



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

ADOPTED MINUTES

LAFCO REGULAR MEETING AGENDA

Wednesday, August 4, 2021

Start Time - 9:00 a.m.

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
- Commissioner Roger Anderson
- Commissioner Ryan Coonerty
- Commissioner Francisco Estrada
- Commissioner Zach Friend
- Alternate Commissioner Ed Banks
- Alternate Commissioner Yvette Brooks

The following LAFCO staff members were present:

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

2. EXECUTIVE OFFICER'S MESSAGE

2a. In-Person Meeting Protocol

Executive Officer Joe Serrano announced that the Commission meeting is being conducted in-person for the first time this year. The meeting format may be changed to a hybrid approach for the coming meetings to ensure the health and safety of the

Commission, staff, and members of the public. The hybrid approach will allow attendees the option to participate in-person or remotely through Zoom. LAFCO staff anticipates this approach to be implemented starting in September 2021.

2b. Request for Proposal

Executive Officer Joe Serrano informed the Commission that a request for proposal was distributed in July for legal counsel services. The deadline to submit proposals is August 31st. The Commission will consider enacting a contract with the selected legal firm by the end of this year.

2c. Countywide Fire Report

Executive Officer Joe Serrano indicated that an administrative copy of the countywide service and sphere review regarding fire protection was distributed to the 13 local agencies analyzed in the report. This is an opportunity for agencies' staff to review and provide comments to LAFCO's analysis and findings. The final version of the countywide report will be presented to the Commission in October 2021. Mr. Serrano also informed the Commission about the internal and external issues currently faced by the Branciforte Fire Protection District. LAFCO staff is currently providing assistance to address these issues.

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 Ryan Coonerty** motioned for approval of the June 2nd Meeting Minutes and **Commissioner Roger Anderson** seconded the motion.

Chair Justin Cummings asked the Commissioners in favor of the motion to say Aye and then asked for any opposition. Hearing no opposition, the motion carried unanimously.

MOTION: Ryan Coonerty
SECOND: Roger Anderson
FOR: Roger Anderson, Jim Anderson, Ryan Coonerty, Justin Cummings, Francisco Estrada, Zach Friend, and Rachél Lather
AGAINST: None
ABSTAIN: None

MOTION PASSED: 7-0

4. ORAL COMMUNICATIONS

Chair Justin Cummings requested public comments on any non-agenda items. **Executive Officer Joe Serrano** indicated that there were no 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. "De Somer Annexation" to CSA 10 (LAFCO Project No. DA 21-10)

Chair Justin Cummings requested staff to provide a presentation on the proposal.

Executive Officer Joe Serrano summarized the proposed single-parcel annexation and concurrent sphere amendment involving County Service Area 10. If approved, the subject area will discontinue the use of a septic tank and receive sewer service from a public agency immediately adjacent to the property. The subject 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. Based on staff's analysis, the proposal fulfills the requirements under LAFCO law and the Commission's adopted policies. Staff recommends that the Commission approve the annexation and concurrent sphere amendment.

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

Chair Justin Cummings called for Commission comments on the report.

Vice-Chair Rachél Lather asked why the surrounding parcels were not included in the proposal. **Executive Officer Joe Serrano** explained that the application was initiated by the affected landowner. The applicant requested annexation for their parcel only. In order to include the surrounding parcels, those landowners would need to express support towards annexation. LAFCO staff and the affected landowner were not aware of any interest from the neighbors. Therefore, the application only included the single parcel owned by the applicant. **Commissioner Roger Anderson** asked which agency provides water to the subject area. **Executive Officer Joe Serrano** clarified that the City of Santa Cruz is the water service provider to the subject parcel and surrounding area.

Chair Justin Cummings called for the adoption of the draft resolution approving the annexation and concurrent sphere amendment. **Commissioner Ryan Coonerty** motioned for the approval based on staff's recommendation and **Vice-Chair Rachél Lather** seconded the motion. **Chair Justin Cummings** asked the Commissioners in favor of the motion to say Aye and then asked for any opposition. Hearing no opposition, the motion carried unanimously.

MOTION: Ryan Coonerty

SECOND: Rachél Lather

FOR: Roger Anderson, Jim Anderson, Ryan Coonerty, Justin Cummings, Francisco Estrada, Zach Friend, and Rachél Lather

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

5b. Countywide Park & Recreation Service and Sphere Review

Chair Justin Cummings requested staff to provide a presentation on the draft report.

Executive Officer Joe Serrano summarized the key findings of the four park and recreation districts located within Santa Cruz County. Mr. Serrano noted that Boulder Creek Recreation and Park District (BCRPD) and La Selva Beach Recreation District (LSBRD) were financially stable and were fulfilling their statutory duties. However, he noted that Alba Recreation and Park District (ARPD) and Opal Cliffs Recreation District (OCD) were facing internal and external deficiencies, were not in compliance with statutory requirements, and were in financial distress. That is why staff is recommending that the Commission reaffirm the sphere boundaries for BCRPD and LSBRD and adopt a zero sphere for ARPD and OCD. A zero sphere indicates that the district should be dissolved and service responsibilities be transferred over to another local agency, such as the County. Staff is also recommending that the Commission request that ARPD and OCD initiate dissolution by December 2021.

Chair Justin Cummings requested public comments on the proposal.

Lindsay Speth is an Alba resident who resides outside ARPD's jurisdictional limits. Ms. Speth does not dispute the findings identified in the countywide report but is concerned about the future of the schoolhouse and local control over recreational services. She is concerned that the small community may be lost if service responsibilities are transferred over to the County Parks Department. She is requesting that the Commission reconsider dissolution if the District is able to produce some type of business plan.

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

Chair Justin Cummings called for Commission comments on the report.

Commissioner Jim Anderson noted that he met with representatives from ARPD and surrounding recreation districts in the past to address ARPD's internal issues and consider possible merger or reorganization but there was no interest at that time.

Commissioner Yvette Brooks asked for more information about the dissolution process and what would happen to the existing board of directors. **Executive Officer Joe Serrano** clarified that the dissolution process will take around a year to complete. Mr. Serrano indicated that a dissolution may be initiated by the affected district or by LAFCO in accordance with State law. Ideally, the affected district should initiate this type of governance change. If initiated, and approved by the Commission, the affected district and its board of directors will no longer be in existence. Park and recreation services will be provided by the County Parks Department and the County Board of Supervisors will act as the overseeing board.

Commissioner Yvette Brooks asked if the affected districts were aware of LAFCO's findings and recommendations. **Executive Officer Joe Serrano** indicated that for any service and sphere review, LAFCO staff provides an administrative copy to the affected agency for their feedback. All four park and recreation districts received a draft copy and had more than a month to review and provide comments.

County Parks Director Jeff Gaffney explained how the County has been helping OCRD provide recreational services to the Opal Cliffs community. Mr. Gaffney also clarified that the County is open to helping the Alba community receive adequate services.

Commissioner Zach Friend explained that the Commission's actions today do not prevent ARPD and the residents to discuss the current issues and identify possible solutions. Mr. Friend encouraged that the District and residents discuss these matters and also work with the County to determine the best solution for the community. He supports the analysis and moves for approval of staff's recommendation.

Vice Chair Rachél Lather pointed out that staff's recommendation includes reference to County Service Area 10 which is incorrect. **Executive Officer Joe Serrano** noted that staff's recommendation should refer to County Service Area 11 (County Parks).

Chair Justin Cummings called for the adoption of the draft resolution approving the countywide service and sphere review for park and recreation services. **Commissioner Zach Friend** motioned for the approval based on staff's recommendation with the CSA 11 correction and **Vice-Chair Rachél Lather** seconded the motion. **Chair Justin Cummings** asked the Commissioners in favor of the motion to say Aye and then asked for any opposition. Hearing no opposition, the motion carried unanimously.

MOTION: Zach Friend

SECOND: Rachél Lather

FOR: Roger Anderson, Jim Anderson, Ryan Coonerty, Justin Cummings, Francisco Estrada, Zach Friend, and Rachél Lather

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

6. OTHER BUSINESS

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

6a. CALAFCO Update

Chair Justin Cummings requested staff to provide a presentation on CALAFCO's upcoming annual conference.

Executive Officer Joe Serrano noted that CALAFCO is scheduled to host an annual conference during the first week of October in Southern California (Newport Beach). During the conference, there will be an election to nominate new representatives on the CALAFCO Board of Directors. Staff is recommending that the Commission designate a voting delegate and alternate to vote on behalf of Santa Cruz LAFCO. Staff is also recommending that the Commission nominate the Aptos/La Selva and Central Fire Consolidation for the Mike Gotch Excellence in Public Service Award. This award is the equivalent to a "Project of the Year" Award. Mr. Serrano also noted that the conference conflicts with the Commission's October 6th meeting date. Staff is recommending that the meeting be moved to the following Wednesday (October 13).

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

Chair Justin Cummings called for Commission comments on the update.

Commissioner Zach Friend made a motion to approve staff's recommendations and nominated Jim Anderson to be LAFCO's Voting Delegate and Roger Anderson as the Alternate Voting Delegate. The motion included the nomination of Aptos/La Selva and Central Fire Consolidation for the Mike Gotch Excellence in Public Service Award and moving the October LAFCO meeting date from October 6 to October 13.

Chair Justin Cummings called for the approval of staff's recommendation regarding the voting delegates, award nomination, and date change for the October meeting. **Commissioner Zach Friend** motioned for the approval based on staff's recommendation and **Commissioner Jim Anderson** seconded the motion. **Chair Justin Cummings** asked the Commissioners in favor of the motion to say Aye and then asked for any opposition. Hearing no opposition, the motion carried unanimously.

MOTION: Zach Friend

SECOND: Jim Anderson

FOR: Roger Anderson, Jim Anderson, Ryan Coonerty, Justin Cummings, Francisco Estrada, Zach Friend, and Rachél Lather

AGAINST: None

ABSTAIN: None

MOTION PASSED: 7-0

6b. Legislative Update

Chair Justin Cummings requested staff to provide a presentation on this year's legislative session and any LAFCO-related bills.

Executive Officer Joe Serrano indicated that LAFCO staff continues to monitor all LAFCO-related bills, including the 2021 Omnibus Bill which was recently signed into law by the Governor. Going forward, staff will highlight bills that directly affect Santa Cruz County.

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

Chair Justin Cummings called for Commission comments on the update.

Commissioner Roger Anderson asked staff what is the status of bills affecting Santa Cruz County. **Executive Officer Joe Serrano** indicated that the status of LAFCO-related bills are attached to the staff report and future reports will provide more information about bills directly affecting Santa Cruz County. At this time, some monitored bills have been approved, some have died on the legislative floor, and others are still pending.

Chair Justin Cummings noted no further Commission discussion and moved on to the next agenda item since the legislative update was an informational item and no Commission action was required.

6c. Comprehensive Quarterly Report – Fourth Quarter (FY 2020-21)

Chair Justin Cummings requested staff to provide a presentation on the quarterly report.

Executive Officer Joe Serrano noted that this report is meant to keep the Commission informed about all LAFCO-related activities, including the status of active proposals, the schedule of upcoming service reviews, the current financial performance of LAFCO's adopted budget, and other projects. Mr. Serrano covered these areas and indicated that the Commission's budget ended with over 100% of anticipated revenues and less than 70% of anticipated expenses actually being incurred.

Chair Justin Cummings requested public comments on the quarterly report.

Becky Steinbruner had an inquiry about the countywide fire report. Ms. Steinbruner requested that the report analyze CSA 48's financial performance, specifically their funding source which includes benefit assessments charged to residents within the CSA. **Executive Officer Joe Serrano** explained to Ms. Steinbruner that the countywide report includes a detailed evaluation of each fire districts' financial health as well as other factors. Mr. Serrano also noted that a draft version of the countywide report has been distributed to the fire districts for their review and feedback.

Executive Officer Joe Serrano noted no further public comments were received. **Chair Justin Cummings** closed public comments. **Chair Justin Cummings** called for Commission comments on the quarterly report.

Commissioner Ed Banks asked when the countywide fire report will be available for Commission review and if it analyzes insurance coverage. **Executive Officer Joe Serrano** indicated that the report will be distributed in early to mid-September. Mr. Serrano also explained that the report will analyze the Insurance Services Office (ISO) Ratings. These ratings calculate how well-equipped fire districts are to put out fires in that community and may directly impact homeowners insurance rates. LAFCO staff's evaluation will include the ISO rating for each fire service provider in Santa Cruz County.

Chair Justin Cummings noted no additional comments or questions from the Commission and moved to the next item since no Commission action was required.

7. WRITTEN CORRESPONDENCE

Chair Justin Cummings inquired whether there was any written correspondence submitted to LAFCO. **Executive Officer Joe Serrano** indicated that there were none received. **Chair Justin Cummings** moved to the next item since no Commission action was required.

8. PRESS ARTICLES

Chair Justin Cummings requested staff to provide a presentation on the press articles. **Executive Officer Joe Serrano** indicated that this item highlights LAFCO-related articles recently circulated in local newspapers. **Chair Justin Cummings** moved to the next item since no Commission action was required.

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 10:15 a.m. to the next regular LAFCO meeting scheduled for Wednesday, September 1, 2021 at 9:00 a.m.



JUSTIN CUMMINGS, CHAIRPERSON

Attest:



JOE A. SERRANO, EXECUTIVE OFFICER