with this expected future action, the budget package assumes \$151 million in 2021-22 and 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill state and local revenue associated with the eliminated fees.

### **Legal Aid for Homeowners and Renters**

The budget package dedicates \$80 million of federal funds over three years to fund legal aid services for renters and homeowners to avoid eviction and foreclosure.

### **Local Detention Facility Inspections**

The budget authorizes the BSCC to conduct unannounced local detention facility inspections and provides \$3.1 million in additional funding for BSCC to hire additional staff.

### **SB 678 (2009) Funding**

AB 145/SB 145 details the county-by-county allocation of \$122.8 million in SB 678 probation incentive funds in 2021-22, which reflects each county’s highest payment from the previous three fiscal years instead of the amounts that would otherwise be produced from the formula specified in statute. The SB 678 allocation methodology will be revisited next year.

### **County Resentencing Pilot**

The budget provides \$18 million to establish a prosecutor-initiated County Resentencing pilot program.

## **TRANSPORTATION**

The 2021-22 Budget Act includes significant investments in clean transportation, including:

- \$600 million funding for a new sustainable communities transportation block grant program.
- \$400 million for a new State and Local Climate Adaptation Program
- \$83 million for the Governor's Clean California Program down and an additional \$418 million to Caltrans for litter abatement.

## EDUCATION

Among the many investments in California's pre-K, K-12, and higher education budgets, we highlight the following items:

- **Proposition 98 Deferrals.** The 2021-22 budget fully repays \$11 billion of Proposition 98 deferrals for K-12 and community colleges.
- **Universal Transitional Kindergarten (TK).** The budget includes phasing in expanded age eligibility to TK to full implementation in 2025-26 and rebenching the Proposition 98 guarantee to provide ongoing funding for the TK expansion of approximately \$2.7 billion at full implementation.
- **Community Schools.** The budget provides \$3 billion to launch a statewide initiative to build accessible community wellness and student health hubs on over 1,000 school campuses to address students' and families' most critical health and service needs while supporting academic success.
- **Cal Grant Enrollment Expansion.** The budget includes \$155 million ongoing to end age and time out of high school requirements for community college students, representing the largest Cal Grant expansion in the program's history.
- **Middle Class Scholarship.** The budget provides an additional \$515 million starting in 2022-23 to reboot the Middle Class Scholarship to supplement non-tuition costs for Cal Grant students with the eventual goal of achieving debt-free college.
- **Increased California Resident Slots at UC and CSU.** The budget also includes \$180 million to increase in-state resident slots at UC and CSU by more than 15,000 students and launches a new program aimed at replacing non-resident slots at UC Berkeley, Los Angeles, and San Diego.

## WHAT'S NEXT FOR THE BUDGET?

We anticipate that the Governor will act on the 2021-22 state budget in short order (including the eviction moratorium bill outlined below). Additional trailer bills will be heard by the Assembly and Senate budget committees on Wednesday with additional floor votes on Thursday. (The Legislature is slated to take Friday, July 2 off for the Fourth of July holiday.) As mentioned above, there are a number of trailer bills that are not yet in print and we anticipate significant ongoing budget discussions throughout the summer. HBE will keep you apprised of the latest budget news, as usual. Please feel free to reach out to us with your budget questions.

## EVICITION MORATORIUM EXTENSION HEADS TO THE GOVERNOR

The Legislature approved [AB 832](#) (Chiu) today, which extends the moratorium on evictions that was slated to expire later this week to September 30. Combined with additional federal funds to cover

rental assistance and utility debt that have been accrued during the pandemic, the bill represents what could be the last effort to keep low-income Californians who have experienced financial hardships during the COVID-19 crisis housed.

AB 832 provides expanded payment rates for unpaid rent, providing 100 percent of rent owed to landlords, including “topping off” landlords who have already received assistance at the previous 80 percent in payments. For those tenants whose landlords decline to participate in the state’s rental assistance program, tenants may apply for rental assistance directly. After current eviction protections end on October 1, 2021, tenants may not be evicted during the next six months if they have completed an application for government rental assistance. Finally, court records related to eviction for nonpayment of rent during the pandemic and to collection of pandemic-related rental debt will be permanently sealed.

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## 2021-22 Budget Bills / Trailer Bills – As of June 28, 2021

**Note that the bills highlighted in orange have already been approved by the Legislature.**

Bill No.	Subject
<a href="#"><u>AB 128</u></a>	Main Budget Bill (enrolled to Governor 6/14)
<a href="#"><u>SB 129</u></a>	Budget Bill, Jr.
<a href="#"><u>SB 139</u></a>	Golden State Stimulus II
<a href="#"><u>SB 142</u></a>	MOUs for various state employee groups
<a href="#"><u>SB 146</u></a>	Elimination of unused/relinquished state lease revue bond capacity
<a href="#"><u>SB 147</u></a>	Supplemental appropriations
<a href="#"><u>SB 152</u></a>	Recall election
<a href="#"><u>SB 158</u></a>	Hazardous waste
<a href="#"><u>AB 159/SB 159</u></a>	MOU for Bargaining Unit 6 (state correctional officers)
<a href="#"><u>AB 133/SB 133</u></a>	Health
<a href="#"><u>AB 134/SB 134</u></a>	Mental Health Services Act
<a href="#"><u>AB 136/SB 136</u></a>	Developmental Services
<a href="#"><u>AB 137/SB 137</u></a>	General government
<a href="#"><u>AB 138/SB 138</u></a>	Labor
<a href="#"><u>AB 140/SB 140</u></a>	Housing
<a href="#"><u>AB 141/SB 141</u></a>	Cannabis Control
<a href="#"><u>AB 143/SB 143</u></a>	Courts
<a href="#"><u>AB 145/SB 145</u></a>	Public Safety
<a href="#"><u>AB 148/SB 148</u></a>	Resources
<a href="#"><u>AB 149/SB 149</u></a>	Transportation
<a href="#"><u>AB 150/SB 150</u></a>	Revenue and Taxation
<a href="#"><u>AB 151/SB 151</u></a>	Economic Development
<a href="#"><u>AB 157/SB 157</u></a>	Crime prevention: enforcement and training programs



## 2020-21 Budget Bill and Trailer Bills – As of June 28, 2021

Bill No.	Topic	Summary of main provisions
<a href="#">AB 128</a>	Budget Act of 2021	Main provisions of Legislature's two-house budget plan.
<a href="#">AB 129/SB 129</a>	Amendment to Budget Act of 2021	Amendments to AB 128 to reflect final budget deal. ("Budget Bill, Jr.")
<a href="#">AB 139/SB 139</a>	Golden State Stimulus II	<p>Golden State Stimulus II tax rebate payments of approximately \$8.1 billion to provide financial relief for low and middle-income Californians who may have been adversely impacted by the economic disruptions resulting from the COVID-19 emergency, as follows:</p> <ul style="list-style-type: none"> <li>▪ The \$600 one-time stimulus payments to all taxpayers filing a 2020 tax year return with adjusted gross income of \$75,000 or less who did not already receive a Golden State Stimulus is estimated to cost \$5.6 billion and assist about 9.4 million tax filers.</li> <li>▪ The \$500 one-time stimulus payments to all taxpayers with adjusted gross income of \$75,000 or less with a dependent on the return is expected to cost \$2.2 billion and assist 4.3 million tax filers. Some of these recipients will receive \$1,100 if they also qualify for the low- to middle-income stimulus under 1 above.</li> <li>▪ The \$500 one-time stimulus payments to all ITIN taxpayers with adjusted gross income of \$75,000 or less and a dependent is expected to cost \$260 million and assist 520,000 tax filers. These recipients are also eligible for the payments under 2, above, so they will receive \$1,000.</li> </ul>
<a href="#">AB 142/SB 142</a>	State Employee MOUs	<p>Makes necessary statutory changes to ratify and implement memoranda of understanding (MOUs), addenda and side letters between 19 bargaining units (BUs) and the state. The agreements cover state employees represented by 11 exclusive employee representatives, as follows:</p> <ul style="list-style-type: none"> <li>▪ <u>Service Employees International Union, Local 1000 (SEIU 1000)</u>: BU 1: Administrative, Financial, and Staff Services; BU 3: Professional Educators and Librarians; BU 4: Office and Allied; BU 11: Engineering and Scientific Technicians; BU 14: Printing Trades; BU 15: Allied Services; BU 17: Registered Nurses; BU 20: Medical and Social Services; BU 21: Education Consultants and Library Employees California Attorneys</li> <li>▪ <u>Administrative Law Judges and Hearing Officers in State Employment (CASE)</u>: Bargaining Unit 2: Attorneys, Administrative Law Judges, and Hearing Officers</li> <li>▪ <u>California Association of Highway Patrolmen (CAHP)</u>: Bargaining Unit 5: California Highway Patrol Officers</li> <li>▪ <u>California State Law Enforcement Association (CSLEA)</u>: Bargaining Unit 7: Protective Services and Public Safety</li> <li>▪ <u>Professional Engineers of California Government (PECG)</u>: Bargaining Unit 9: Professional Engineers</li> <li>▪ <u>California Association of Professional Scientists (CAPS)</u>: Bargaining Unit 10: Professional Scientists</li> <li>▪ International Union of Operating Engineers (IUOE): Bargaining Unit 12: Craft and Maintenance; Bargaining Unit 13: Stationary Engineers</li> <li>▪ <u>Union of American Physicians and Dentists (UAPD)</u>: Bargaining Unit 16: Physicians, Dentists, and Podiatrists</li> <li>▪ <u>California Association of Psychiatric Technicians (CAPT)</u>: Bargaining Unit 18: Psychiatric Technicians</li> </ul>

Bill No.	Topic	Summary of main provisions
		<ul style="list-style-type: none"> <li>American Federation of State, County and Municipal Employees (AFSCME): Bargaining Unit 19: Professional Health and Social Services.</li> </ul>
<a href="#">AB 146/SB 146</a>	Public Safety: Facilities Financing	<p>Addresses state's bond capacity associated with state and local correctional facility construction, specifically:</p> <ul style="list-style-type: none"> <li>Eliminates remaining bond authority for various county jail construction financing programs totaling \$229 million; remaining bond authority is associated with award relinquishments and other unawarded funds.</li> <li>Reduces existing lease revenue bond authority for Health Care Facility Improvement Program (HCFIP) at Department of Corrections and Rehabilitation (CDCR) institutions, given a change in fund source (to the state General Fund) for 2021-22.</li> </ul>
<a href="#">AB 147/SB 147</a>	Budget Act of 2020: Supplemental Appropriations	<p>Makes two additional appropriations totaling \$17.2 million for costs incurred in 2020-21:</p> <ul style="list-style-type: none"> <li>\$17.185 million for CDCR costs associated with compliance in <i>Armstrong v. Newsom</i>, a case in federal court to address violations of ADA violations against incarcerated people with disabilities. Funding will cover training and a variety of equipment purchases to comply with measures ordered by the court.</li> <li>\$10,800 to reimburse Mariposa County for the costs related to the homicide case of <i>People v. Cary Stayner</i>.</li> </ul>
<a href="#">AB 152/SB 152</a>	Elections	<p>Enacts statutory changes associated with the upcoming gubernatorial recall election, as follows:</p> <ul style="list-style-type: none"> <li>Requires counties that administer a recall election pursuant to this chapter shall be considered to comply with requirements to hold a general election.</li> <li>Authorizes a county that has previously conducted an all-mailed ballot election subject to specified provisions.</li> <li>Authorizes a county that has not previously conducted an all-mailed ballot election to conduct an all-mailed ballot election subject to specified provisions.</li> <li>Requires counties to conduct a voter education and outreach campaign.</li> <li>Requires the Secretary of State to establish a process for granting counties partial waivers from requirements relating to the number, location, or operational duration of consolidated polling places or ballot drop-off locations and from requirements relating to the maximum number of voters in a precinct.</li> <li>Authorizes counties to start to process vote by mail ballots on the 29th day before an election. The bill would deem a vote by mail ballot timely cast if it is postmarked or date stamped on or before election day and is received by the voter's elections official no later than 7 days after election day.</li> <li>Authorizes a local government entity that previously called a special local election to consolidate that election with a gubernatorial recall election if certain conditions are met.</li> <li>Allows the Secretary of State to certify the sufficiency of the signatures if the Legislature has appropriated funds it determines are reasonably necessary to conduct the recall election and has designated funds for that purpose in the Budget Act or another statute.</li> <li>Finally, the bill appropriates \$35 million to the Secretary of State to support statewide and county costs associated with the gubernatorial recall election and states the intent of the Legislature to reevaluate the appropriations made in the Budget Act or in another statute for counties to administer the 2021 gubernatorial recall election.</li> </ul>

Bill No.	Topic	Summary of main provisions
<a href="#">AB 158/SB 158</a> <b>2/3 vote</b>	Hazardous Waste	<ul style="list-style-type: none"> <li>▪ Establishes the Board of Environmental Safety (Board) within the Department of Toxic Substances Control (DTSC), restructures and increases charges that support the Hazardous Waste Management Account (HWCA), restructures and increases the tax that supports the Toxic Substances Control Account (TSCA), provides funding to support brownfield cleanups and investigations across the state and Exide residential cleanup, and makes other necessary and conforming changes.</li> <li>▪ Fee and funding provisions associated with this measure include:               <ol style="list-style-type: none"> <li>1) Four significant changes to the existing HWCA fee structure –                   <ul style="list-style-type: none"> <li>– Replaces the existing generator, disposal, EPA identification verification, and manifest user fees with a new generation and handling fee based on a price-per-ton model.</li> <li>– Increases the existing facility fees.</li> <li>– Eliminates various fee exemptions.</li> <li>– Revises the timing of payments from a calendar year to coincide with the fiscal year in which the Legislature appropriates the department's funding.</li> </ul> </li> <li>2) Two changes to the environmental fee, effective in 2022, and revision to the timing of payments</li> <li>3) \$500 million in one-time funding over three years to address brownfields, including a new competitive grant program to provide funding to local governments, tribes, nonprofit organizations, and private entities primarily to investigate as well as clean up brownfield sites.</li> <li>4) \$322.4 million over three years, as a loan for DTSC for activities, including job training activities, related to the cleanup and investigation of properties contaminated with lead in the communities surrounding the former Exide Technologies facility in the City of Vernon; requires funds recovered from potentially responsible parties for the former Exide Technologies facility to be used to repay those loans and would authorize forgiveness of the remaining loan balance under certain circumstances.</li> </ol> </li> </ul>
<a href="#">AB 159/SB 159</a>	State Employee MOUs	Ratifies the MOU for Bargaining Unit 6 – Corrections, represented by Corrections California Correctional Peace Officers Association.



Date: August 4, 2021  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Comprehensive Quarterly Report – Fourth Quarter (FY 2020-21)**

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### **SUMMARY OF RECOMMENDATION**

This report provides an overview of projects currently underway, the status of the Commission's Multi-Year Work Program, the financial performance of the annual budget, and staff's outreach efforts from April through June. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

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### **EXECUTIVE OFFICER'S REPORT**

The Cortese-Knox-Hertzberg Act delegates LAFCOs with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. The following sections summarize how several of these statutory mandates are being met through the consideration of boundary changes, the development of scheduled service reviews, and staff's ongoing collaboration with local agencies.

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### **Active Proposals**

Santa Cruz LAFCO currently has three active applications:

**1. "Deer Path Road Annexation" to County Service Area 10 (Project No. DA 21-14):**

The proposed annexation and concurrent sphere amendment was initiated by landowner petition. The subject area includes six parcels totaling 4 acres. The purpose of the application is for the discontinuation of existing septic tanks and the connection to CSA 10's sewer infrastructure.

**Latest Status:** A status letter indicating all missing items was sent to the applicant on May 26. A letter summarizing the proposal was sent to all affected and interested agencies for their review. Comments from these agencies were due by June 30.

**2. "De Somer Annexation" to County Service Area 10 (Project No. DA 21-10):** The proposed annexation and concurrent sphere amendment was initiated by landowner petition. The subject area includes a single parcel totaling 0.50 acres. The purpose of the application is for the provision of sewer services to an existing single-family home.

**Latest Status:** The proposal was deemed complete on June 4. In accordance with Government Code Sections 56651 and 56658, LAFCO staff scheduled the proposal to be presented for Commission consideration on August 4.

3. **“Roaring Camp Annexation” (Project No. 967):** This application was initiated by landowner petition on March 4, 2019 and proposes to annex approximately 170 acres to the San Lorenzo Valley Water District. The purpose of the annexation is to provide water service to an unincorporated area commonly known as Roaring Camp.

**Latest Status:** The applicant only needs to submit a map and legal description in order for LAFCO to deem the proposal complete. LAFCO staff anticipates presenting this proposal before the end of the 2021 calendar year.

### **Multi-Year Work Program (Service Reviews)**

A five-year work program was adopted in 2019 to ensure that service reviews for each local agency under LAFCO’s purview are considered within the legislative deadline. This year, a total of 17 local agencies will be evaluated in 4 separate service and sphere reviews. Below is a status update on each scheduled report for the 2021 calendar year.

1. **City of Scotts Valley** – This City was incorporated in 1966 and operates as a general law city. The City contains approximately five square miles of land and provides various municipal services, including but not limited to police, animal control, wastewater treatment, and stormwater management.

Tentative Hearing Date: A service and sphere review was adopted by the Commission on March 3.

2. **Scotts Valley Water District** – This water district was formed in 1961 and operates pursuant to the County Water District Act. The District provides water service to approximately 4,000 connections in a six square-mile service area.

Tentative Hearing Date: A service and sphere review was adopted by the Commission on May 5.

3. **Recreation & Park Districts (4 in total)** – The four recreation and park districts in Santa Cruz County are Alba Park, Boulder Creek, La Selva Beach, and Opal Cliffs. These districts operate pursuant to the Recreation and Park District Law.

Tentative Hearing Date: A service and sphere review for all four districts was presented to the Commission on August 4.

4. **Fire Protection Districts (10 districts and 2 CSAs)** – The 9 fire districts in Santa Cruz County are Aromas Tri-County, Ben Lomond, Boulder Creek, Branciforte, Central, Felton, Pajaro Valley, Scotts Valley, and Zayante Fire Protection Districts. The County operates two County Service Areas (CSA 4 and 48) which also provide fire protection services. Other interested agencies will be discussed as part of this report including but not limited to the cities that have a fire department, fire advisory boards, and other entities that may provide fire protection.

Tentative Hearing Date: A service and sphere review for all the fire districts is scheduled to be presented to the Commission on October 6.



## Budget Report

The fourth quarter of Fiscal Year 2020-21 ended on June 30, 2021. During this 3-month period, the Commission received approximately \$700 in revenue. This amount is primarily from interest earned. 100% of the anticipated revenue for the entire year has already been collected. During the fourth quarter, the Commission incurred approximately \$94,000 in total expenses. LAFCO has accrued approximately 67% of the estimated costs for the entire year. The following table shows a breakdown of LAFCO's financial performance during the last three quarters.

**Table A: FY 2020-21 Budget Overview**

	FY 20-21 (1st Qtr.)	FY 20-21 (2nd Qtr.)	FY 20-21 (3rd Qtr.)	FY 20-21 (4th Qtr.)	Amount from Reserves	Total Amount (as of 6/30)	FY 20-21 Adopted Budget	Percentage (Accrued vs. Budget)
Total Revenue	\$399,228	\$2,509	\$5,297	\$732	\$251,800	\$659,656	\$657,100	100%
Total Expense	<u>\$134,408</u>	<u>\$99,606</u>	<u>\$99,296</u>	<u>\$93,549</u>	-	<u>\$440,351</u>	<u>\$657,100</u>	67%
Difference	<b>\$264,820</b>	<b>\$(97,098)</b>	<b>\$(93,999)</b>	<b>\$(92,817)</b>	<b>\$251,800</b>	<b>\$419,523</b>	-	-

A detailed review of LAFCO's financial performance during the entire fiscal year (July 1, 2020 to June 30, 2021) is attached to this report (refer to **Attachment 1**).

## Recent & Upcoming Meetings

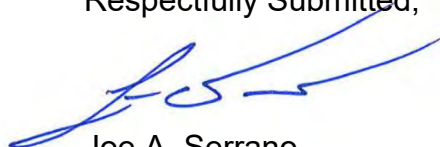
LAFCO staff values the benefits from collaborating with local agencies, members of the public, and other LAFCOs to explore and initiate methods to improve efficiency in the delivery of municipal services. In light of the ongoing pandemic, staff met with local representatives remotely to discuss current and/or upcoming LAFCO projects. A summary of those and more recent meetings are discussed below.

1. **Supervisor Manu Koenig's Office (CSA Inquiry)**: LAFCO staff met with Supervisor Koenig's staff on April 7 to discuss the formation process for a county service area. This was an opportunity to discuss the purpose of CSAs and how they are created.
2. **Felton Fire Protection District (LAFCO Fire Report)**: LAFCO staff attended the District's board meeting on April 12 to inform them about LAFCO's upcoming countywide service and sphere review about fire protection services. This was an opportunity to explain the purpose of the report and answer any questions.
3. **California Special Districts Association (Potential Workshop)**: LAFCO staff met representatives from CSDA on April 14 to discuss the idea of co-hosting an education workshop for the independent special districts in Santa Cruz County. If approved by the Commission, the workshop would be held online and free to all board members and staff from the 22 eligible districts in the county.
4. **Scotts Valley Fire Protection District (LAFCO Fire Report)**: LAFCO staff attended the District's board meeting on April 14 to inform them about LAFCO's upcoming countywide service and sphere review about fire protection services.

5. **La Selva Beach Recreation District (LAFCO Park & Rec Report)**: LAFCO staff attended the District's board meeting on April 14 to inform them about LAFCO's upcoming countywide service and sphere review about park and recreation services. This was an opportunity to explain the purpose of the report and answer any questions.
6. **Branciforte Fire Protection District (LAFCO Fire Report)**: LAFCO staff attended the District's board meeting on April 15 to inform them about LAFCO's upcoming countywide service and sphere review about fire protection services.
7. **CALAFCO Executive Officers (Ongoing Updates)**: LAFCO staff attended the virtual meeting on April 19 to discuss various issues and challenges currently faced by other LAFCO Executive Officers throughout the State.
8. **Opal Cliffs Recreation District (LAFCO Park & Rec Report)**: LAFCO staff attended the District's board meeting on April 20 to inform them about LAFCO's upcoming countywide service and sphere review about park and recreation services.
9. **Boulder Creek Fire Protection District (LAFCO Fire Report)**: LAFCO staff attended the District's board meeting on April 21 to inform them about LAFCO's upcoming countywide service and sphere review about fire protection services.
10. **Soquel Creek Water District (Potential Annexation)**: LAFCO staff attended the District's board meeting on May 4 to answer any questions about the annexation process should the District decide to annex parcels already served through existing extraterritorial service agreements.
11. **Santa Cruz Port District (Existing Boundaries)**: LAFCO staff met with District staff on May 6 to discuss the agency's current service and sphere boundaries as it considers transitioning from at-large to zone-based elections in the near future.
12. **San Lorenzo Valley Water District (Consolidation Consideration)**: LAFCO staff attended the District's board meeting on May 6 to observe the ongoing exploration of consolidation with Scotts Valley Water District. The board discussion was simply a preliminary review of the benefits and constraints associated with consolidation.
13. **Scotts Valley Water District (Consolidation Consideration)**: LAFCO staff attended the District's board meeting on May 13 to observe the ongoing exploration of consolidation with San Lorenzo Valley Water District. The board discussion was simply a preliminary review of the benefits and constraints associated with consolidation.
14. **CALAFCO Executive Officers (Ongoing Updates)**: LAFCO staff attended the virtual meeting on May 17 to discuss various issues and challenges currently faced by other LAFCO Executive Officers throughout the State.

- 15. San Lorenzo Valley Water District (Consolidation Consideration):** LAFCO staff attended the District's board meeting on May 20 to observe the ongoing exploration of consolidation with Scotts Valley Water District. The board decided not to move forward with further consideration of consolidation at this time.
- 16. CALAFCO Webinar (Fiscal Indicators):** LAFCO staff participated in CALAFCO's webinar on June 7. The Commission's Executive Officer was one of 3 panelist who provided insight on how LAFCOs can utilize fiscal data to determine the financial health of a city or special district.
- 17. California Special Districts Association (Potential Chapter):** LAFCO staff attended CSDA's stakeholder meeting on June 23 to discuss the potential formation of a local chapter in Santa Cruz County. The group discussed the formation process and the various benefits towards the special districts if a local chapter was created.
- 18. California Public Employees' Retirement System (Training Course):** LAFCO staff attended CalPERS' training course on June 24 to learn how to navigate through CalPERS' employer portal. LAFCO currently utilizes the online portal to access documents relating to retirement and other pension liabilities.
- 19. Branciforte Fire Protection District (Resident Inquiry):** LAFCO staff met with a resident on June 25 to discuss the fire district's history, purpose, current challenges, and potential governance options. This was an opportunity for staff to explain LAFCO's role with public agencies, including their local fire district.
- 20. Branciforte Fire Protection District (Educational Workshop):** LAFCO staff attended the District's board meeting on June 29 to inform them about the upcoming free educational workshop tailored specifically for independent special districts.
- 21. Santa Cruz Regional Water Management Group (Ongoing Updates):** LAFCO staff attended the stakeholder group's meeting on June 30 to learn from general managers how they are addressing common issues such as the drought and the Sustainable Groundwater Management Act requirements (SGMA).
- 22. San Lorenzo Valley Water District (Educational Workshop):** LAFCO staff attended the District's board meeting on June 30 to inform them about the upcoming free educational workshop tailored specifically for independent special districts.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachment:

1. LAFCO FY 2020-21 Budget Review (Entire Fiscal Year)

# 6C: ATTACHMENT 1

FISCAL YEAR 2020-21	FY 20-21 First Qtr. (Jul - Sep)	FY 20-21 Second Qtr (Oct - Dec)	FY 20-21 Third Qtr (Jan - Mar)	FY 20-21 Fourth Qtr (Apr - Jun)	FY 20-21 Adopted Budget	FY 20-21 Actual	Difference (\$)	Budget Line Item Notes
<b>REVENUES DESCRIPTION</b>								
Interest	\$ 1,137	\$ 1,013	\$ 628	\$ 252	\$ 6,000	\$ 3,029	\$ (2,971)	Anticipated Funds
Contributions from Other Govt Agencies	\$ 401,177	\$ -	\$ 623	\$ -	\$ 399,300	\$ 401,800	\$ 2,500	Surplus Funds
LAFCO Processing Fees	\$ (3,521)	\$ 950	\$ 3,500	\$ -	\$ -	\$ 929	\$ 929	Surplus Funds
Medical Charges-Employee	\$ 437	\$ 546	\$ 546	\$ 570	\$ -	\$ 2,098	\$ 2,098	Surplus Funds
Re-budget from Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 251,800	\$ -	\$ 251,800	Net Position Funds (if needed)
<b>TOTAL REVENUES</b>	<b>\$ 399,228</b>	<b>\$ 2,509</b>	<b>\$ 5,297</b>	<b>\$ 822</b>	<b>\$ 657,100</b>	<b>\$ 407,856</b>	<b>\$ 254,356</b>	<b>Additional Funds in Total Revenue</b>
<b>EXPENDITURES DESCRIPTION</b>								
Regular Pay	\$ 47,658	\$ 57,114	\$ 64,156	\$ 65,608	\$ 245,400	\$ 234,537	\$ 10,863	Remaining Funds
Overtime Pay	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	Remaining Funds
Extra Help	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	Remaining Funds
Sick Leave	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	Remaining Funds
Holiday Pay	\$ 1,702	\$ 4,382	\$ 3,130	\$ 1,071	\$ 10,100	\$ 10,285	\$ (185)	Over Budget Amount
Social Security	\$ 3,838	\$ 4,249	\$ 5,023	\$ 5,184	\$ 18,200	\$ 18,293	\$ (93)	Over Budget Amount
PERS	\$ 55,560	\$ 6,720	\$ 6,696	\$ 6,549	\$ 59,800	\$ 75,525	\$ (15,725)	Over Budget Amount
Insurances	\$ 10,030	\$ 10,234	\$ 11,015	\$ 10,973	\$ 50,500	\$ 42,252	\$ 8,248	Remaining Funds
Unemployment	\$ -	\$ 31	\$ 378	\$ -	\$ 400	\$ 409	\$ (9)	Over Budget Amount
Workers Comp	\$ -	\$ -	\$ -	\$ 853	\$ 1,000	\$ 853	\$ 147	Remaining Funds
<b>Salaries Sub-total</b>	<b>\$ 118,789</b>	<b>\$ 82,730</b>	<b>\$ 90,398</b>	<b>\$ 90,237</b>	<b>\$ 388,400</b>	<b>\$ 382,154</b>	<b>\$ 6,246</b>	<b>Remaining Funds in Salaries &amp; Benefits</b>
Telecom	\$ 324	\$ 479	\$ 480	\$ 629	\$ 2,000	\$ 1,911	\$ 89	Remaining Funds
Office Equipment	\$ -	\$ 36	\$ 35	\$ 47	\$ 200	\$ 119	\$ 81	Remaining Funds
Memberships	\$ 5,844	\$ 1,482	\$ 36	\$ -	\$ 6,400	\$ 7,362	\$ (962)	Over Budget Amount
Hardware	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ -	\$ 300	Remaining Funds
Duplicating	\$ 20	\$ 356	\$ -	\$ 97	\$ 1,600	\$ 472	\$ 1,128	Remaining Funds
PC Software	\$ 382	\$ -	\$ 135	\$ -	\$ 600	\$ 517	\$ 83	Remaining Funds
Postage	\$ 56	\$ 84	\$ 181	\$ 25	\$ 1,000	\$ 347	\$ 653	Remaining Funds
Subscriptions	\$ 230	\$ -	\$ 111	\$ -	\$ 500	\$ 341	\$ 159	Remaining Funds
Supplies	\$ 74	\$ 77	\$ 526	\$ 735	\$ 1,000	\$ 1,413	\$ (413)	Over Budget Amount
Accounting	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ 1,500	Remaining Funds
Attorney	\$ 5,188	\$ 3,625	\$ 2,938	\$ 5,750	\$ 150,000	\$ 17,501	\$ 132,500	Remaining Funds
Data Process GIS	\$ 1,562	\$ 7,584	\$ 1,392	\$ 5,654	\$ 10,000	\$ 16,192	\$ (6,192)	Over Budget Amount
Director Fees	\$ 810	\$ 450	\$ 1,500	\$ 1,085	\$ 6,000	\$ 3,845	\$ 2,155	Remaining Funds
Surveyor	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	Remaining Funds
Prof. Services	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000	Remaining Funds
Legal Notices	\$ 498	\$ 2,394	\$ 1,064	\$ 624	\$ 1,700	\$ 4,579	\$ (2,879)	Over Budget Amount
Rents	\$ 328	\$ -	\$ -	\$ 656	\$ 9,000	\$ 984	\$ 8,016	Remaining Funds
Misc. Expenses	\$ 305	\$ 250	\$ 500	\$ 1,503	\$ 6,000	\$ 2,558	\$ 3,442	Remaining Funds
Books	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 200	Remaining Funds
Air Fare	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ 3,000	Remaining Funds
Auto Rental	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ -	\$ 200	Remaining Funds
Training	\$ -	\$ -	\$ -	\$ -	\$ 1,800	\$ -	\$ 1,800	Remaining Funds
Lodging	\$ -	\$ -	\$ -	\$ -	\$ 5,200	\$ -	\$ 5,200	Remaining Funds
Meals	\$ -	\$ -	\$ -	\$ -	\$ 600	\$ -	\$ 600	Remaining Funds
Mileage	\$ -	\$ 58	\$ -	\$ -	\$ 3,000	\$ 58	\$ 2,942	Remaining Funds
Travel-Other	\$ -	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ 500	Remaining Funds
Registrations	\$ -	\$ -	\$ -	\$ -	\$ 5,400	\$ -	\$ 5,400	Remaining Funds
<b>Supplies Sub-total</b>	<b>\$ 15,620</b>	<b>\$ 16,876</b>	<b>\$ 8,898</b>	<b>\$ 16,803</b>	<b>\$ 268,700</b>	<b>\$ 58,197</b>	<b>\$ 210,503</b>	<b>Remaining Funds in Services &amp; Supplies</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 134,408</b>	<b>\$ 99,606</b>	<b>\$ 99,296</b>	<b>\$ 107,041</b>	<b>\$ 657,100</b>	<b>\$ 440,351</b>	<b>\$ 216,749</b>	<b>Remaining Funds in Total Expenditures</b>



Date: August 4, 2021  
To: LAFCO Commissioners  
From: Joe Serrano, Executive Officer  
Subject: **Press Articles during the Months of June and July**

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### **SUMMARY OF RECOMMENDATION**

LAFCO staff monitors local newspapers, publications, and other media outlets for any news affecting local agencies or LAFCOs around the State. Articles are presented to the Commission on a periodic basis. This agenda item is for informational purposes only and does not require any action. Therefore, it is recommended that the Commission receive and file the Executive Officer's report.

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### **EXECUTIVE OFFICER'S REPORT**

The following is a summary of recent press articles. Full articles are attached.

**Article #1: "Public Law Newsletter – Summer 2021 Edition"**: LAFCO staff receives periodic newsletters from Colantuono, Highsmith & Whatley PC, a law firm familiar with LAFCO and the Cortese-Knox-Hertzberg Act. This edition focuses on a number of interesting topics including the California Supreme Court's role in developing the laws of public revenues, how cities and districts are complying with laws towards reducing climate pollutants, and the latest court rulings involving the housing shortage and its impact to local land use policies.

**Article #2: "California's Rising House Prices Increase the Risk of More Wildfires – and There Could Be Devastating Consequences"**: The article, dated June 10, notes that five of the six largest wildfires in California's history have occurred in the last 12 months, including the largest on record – the CZU Lightning Complex Fire. The article also focuses on recent studies involving three communities that were affected by the recent wildfires. Their findings show that housing continues to be developed in known fire-prone areas.

**Article #3: "Monterey Peninsula water district's plan to acquire Cal AM goes before LAFCO"** The article, dated June 25, explains how Monterey LAFCO will play a role in potentially transferring over a private water company's infrastructure to a public agency. The Monterey Peninsula Water Management District is proposing to acquire Cal Am's infrastructure upon completion of a sales agreement or perhaps through eminent domain.

**Article #4: "East County fire agencies review report on consolidation"** The article, dated July 1, states that two fire districts in Contra Costa County will consider moving forward with the preliminary steps in exploring consolidation. The districts initially hired a



consulting firm to conduct a two-part feasibility study in 2020. Phase one of the study indicated that consolidation was beneficial and warranted further review. The second phase is currently underway and if the findings are favorable towards consolidation, then the affected districts may consider coordinating with Contra Costa LAFCO to begin the consolidation process.

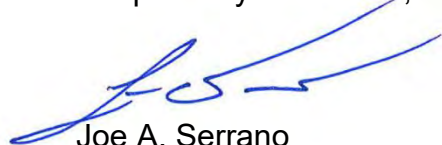
**Article #5: “Grand jury: Fire districts need immediate additional funding”** The article, dated July 2, summarizes a report completed by the Solano County Grand Jury. The report notes that their local fire districts are understaffed, underequipped, and underfunded to protect the communities in rural areas and adjacent cities from potential wildfires.

**Article #6: “Civil Grand Jury Grills County, Cal Fire on Wildfires”** The article, dated July 6, highlights the different investigations conducted by the Santa Cruz County Civil Grand Jury. These reports address how public agencies have dealt with wildfires, reviewed Pajaro Valley Unified School District’s response to the pandemic, and evaluated the County’s jail system.

**Article #7: “Guest Commentary – Water agencies are prepared for drought challenges”** The article, dated July 8, is an opinion piece jointly written by the water agencies in Santa Cruz County, including but not limited to Soquel Creek, Scotts Valley, and San Lorenzo Valley Water Districts. The article discusses how the water agencies are addressing the ongoing drought to ensure that their residents continue to have an adequate water supply during these challenging times.

**Article #8: “San Lorenzo Valley Water District outlines future plans”** The article, dated July 8, explains how the water district is recovering from last year’s CZU Lightning Complex Fire. The District experienced about \$20 million in damages. It is anticipated that \$15 million in cost will be covered by the federal government. The remaining \$5 million will be addressed by the District and its residents.

Respectfully Submitted,



Joe A. Serrano  
Executive Officer

Attachments:

1. “Public Law Newsletter – Summer 2021 Edition”
2. “California’s Rising House Prices Increase the Risk of More Wildfires”
3. “Monterey Peninsula water district’s plan to acquire Cal AM goes before LAFCO”
4. “East County fire agencies review report on consolidation”
5. “Grand jury: Fire districts need immediate additional funding”
6. “Civil Grand Jury Grills County, Cal Fire on Wildfires”
7. “Guest Commentary – Water agencies are prepared for drought challenges”
8. “San Lorenzo Valley Water District outlines future plans”



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Newsletter | Spring 2021

## Update on Public Law SCOCA Molds Public Finance Law

By Michael G. Colantuono

The California Supreme Court has a major role in developing the law of public revenues, interpreting the initiative constitutional amendments which frame that law. It does so by the cases it decides and — importantly — by those it decides not to hear at all.

In 2017, the Court decided *California Cannabis Coalition v. City of Upland*, a dispute over an initiative to allow marijuana dispensaries in that city. It concluded that an initiative is not subject to some of Proposition 218's limits on taxes proposed by city councils and county boards of supervisors. Its broad language opened the door to the possibility that a special tax proposed by initiative could be immune from the requirement for two-thirds voter approval. Three Court of Appeal decisions have now walked through that door, concluding that initiative special taxes can be approved by simple majorities of votes — two involving San Francisco and one involving Fresno. All three led to petitions for review in the California Supreme Court and the Supreme Court denied all three petitions. Thus, without deciding a case, the California Supreme Court has made very clear that the law is now settled — special taxes proposed by initiative require only simple-majority voter approval.

Some issues remain in litigation, such as whether special transactions and use ("sales") taxes require two-thirds voter approval because the Revenue & Taxation Code says so. We are litigating that issue for the County of Alameda. But, in large part, this battle is over.

The Supreme Court will decide, likely in the next year, an important issue in public finance litigation — whether a plaintiff must participate in a rate-making or other revenue hearing, identify the legal issues on which they will sue, and allow the agency to respond before suit. This is known as "exhausting administrative remedies" and, specifically, "issue exhaustion." It sounds pretty technical, but it matters greatly to the stability of

(continued on page 2)

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# Organics Recycling is Coming — Is Your City Ready?

By Gary B. Bell and Nikhil S. Damle

SB 1383 (Lara, D-South Gate) established methane emissions reduction targets for short-lived climate pollutants — like methane. Governor Brown signed it into law in 2016. It requires a 50% reduction by 2020 from 2014 levels of organic waste disposal, and a 75% reduction by 2025. It also requires at least 20% of edible food currently entering the waste stream be recovered for human consumption by 2025. These requirements will challenge many cities and sanitation districts, which must work with their staffs and franchised haulers to adopt and enforce ordinances to comply with the new law. It applies to every commercial and residential generator of waste in the State — all of us.

CalRecycle is tasked to oversee implementation of the law. It released final regulations in late 2020. By January 1, 2022, cities and districts are required to adopt an “enforceable ordinance” mandating reduction of organic waste and to establish an edible food recovery program. Enforcement begins January 1, 2024. CalRecycle released models of a franchise agreement, organic waste reduction ordinance, procurement policy, and edible food recovery agreement. These are available on its website at <https://www.calrecycle.ca.gov/Organics/>.

Cities and districts should start work on an ordinance now to meet the deadline. This will likely require discussions with franchised haulers, food recovery organizations, large commercial waste generators, and others. Franchise and other agreements may also require amendment. With the exception of enforcement, for which public agencies must retain responsibility, a city or district can designate a private entity (such as a franchisee) or a public entity (such as a joint powers agency) to fulfill the new requirements.

The bill authorizes CalRecycle to impose penalties on cities and districts for noncompliance beginning January 1, 2022. However, this may be tempered by SB 619 (Laird, D-Santa Cruz), which blocks CalRecycle

from assessing penalties against cities and towns until January 1, 2023, as long as they have shown “reasonable effort” to comply. SB 619 does not change the compliance date of January 1, 2022, so ordinances must still be adopted by then. As this newsletter is written, the bill is pending in the Assembly Natural Resources Committee.

For more information, contact Gary at [GBell@chwlaw.us](mailto:GBell@chwlaw.us) or (916) 400-0370; or Nikhil at [NDamle@chwlaw.us](mailto:NDamle@chwlaw.us) or (213) 542-5700.

## Public Finance Law (cont.)

government finance. Without such a requirement, every new development in public finance law can produce a wave of lawsuits — like the many challenges to tiered water rates that followed the 2015 decision in *Capistrano Taxpayers Assn. v. City of San Juan Capistrano* or to general fund transfers from power utilities that followed the Court of Appeal decision in *Citizens for Fair REU Rates v. City of Redding* in 2015, even though the Supreme Court reversed that City’s loss in 2018. The pending Supreme Court case, handled by CHW for the affected assessment districts, is *Hill RHF Housing Partners, L.P. v. City of Los Angeles*. The Court of Appeal rejected a challenge to a business improvement assessment, holding the challengers needed to attend the hearings and to identify their issues — they could not just send in a “no” ballot and sue. The Supreme Court granted review in September 2020 and the case is now fully briefed. Argument is likely in 2022.

For more information, contact Michael at [MColantuono@chwlaw.us](mailto:MColantuono@chwlaw.us) or (530) 432-7359.

# Historic Resources and Charter Cities' Home Rule Powers Bend to Housing Production

By Andrew L. Jared and Matthew T. Summers

New statutes have promoted housing supply at the expense of other local land use policies. Recent cases show how far they reach as against such other values as a 4,900-year-old cultural resource and cities' ability to control project siting.

In *Ruegg & Ellsworth v. City of Berkeley*, the Court of Appeal recently held that Government Code § 65913.4, adopted by 2017's SB 35 (Wiener, D-San Francisco), applies to charter cities, even as to a site on the Register of Historic Resources. This resource was a "shellmound" — archeological evidence of thousands of years of civilization.

Typically, a housing development receiving discretionary approval subject to the California Environmental Quality Act (CEQA) must comply with regulations to protect historical and cultural resources. In 2018, SB 35 required expedited review of housing projects. A qualifying project is subject only to "streamlined," ministerial approval and is not subject to conditions or mitigation measures. Cities must respond to a project application quickly — within 60 to 90 days, depending on project size — or the project is deemed to "satisfy" planning standards.

*Ruegg & Ellsworth* confirmed the Housing Accountability Act (Government Code § 65589.5) and SB 35 apply to charter cities and that recent amendments to the latter requiring streamlined approval of mixed-use projects, if at least two-thirds of the project's square footage is residential, apply retroactively. Berkeley is seeking review in the California Supreme Court.

The case did observe that, while mixed-use projects qualify for SB 35's streamlined approval process, their commercial components are subject to charter city land use power. Local application review procedures should account for this greater authority.

Home rule powers are also at issue in *California Renters Legal Advocacy and Education Fund v. City of San Mateo* involving the Housing Accountability Act (HAA). The HAA requires cities and counties to articulate why projects contradict objective standards within 60 days after a complete application is submitted, or the application is "deemed approved." San Mateo disapproved a 10-unit market-rate development for violating objective requirements for height limits and second-story setbacks from single-family uses. The trial court found its special standard of review of zoning compliance unconstitutional as to charter cities. Housing advocates appealed, and the Attorney General intervened to defend the statute. CHW wrote an amicus brief for Cal. Cities defending charter cities' home rule authority and arguing the HAA's special standard of review is unconstitutional for all cities as an unlawful delegation of municipal power to others. Decision is expected this year.

Given many new pro-housing laws, the risk of litigation, and tight deadlines; cities and counties must be prompt in reviewing housing proposals.

For more information, contact Andrew at [AJared@chwlaw.us](mailto:AJared@chwlaw.us) or (213) 542-5390; or Matt at [MSummers@chwlaw.us](mailto:MSummers@chwlaw.us) or (213) 542-5719.

## We've Got Webinars!

CHW offers webinars on a variety of public law topics including mandatory policies on water-meter shutoffs; new and proposed housing statutes; public works; and police personnel records. Check our website for current topics.

To schedule a webinar, contact Bill Weech at [BWeech@chwlaw.us](mailto:BWeech@chwlaw.us) or (213) 542-5700.





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[realtor.com](https://www.realtor.com)

# California's Rising House Prices Increase the Risk of More Wildfires — and There Could Be Devastating Consequences

*By Jacob Passy*

4-5 minutes



(Samuel Corum/AFP via Getty Images)

Jun 10, 2021

Massive wildfires have blazed a path of destruction up and down the state of California in recent years — and 2020 was particularly devastating.

Five of the six largest wildfires in California's history occurred last year, including the largest on record, the Complex Fire, which now

ranks as the largest. [Current estimates](#) of the economic toll of the 2020 wildfires suggest they may have cost the state \$10 billion, but that number could grow. The 2018 wildfire season [reportedly cost](#) the U.S. economy \$148.5 billion, equivalent to 0.7% of the country's annual GDP.

As communities continue to rebuild, a new report suggests that the risk of wildfires — and enormous economic losses — is growing. And a new report says California's housing market is largely to blame.

Researchers from the UC Berkeley Center for Community Innovation and the nonprofit think-tank Next 10 examined three communities across the state that were affected by recent wildfires: Santa Rosa, Ventura and Paradise. Their findings show that the state continues to allow development in the so-called “wildland urban interface,” where nature meets human development.

The state's housing shortage is cited as justification for continuing to allow homes and businesses to be built in high-risk areas.

By building closer to natural areas that are prone to wildfires, those structures are at serious risk of damage in such a disaster. The state's housing shortage is cited as justification for continuing to allow homes and businesses to be built in these high-risk areas, the researchers note, in order to meet the outsized demand.

“Following a fire, many municipalities opt to ‘adapt in place’ instead of attempting to move people out of high fire risk areas, pointing to the statewide housing shortage and lack of public support for any sort of climate migration strategy,” the researchers wrote.

In cases where devastation is more widespread, some communities have opted to rebuild as usual while others have struggled to do so. Researchers found that Santa Rosa is rebuilding quickly, while

Ventura has seen a majority of homeowners opt against doing so. Paradise, which had residents with lower incomes, has also struggled to rebuild.

Over half a million homes may be built in the coming decades on land in California that is especially prone to wildfires.

In Santa Rosa, city officials waived regulation to encourage a fast pace of rebuilding, essentially where the homes originally were. In Ventura, on the other hand, the city has limited development in the WUI while encouraging more multifamily construction in other areas to account for the high housing demand in the region.

And matters may get worse. The report notes that over 500,000 homes may be built on this land in the coming decades. Currently, around one in 12 homes in the states are located in an area at high risk of burning in a wildfire, but that number will grow. Rising rates for home insurance in the state could leave households unprotected in the event that tragedy strikes, exacerbating the losses families will incur as a result.

“If we continue with rebuilding as usual, it’s almost inevitable that a major insurance crisis lies ahead, which makes the report’s recommendation to change course all the more vital,” said Robert Olshansky, one of the report’s lead authors and professor emeritus at the University of Illinois, Urbana-Champaign.

The researchers suggested alternative approaches to “rebuilding as usual,” including a so-called “managed retreat” where wildfire survivors are given incentives to move to lower-risk areas or the development of “resilience nodes” where rebuilding in vulnerable areas is combined with wildfire mitigation. They found these two approaches reduced the fire risk and cost to households, while also limiting the emission of greenhouse gases.

## LOCAL NEWS

# Monterey Peninsula water district's plan to acquire Cal Am goes before LAFCO



Artist rendering of California American Water desalination plant. (Courtesy of Cal Am)

By **DENNIS L. TAYLOR** | [dtaylor@montereyherald.com](mailto:dtaylor@montereyherald.com) | Monterey Herald

PUBLISHED: June 25, 2021 at 2:06 p.m. | UPDATED: June 25, 2021 at 2:13 p.m.

**SALINAS** — Monterey Peninsula water officials will go before an inter-governmental body on Monday in their ongoing effort to acquire California American Water Co. and turn it into a public agency.

The Local Area Formation Commission for Monterey County (LAFCO) is charged with encouraging the orderly formation of local governmental agencies, preserving agricultural land resources, discouraging urban sprawl and encouraging the efficient delivery of local government services. It is composed of two directors representing the county, two representing cities, two representing special districts such as fire districts and one member at large.

In this case, as the Monterey Peninsula Water Management District moves to acquire Cal Am, it needs to seek approval from the LAFCO commissioners as a retail water delivery service, as well as receive approval to annex 58 additional parcels of land into the district boundaries.

There are two ways the district can acquire Cal Am: purchase it at an agreed-upon price or seize it through eminent domain statutes.





Monday's 4 p.m. meeting, which can be viewed at <https://bit.ly/3A8rUQT>, will allow commissioners to discuss the application submitted by the water district in February, an application that early on was deemed incomplete, but has since been updated, according to Kate McKenna, the executive officer of LAFCO of Monterey County and a member of the American Institute of Certified Planners.

"Based on discussions at the April 26 meeting and on written correspondence subsequently received, staff now concludes that no additional information — such as independent third-party reports other than a property tax revenue analysis already underway — is necessary for LAFCO's processing and consideration of this proposal," McKenna wrote in her staff report.

But the discussion surrounding third-party reports or analyses is a bone of contention with Cal Am. It claims in a June 16 letter from Cal Am attorney George Soneff — a real-estate litigator for Los Angeles-based Manatt, Phelps and Phillips — that financial analyses by the district are flawed and contain numerous errors. Soneff urged the commissioners to hire a third-party firm to conduct an independent financial analysis.

"The District has once again failed to forthrightly acknowledge the financial exposure it proposes to undertake," Soneff wrote.

But Dave Stoldt, the general manager of the water district, said there are no errors in the analysis, and said Cal Am will either be sufficiently satisfied that it may choose to accept the district's offer, or it will reject it.

"If rejected, the Superior Court condemnation process will enable discovery, depositions, physical site inspection visits, presentation of evidence, expert witness testimony and cross examination — all of which will lead to a far more nuanced and relevant valuation than the hypothetical conclusions offered by any third party," Stoldt wrote.

The financial analysis is key because of the huge disparity between the valuation the district assigned and the appraisal conducted by Cal Am. The district's consultants placed a current valuation of Cal Am at \$513 million whereas Cal Am appraised its assets at a little over \$1 billion.

"It's just Cal Am's tactic. They are trying to drag this thing out," Stoldt said. "They are just trying to have us spend more money and time on this."

Whether or not Cal Am is acquired through negotiations or eminent domain, it will be years before any final decision works its way through the courts, and asset valuations will undoubtedly change during that time. Cal Am's proposed desalination plant and whether it gets built would have a major effect on any valuation or appraisal. Both the district's valuation and Cal Am's appraisal include a desal plant.

"The key issue will be the degree to which the LAFCO commissioners wish to exercise their role as a watchdog for the county," said Catherine Stedman, a spokeswoman for Cal Am. "Will they insist on analysis and evaluation of the information presented by the district or simply take it at face value?"

But Stoldt said the Manatt letter is just repackaging claims made in previous correspondence to LAFCO. He called the Manatt letter "rife with errors and omissions" and cannot be considered to present accurate, objective or unbiased guidance to LAFCO.

"Simply put, 'errors' identified by Manatt related to the financial feasibility study are not errors, but rather differences that would occur only if the reader chose to adopt the opinions of Cal Am and its attorneys as a separate story line," he said.

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Tags: [Newsletter](#)



## Dennis L. Taylor | Reporter

Dennis L. Taylor has reported on diverse issues for three decades in the San Francisco and Monterey bay areas, including 10 years in the Silicon Valley business press covering venture capital and technology investments.

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## East County fire agencies review report on consolidation

Tony Kukulich, Correspondent  
Jul 1, 2021



The East Contra Costa Fire Protection District, alongside Cal Fire, responded to a quarter-acre vegetation fire ignited in the hills east of the Deer Ridge neighborhood in Brentwood, Calif., Tuesday, May, 11 2021. The cause of the blaze is under investigation by Cal Fire. (Melissa van Ruiten/The Press  
Melissa van Ruiten

The governing boards of the East Contra Costa (ECCFPD) and Contra Costa County (ConFire) fire protection districts will decide in two weeks if the neighboring districts should consolidate operations.

In preparation for that decision, the ECCFPD Finance Committee – consisting of directors Joe Young and Stephen Smith – got its first look at the preliminary findings of the annexation study during a June 21 committee meeting. While the preliminary findings were summarized in a concise 13-page report, the full phase two study planned for release in mid-July is expected to run several hundred pages, leading both Smith and Young to comment that the summary report contained less detail than was expected.



“This is intended to really prime the pump in some degree, to be able to help the board get prepared for the conversations that will be happening in July,” said ECCFPD Fire Chief Brian Helmick at the start of the committee meeting. “These conversations are not new. These are continuous conversations we’ve had starting back in August of last year where it brought us to the point where we had a phase one study. Now we’re starting to introduce the findings of the phase two feasibility study.”

Despite the report’s brevity, it is evident that no impediments to consolidation have been identified.

The summary concluded, “As stated at the April 2021 update, and as of this presentation, there are still no indications that there are any financial or organizational findings that would prevent the recommendation in July, to continue to move forward with the annexation process.”

Other findings in the report pertaining to the ECCFPD include: an assertion that all personnel will be absorbed into ConFire and no personnel will be laid off; Station 55 in Oakley will be manned and made operational; a new ladder company will go into service; and paramedics will be added to each apparatus.

“When we did our budget for this year, the growth in the extra tax revenues are allowing us to plan to open a fourth station, regardless of whether consolidation happens or not,” Young said. “I think that’s been overlooked because of the consolidation discussion.”

AP Triton Consulting, LLC, a Sacramento-based consulting firm specializing in the study of fire and emergency services, was engaged to complete study of the feasibility of consolidating ConFire and the ECCFPD in Sept. 2020. The phase one study was delivered to the boards of both agencies the following December. That initial report concluded there was sufficient evidence to warrant a more exhaustive phase two study, and the ECCFPD board approved the expenditure of up to \$30,000 for the effort.

The phase one study only contemplated ECCFPD and ConFire, but phase two added the Rodeo-Hercules Fire District (RHFD) to the mix. Like ECCFPD, the Rodeo-Hercules district is also examining consolidation with ConFire.

“It is important to note, however, that as we proceed, Contra Costa (County) Fire Protection District can move forward with East Contra Costa and/or Rodeo Hercules Fire District,” Helmick said. “It’s not all or none. It is individually what the boards respectfully decide and what authority is given to move forward with the LAFCO process,”

The phase two study projected a five-year forecast of financial and operational impacts of the potential consolidation of the three districts. Cash flow analysis completed in the phase one study determined that the cash flow is negative five years after consolidation.

“Why (the study) is five years, I’m not sure,” Young said. “I’m not sure what the county’s planning horizon is, how far they look ahead. The fact that the deficits begin to show up in the fourth and fifth year is important. The county is buying into accepting the responsibility.”

The cash flow analysis did not include any accommodation for Measure X revenue. Last month Contra Costa County fire chiefs requested an annual allocation of \$28.5 million from the \$90 million the measure is expected to deliver to the county annually for the next 20 years. A community advisory board will make a revenue allocation recommendation to the county’s board of supervisors later this summer.

However, Discovery Bay resident Bob Mankin, speaking during the public comment portion of the committee meeting, warned that Measure X revenue is an imperfect funding solution.

“There’s an expectation that if consolidation goes through, all of our troubles go away in perpetuity,” Mankin said. “I think Joe (Young), you would know better than anybody that that’s not likely. The numbers don’t work that way. Measure X is not a forever passage. That sunsets at some point. If that becomes a super critical source of revenue within the funding equation that ultimately comes out of this, and it goes away in 20 years, then it breaks the solution.”

If the ConFire and ECCFPD boards approve consolidating the two agencies next month, ConFire will submit a request to the Contra Costa County Local Agency Formation Commission (LAFCO). LAFCO is expected to require approximately six months to approve the request. Consolidation would then be expected to occur sometime between March and July 2022.

“I feel we are doing the kind of due diligence that was not done in 2002 when the district was formed,” said Smith. “The problems were there to be seen. The 2006 Gateway study made them obvious. The fire board was getting things accomplished now, that if had been done then, would have resulted in a viable district.”

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## Grand jury: Fire districts need immediate additional funding

*By Matt Miller*

4-5 minutes



Firefighters fight a burning house from the Lightning Complex Fire along Pleasants Valley Road in Vacaville, Wednesday, Aug. 19, 2020. (Aaron Rosenblatt/Daily Republic file)

FAIRFIELD — The 2020-21 Solano County civil grand jury has found that local fire protection districts are understaffed, under-equipped and underfunded to protect the communities in rural areas and adjacent cities from potential wildfires.

The investigation learned that some districts are using old equipment, volunteer firefighters and have “paltry” funding.

“Fire season is here,” the report states. “Procrastination is not an option. With another drought year upon us, the county needs to find some workable plans and sources of funds immediately.”

The report comes 10 months after the devastating LNU Lightning Complex Fire, which destroyed thousands of acres and 1,491 structures throughout six counties in August 2020. People died, livestock, wildlife and pets perished.

The fire burned 42,000 acres alone in Solano County, and according to the California Department of Forestry and Fire Protection, the fire destroyed 309 single-family residences and 392 “minor structures” in Solano County. Two men died.

All municipal fire departments in the county responded to the LNU Complex Fire. The Cordelia, Montezuma, Suisun and Vacaville departments found it challenging to provide engine companies and staffing to serve the areas vacated by the fire engines assigned to the wildfire, the report states.

The grand jury concurred with the Solano Local Agency Formation Commission that local fire districts need to consolidate and share their resources. Additional funding is also needed to effectively perform their services and the grand jury found that it needs to be immediate.

Cordelia Fire Protection District is a big point of contention with a fire chief, Dave Carpenter, who is currently working as a volunteer to help balance the budget. Cordelia also has an inadequate facility, according to the report, and a 26-year-old fire truck.

“For the most part I agree with the findings,” Carpenter said. “I’m formulating my thoughts how to respond. It’s getting more difficult to stay afloat. Cities in the county are continuing to grow and there is less funding to the district. Costs have also gotten higher and higher.”

Cordelia and the Vacaville rural district have started the



consolidation effort, agreeing to an operational and service agreement by which Vacaville takes the administrative and operational lead.

The Solano County Board of Supervisors adopted the Solano County LNU Lightning Complex Recovery Strategic Plan in April. The grand jury found that the plan addresses the long-term wildfire programs but not immediate issues this summer. Grant writing and other support resources and funding are needed right now to fill firefighter rosters, the report states.

“Solano County has not accepted responsibility for protecting outlying areas from the yearly fires,” the report states in its final comment. “Without active intervention by the county, addressing fire issues has been glacially and tragically slow.”

The county recently approved a formal request of LAFCO to consolidate Cordelia and Vacaville rural, which would include detaching a large part of the Suisun rural district as well.

In time, the county hopes Suisun will join the newly formed district, and beyond that, perhaps other rural districts, too.



Matt Miller has been a journalist in Solano County for close to 30 years. Prior to coming to the Daily Republic in May of 2021, he was at The Reporter in Vacaville since 1990, serving as a Reporter, Assistant Sports Editor and Managing Editor. He also worked at newspapers in Truckee and Manteca. Contact him at 427-6995 or by email at [MMiller@DailyRepublic.Net](mailto:MMiller@DailyRepublic.Net).

[goodtimes.sc](http://goodtimes.sc)

## Civil Grand Jury Grills County, Cal Fire on Wildfires | Good Times Santa Cruz

11-13 minutes

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The Santa Cruz County Civil Grand Jury has released the results of its [eight latest investigations](#), which typically delve into the inner workings of county and city governmental operations.

While the subjects of the investigations are required to submit responses, they do not have to make any changes recommended in the reports. Most are required to respond publicly within 30 to 60 days.

The Grand Jury, made up of 19 county residents, this year [reviewed three of its investigations from 2017-18](#) and found that many of their recommendations have been implemented. The reports are often telling portraits-in-time of public perception of how taxpayer dollars are being used, and how various aspects of government are being run.

This year's reports cover the county's response to the Covid-19 pandemic, and how the city of Santa Cruz addresses wildfire danger. The Grand Jury also looked at how Pajaro Valley Unified School District (PVUSD)—the county's largest district—dealt with the pandemic.

The Grand Jury also looked at the Santa Cruz County Jail system, including several inmate deaths and violence, in addition to criminal conduct—including sexual assaults—by correction officers.

Additionally, the reports look at how the county is providing

broadband internet service to residents, and how the county government responded to the CZU Lightning Complex fires from August 2020.

### [Chasing Covid](#)

The report titled “Chasing the Pandemic,” looks at the effectiveness of the county’s Covid-19 testing and contact tracing efforts, and describes the Santa Cruz County Public Health Division as “well-trained, skilled and knowledgeable professionals,” who protected residents during the pandemic.

But the county’s website does not sufficiently help residents find Covid-19 testing sites. Furthermore, the Save Lives Santa Cruz County website does not adequately inform the public of the work being done to manage the crisis, and fails to convey the scope of the pandemic, the report shows.

The Public Health Division should therefore update its website and shore up its public outreach, including providing weekly updates and video reports, the jury recommends.

### [CZU Response](#) Ripped

In the scathing report titled “The CZU Lightning Complex Fire – Learn...or Burn?,” the Grand Jury focused on how the County Board of Supervisors and the county administration supported residents of Bonny Doon, Davenport, Last Chance and Boulder Creek in the aftermath of the county’s worst blaze.

“The residents whose lives have been devastated were, and are, justifiably indignant over the lack of leadership from their elected leaders,” the report states. “Our county’s residents rightly continue to express doubt and dismay about their devastating experiences and the ability to withstand future fires.”

The report says that the supervisors have not recognized that they are responsible to adequately address residents’ concerns over

wildfire preparedness.

In addition, the Grand Jury excoriated Cal Fire for the disparate “lessons learned” presentations that occurred in Santa Cruz and San Mateo counties. The one in Santa Cruz lasted for just nine minutes, while San Mateo’s went on for 40 minutes. The supervisors did not hold Cal Fire accountable for this lack of analysis, the report says. In addition, there are no provisions in the contract between the county and Cal Fire to provide such analyses. “This discrepancy is disappointing and not acceptable,” the report says.

The county was also drilled for its response to a 2020 Grand Jury investigation that looked at the county’s preparedness to wildfire risk. The responses, the report states, “show a lack of engagement with the material and a lack of understanding of their role as advocates for the county” and should be revisited.

In its recommendations, the Grand Jury says that the supervisors should question Cal Fire about its readiness for future fires. The board should also develop a policy for receiving and logging residents’ questions and concerns.

In addition, county policy should require “timely after-action reports” for major fire events, and should advocate for additional resources from the state for fire prevention and protection.

### [Bringing Broadband](#)

The challenges of providing broadband internet service throughout the county—a goal 10 years in the making—are manyfold. This includes cutting through mountains of red tape and assessing safety and infrastructure issues that come from fire danger.

While the county has a plan to do so, it has committed the technological sin of allowing that plan to become obsolete.

The county should immediately update its 2015 Broadband Master

Plan to reflect regulatory changes on the state and federal levels, the Grand Jury says in the report titled “Turn On, Tune In, and Drop Out.” These changes, the report says, should reflect the difficulty of bringing the service to the rural parts of Santa Cruz County, and the challenges brought by the CZU Complex.

The jurors recommended that the county apply for funding to help pay for increased broadband service, and look into the possibility of the county owning and maintaining its own broadband system.

In addition, the county should work with the Santa Cruz County Office of Education to continue providing internet service for the 2022-23 school year.

### [A Look at Main Jail](#)

In its required annual look at the county’s jail system, the Grand Jury focused on allegations of sexual assault and illegal sexual conduct by corrections officers that occurred in 2017 and 2020, both of which resulted in convictions.

The report titled “Justice in the Jail” also looked at several separate incidents involving inmates, including one self-mutilation and an assault—both in 2018.

Jurors also looked at a suicide and a homicide, both of which happened within a two-day period in October 2019, and the death of a mentally ill inmate in May 2020.

The Grand Jury also investigated a power outage that lasted for more than 24 hours in September 2019, including the backup power system.

“In the end it comes down to issues of management, having enough resources, and a need for more effective oversight and public transparency,” the report says.

The Grand Jury recommends either appointing an Inspector General or Sheriff oversight board or placing the issue before



voters.

In addition, the report states that the county should increase staff at the jail, since short staffing and mandatory overtime are “detrimental to performance, staff morale, and contribute to human error which can threaten the health and safety of staff and inmates.”

The jail should also revisit its policies of providing razors to inmates, the report says, and should hold monthly status meetings regarding the state of the facilities.

### **Illegal Camping Threat**

The city saw 75 outdoor fires as of May 20, many of which are caused by illegal camping and warming fires from homeless encampments.

Despite this, the city has cleared these encampments only in “extreme emergency situations,” instead of proactively, the report titled “Wildfire Threat to the City of Santa Cruz” says.

The Grand Jury recommends that City Council should craft an ordinance to help mitigate these issues.

Furthermore, the grand Jury calls the coordination between the city and the county “insufficient,” and says it is not transparent to the public.

To help ameliorate this problem, the county needs accurate data, including the numbers of homeless people living in the city.

The report also calls for an outreach campaign for communities with eucalyptus trees—known to be more flammable than others—to help with vegetation management.

The city should also establish a “firewise community” in every neighborhood that abuts natural areas, known as Wildland Urban Interfaces.

City leaders should also revisit budget priorities surrounding fire safety, and should re-evaluate how state and federal dollars are

used, and should look at how the city works with state offices such as CalTrans in dealing with homeless encampments.

### [PVUSD Leads the Way](#)

PVUSD earned the Grand Jury's only laudatory report with its swift response to the pandemic, which included quickly closing schools as the pandemic began to take hold, and then creating a distance learning program.

When an employee at [Rio Del Mar Elementary School tested positive](#) for Covid-19 in March 2020, Pajaro Valley Unified School district closed the school for a deep cleaning.

Just three days later, as case rates began to climb, the district's Board of Trustees, in an emergency meeting, voted [to close all schools in the district](#).

On April 1, the trustees voted to [close the schools for the remainder of the 2019-20 school year](#).

Soon after that, the district updated its webpage, issued Chromebook computers to the majority of its students and created a distance learning program. PVUSD also created a "safe space" program for students unable to participate in distance learning, or who are struggling under that system.

The district's response, the Grand Jury said in the report titled "Distance Learning During the Pandemic in the Pajaro Valley Unified School District," should be documented and built upon, since distance learning is likely here to stay.

### [Pesticide Notifications](#)

The county requires that growers must inform the public when they will be applying pesticide to their crops. But the process of doing so is cumbersome, and the locations provided often cannot be located on a map. This is largely because many farms don't have an address, and others are made up of several fields, or are oddly

shaped.

That's according to the Grand Jury's investigation on the Santa Cruz County Agricultural Commission, and how that agency interacts with the Board of Supervisors and the public. The report is titled "Santa Cruz County Agricultural Commissioner's Office Can Get By with a Little Help from Its Friends."

The Grand Jury says that changes at the state level—with the California Department of Pesticide Regulation (DPR)—must be informed by the County Board of Supervisors, since they wield more influence than the local Agricultural Commissioner.

On Oct. 27, 2020, the Watsonville City Council issued a resolution urging the Agricultural Commissioner to post online in advance of the pesticide use. But at that same meeting, Agricultural Commissioner Juan Hidalgo told the council that doing so would burden his staff that was already stretched thin.

The report suggests that, within six months, the Agricultural Commissioner should create a pilot program to teach farmers how to use the CalAgPermits software that helps inform the public about pesticide application. This should come with suggestions about improving the software's efficiency.

In addition, the supervisors should mandate a notification system for pesticide application, including text and email. The board should also urge the DPR and other state officials to include specific location information on pesticide application forms.

*To see the reports in their entirety, and those from previous years, visit [bit.ly/3jsH0KL](https://bit.ly/3jsH0KL).*

## OPINION &gt; COMMENTARY

# Guest Commentary | Water agencies are prepared for drought challenges

By [SANTA CRUZ SENTINEL](#) |

July 8, 2021 at 6:30 a.m.

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By the Water Managers of Santa Cruz County

In response to current drought conditions and the renewed need for reduced water use, the community has shown interest in what local water agencies are doing to generate alternatives to water supply challenges. We are glad to report that we – local water agencies – are prepared.

All the water used in Santa Cruz County begins as local rainfall. The lack of rain we are now experiencing is not an anomaly – it is climate change, and it will most likely continue to bring more extreme weather events in the future. Mindful and efficient use of water is our first line of defense against drought, and our community excels at it. Despite modest growth, the county has seen a 30% reduction in water use since peak use in the late 1990s. However, conservation is not enough to ensure the resiliency that our community needs.

The solution is investing in supplemental supply projects, which will be most successful when done collaboratively. Over the past five years, county water purveyors have made significant progress toward generating sustainable water supply alternatives, as well as protecting the precious supplies we have.

Regional agencies banded together with community members to develop the first-ever plans in the state to sustainably manage local groundwater basins, which serve as the primary water source for most county residents, other than those served by the City of Santa Cruz. The plan for the Pajaro Valley Groundwater Basin was approved in 2019. The plan for the Mid-County groundwater basin was recently approved by the state to address critical overdraft and meet the state mandate of basin sustainability by 2040. A plan for the Santa Margarita basin is about to be released in draft form for public comment. A unified, regional approach to protecting groundwater is an important improvement to the way the resource has been managed in the past.

In Soquel Creek Water District's service area, the Community Water Plan was created in 2015, following a year-long process of public meetings and gathering customer input. Over the last six years, the district has moved forward with a multi-pronged approach of a pilot test water exchange, stormwater capture and developing Pure Water Soquel (a purified recycled water project). The goal of Pure Water Soquel is to replenish the groundwater basin and create a seawater intrusion barrier to prevent contamination from moving further inland. The project is anticipated to be online in 2023 and has received state and federal funding assistance.

The City of Santa Cruz has spent the past five years studying and piloting water supply alternatives recommended by the citizen-led Water Supply Advisory Committee, including water exchanges, banking excess water (when available) in groundwater basins, and development of advanced treated wastewater as a supply alternative, and will bring results and final recommendations for supply augmentation to the City Council within the next 12 months.

In Scotts Valley and the San Lorenzo Valley, water agencies have been evaluating options for using existing water sources more efficiently. Recycled water has been an invaluable water source for irrigation in Scotts Valley for close to 20 years and three stormwater recharge basins have been installed in the last 10 years. During winter, excess surface water can be used instead of groundwater allowing the basin to rest. When surface flows decline, groundwater can be used, leaving water in the streams for wildlife in a process called Conjunctive Use.



The City of Watsonville and the Pajaro Valley Water Management Agency continue their successful collaboration and operation of the Watsonville recycled water facility. PV Water is working on two water supply projects – College Lake Integrated Resources Management and Watsonville Slough System Managed Aquifer Recharge and Recovery, to supplement its recycled water supply. Water from these projects will decrease groundwater pumping while helping to maintain the valley's agricultural economy.

While we do have challenges, we have also, collectively and collaboratively, developed a set of initiatives that will help ensure that the people of Santa Cruz County have sufficient water supplies, both now and into the future. If you want to know more about what your water agency is doing, contact us, attend our meetings, take advantage of our conservation programs, and read our reports.

When it comes to water, we are all in this together.

*Signatories to this letter include Sierra Ryan, Interim Water Resources Manager, County of Santa Cruz; Piret Harmon, General Manager, Scotts Valley Water District; Rosemary Menard, Water Director, City of Santa Cruz; Beau Kayser, Water Division, City of Watsonville; Ron Duncan, General Manager, Soquel Creek Water District; Brian Lockwood, General Manager, Pajaro Valley Water Management Agency; Rick Rogers, District Manager, San Lorenzo Valley Water District; and Ralph Bracamonte, District Manager, Central Water District.*





[santacruzsentinel.com](http://santacruzsentinel.com)

# San Lorenzo Valley Water District outlines future plans

*Melissa Hartman*

8-10 minutes

BOULDER CREEK — Slowly but surely, the San Lorenzo Valley community is rebuilding itself after the CZU Lightning Complex fire. Its water district is no exception.

The San Lorenzo Valley Water District lost all of its water intake infrastructure at the Lyon Water Treatment Plant in Boulder Creek, built in 1994 with the purpose of treating surface water coming from many streams on the Empire Grade mountain. About 50% of the water stored at the plant was lost as well. All of the 1,600 acres of the watershed were affected by the wildfire.



One of San Lorenzo Valley Water District's smaller tanks was

damaged during the CZU Lightning Complex fire and has been offline ever since. A larger tank next to it was up and running after a power washing, but this smaller white one suffered more damage and will need further care, District Manager Rick Rogers explained Wednesday. (Melissa Hartman – Santa Cruz Sentinel)

“It is an impact, so we are bringing water up from Ben Lomond when normally the water would be produced here,” District Manager Rick Rogers said Wednesday when he took local media members on an official tour of the area that still shows signs of scorched earth.

Rogers said that the loss of approximately 7 miles of above-ground pipeline made of high-density polyethylene and damage to all three on-site water tanks cost the district \$20 million.

“The pipe melted and burned as the fire came through,” Rogers said. “We worked with our consultants to track the fire with heat maps ... We were able to track it almost hourly as it neared our facilities ... That gave us the ability to shut down the treatment plant so no contamination came in.”

Currently, the district is supplementing its surface water in Boulder Creek with well water. Rogers said he hopes to get the surface water intake and storage back online in the next three years.

### **Infrastructure options**

For the time being, the district has spent about \$250,000 on what it is calling a “constructability survey.” This partnership with [San Mateo-based Freyer & Laureta](#) Inc. will give a look into what the best option in new water intake infrastructure would be for the water district.

“(We) will see what the best type of today’s engineering (is) to put the pipe back,” Rogers said. “Over the next few months, we will hopefully come up with some construction techniques, either bury

the pipeline or replace it with non-flammable material to harden it from future fires.”



Fire burns through the water district’s polyethylene piping during the CZU Lightning Complex Fire, leaving a molten black exterior in its wake. (Courtesy of the San Lorenzo Valley Water District)

Once there are determinations made from the survey, there will be an estimated six-month effort to work with the Federal Emergency Management Agency to get the new infrastructure approved.

Rogers and his team expect it to go off without a hitch, as FEMA has been closely involved since the fire started. The process is slow, but staff members are making the best of things by using the time to write plans and specifications to go out to bid.

“Some of this, regardless of FEMA (approving) it or not, the district

will be moving ahead and making repairs,” Rogers said, adding that a low-interest loan has been taken out to cover initial construction costs.

The water district is confident that 75% of the cost, or \$15 million, will be covered by the federal government, while the district will have to come up with 25% or approximately \$5 million. Rogers said the district intends on introducing a fire-related surcharge of about \$5 a month per connection to help raise the money in the next five years.

Currently, the Proposition 218 process to give customers the chance to review or protest the idea is underway. After the required 45 days, this will be followed by a public hearing and the presumed adoption of the surcharge.

“So far (input) has been positive but always with some type of rate increase there are folks that want more information and have concerns. There are a lot of low-income people and with COVID, there are a lot of folks that are still not back in the workforce so it is a concern and we understand that, that’s for sure,” Rogers said.

The last time that water infrastructure intake was built, it was a 10-year process, Rogers recounted. The topography of the area required installation to be done by helicopters and hand crews.

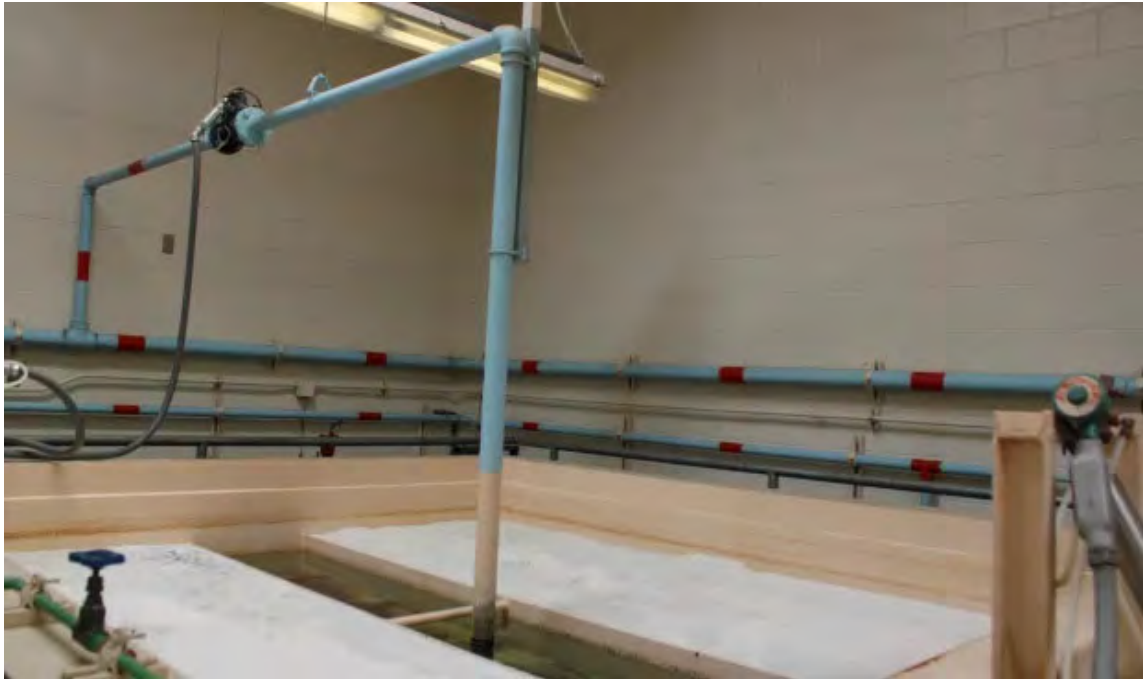
“You’re basically crossing the Ben Lomond Mountain, and it’s no different than taking a hike at Big Basin State Park. It’s a narrow trail, springs all over, stream crossings, steep redwood tree forests... the only access in is to walk,” Rogers said. “We flew the materials in and made drops in the forests and then crews walked in every morning and walked out every night.”

## **Current operations**

Today, at the seat of the Empire Grade, only one of the district’s water filtering system and one of its tanks — power washed,



sanitized and tested thoroughly before it was brought back from the fire — are actively hosting the water district's supply.



Due at least in part to the California drought, there's only enough water at the Lyon Water Treatment Plant to run one filtering machine. Another machine, pictured, soaks in its off time so that it is clean and ready for busier days. (Melissa Hartman – Santa Cruz Sentinel)

This is unusual, Rogers admitted, as he said that each filtering system can handle 350 gallons of water per minute and it sounds like there is “water screaming through” the inside of the plant.

The plant's Windows-based iFIX engineering software automation system is accessed remotely by employees to monitor facilities and process data while the district's on-site, Environmental Laboratory Accreditation Program certified lab is used in-person to test 15 to 20 samples per week for coliform bacteria and chlorine residual.

“We have 24/7 capability of testing these samples ... we have as quick of a turnaround as possible, so once we get those negative samples back then we get our people back their water,” Rogers said. “It's huge to restore drinkable water service back.”

## **Rebutting recontamination**



The speed that the lab provides will come in handy again [this fire season](#), which chemists such as Water Treatment & System Supervisor Nate Gillespie are nervous can mean recontamination of water affected last year.

“Water distribution networks are very dynamic systems. You can’t always predict flows so we are seeing recontamination in some areas,” Gillespie said, adding the Paradise fire zone as an example of where extended contamination has been an issue.

Between August and October of 2020, “Do not drink, do not boil” advisories were in place across the valley for different periods of time when Volatile Organic Compound (VOC) testing revealed benzene in the water in the Riverside Grove neighborhood. One standout sample had a detected 20 parts per billion when the maximum contaminant level for the state is one part per billion.



Trees that line the road up to the water plant show signs of the trauma the area endured last year. (Melissa Hartman – Santa Cruz Sentinel)

“SLV crews flushed mainlines to flush out any contamination. Once lines were flushed we re-tested, and then we re-tested again until

we had no shadow of a doubt that contamination was not present,” Gillespie said.

Though neither benzene nor other VOCs have been detected since [mid-September](#), the San Lorenzo Valley Water District has instituted a [long-term VOC monitoring program](#) where all regular sites are tested monthly at least through December 2022, Gillespie said.

In addition to regular testing, hazmat operations have already taken place, as EPA bins were brought in to remove possible contaminants, such as batteries, from the riparian corridor. Additionally, according to Gillespie, scientists have learned that connections left open to homes burned down last year can be a potential source of contamination; those connections have since been closed off to make sure that does not happen.

“We’ve been very transparent through this whole process. Any time we found contamination, we have let the customers know right away. Our data doesn’t lie,” Gillespie said. “It’s our job to serve safe drinking water and we all take that very seriously.”