



Santa Cruz County
Civil Grand Jury

Santa Cruz Grand Jury <grandjury@scgrandjury.org>

LAFCO Response Letter dated 8-4-22

Joe Serrano <Joe.Serrano@santacruzcounty.us>
to syda.cogliati@santacruzcourt.org, grandjury@scgrandjury.org

Aug 4, 2022, 10:49:38 AM

Good Morning Honorable Judge Cogliati,

As requested, attached is a letter from LAFCO responding to the Grand Jury's request to address three findings and one recommendation found in the report titled "On Achieving Drought Resilience."

Thank you for the opportunity to provide comments. Let me know if you have any questions.

-Joe

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8-4-22 LAFCO Response Letter.pdf

228 KB



August 4, 2022

The Honorable Judge Syda Cogliati
Santa Cruz Courthouse
701 Ocean Street
Santa Cruz, CA 95060

Subject: LAFCO Response to the Grand Jury’s “Our Water Account Is Overdrawn – Beyond Conservation: Achieving Drought Resilience” Report

Dear Honorable Judge Cogliati:

Thank you for this opportunity to comment on the Grand Jury’s report titled “Our Water Account Is Overdrawn – Beyond Conservation: Achieving Drought Resilience.” This report reviewed the water supply and long-term planning of the water agencies in Santa Cruz County and requested that the Local Agency Formation Commission (“LAFCO”) provide comments. LAFCO’s statutory authority is derived from the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code section 56000, et seq.).

Among LAFCO’s purposes are: Discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (Government Code Section 56301). The Cortese-Knox-Hertzberg Act identifies factors that must be considered, and determinations that must be made, as part of LAFCO’s review of boundary changes and service reviews.

These provisions of law are the legislative basis for LAFCO’s locally adopted Policies and Procedures Relating to Spheres of Influence and Changes of Organization. These policies establish guidelines for the Commission and staff. The adopted policies are available on LAFCO’s website: <https://santacruzlafco.org/about/policies-procedures/>.

In order to fulfill the request to provide comments on the Grand Jury’s report, LAFCO’s comments will be based on the direction found in the Cortese-Knox-Hertzberg Act and the Commission’s adopted policies.

1. Finding (F10): The individual water supply districts lack funding, resources, and charters to develop county-centric drought-resilience infrastructure.

PARTIALLY DISAGREE: LAFCO recently completed a Countywide Water Service & Sphere Review involving the nine water agencies in Santa Cruz County. Only one of the nine water agencies was determined to be in severely understaffed, financially distressed, and lacking necessary resources. LAFCO believes that the remaining active water agencies are financially sound and equipped to operate an efficient special district. LAFCO encourages the water agencies to continue exploring opportunities to collaborate. Strategic partnerships among the water agencies and the County may help develop county-centric drought-resilience planning at a holistic level rather than standalone efforts.

2. Finding (F11): The Groundwater Sustainability Management agencies lack the charters, staff, and resources to plan or execute a county-wide drought-resilience strategy.

PARTIALLY DISAGREE: The Sustainable Groundwater Management Act (SMGA) was signed by Governor Jerry Brown on September 16, 2014, and went into effect on January 1, 2015. Since then, three groundwater management agencies were formed in Santa Cruz County, as listed below. The three groundwater agencies include representatives from several local water agencies. It is LAFCO’s understanding that the listed agencies have developed long-term plans under their respective groundwater agencies. Such collaboration indicates that the water agencies are capable of developing countywide plans beyond their standalone boundaries.

Groundwater Agencies	Associated Basins	Agency Members	Basin Management Plan
Pajaro Valley	Corralitos Groundwater Basin	Pajaro Valley Water Management Agency	Latest Plan adopted in November 2021 ¹
Santa Cruz Mid-County	Santa Cruz Mid-County Groundwater Basin	County of Santa Cruz; CWD; SqCWD; and the City of Santa Cruz	Latest Plan adopted in November 2019 ²
Santa Margarita	Santa Margarita Groundwater Basin	County; San Lorenzo Valley and Scotts Valley Water Districts	Latest Plan adopted in November 2021 ³

3. Finding (F12): There is no county-level agency chartered to plan, propose, or build regional district-spanning drought-resilience infrastructure.

AGREE: It is LAFCO’s understanding that there is no county-level agency chartered to plan, propose, or build regional district-spanning drought-resilience infrastructure. However, the law does not restrict the County and the water agencies to develop a countywide plan under a Memorandum of Understanding, Joint Powers Agreement, and/or other methodology. This may be an opportunity for the affected agencies to explore this countywide planning effort.

4. Recommendation (R1): By December 31, 2022, the Boards of the Santa Margarita Groundwater Management Agency and the Mid-County Groundwater Management Agency should extend their charters to include and proactively deliver drought-resilience project planning and execution.

WILL NOT BE IMPLEMENTED: LAFCO has not purview over the groundwater management agencies, and therefore, cannot implement or require the groundwater management agencies to include a drought-resilience project planning and execution. However, it is LAFCO’s understanding that the County is currently working on a

¹ PVWMA BMP - https://www.pvwater.org/images/about-pvwma/assets/SGM/GSU22_20211229_MainBody-web.pdf

² SCMCGA BMP - https://www.midcountygroundwater.org/sites/default/files/uploads/MGA_GSP_2019.pdf

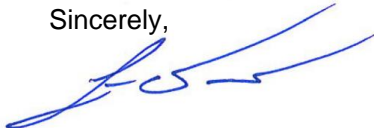
³ SMGA BMP - https://www.smgwa.org/media/GroundwaterSustainabilityPlan/SMGB_GSP_Final_2021-11-11.pdf

drought-related report that will fulfill the requirements under Senate Bill 552 (SB 552). This bill was passed and signed by Governor Gavin Newsom in September 2021 for the purpose of State and local governments sharing the responsibility in preparing and acting in the case of a water shortage event. These new requirements are expected to improve the ability of Californians to manage future droughts and help prevent catastrophic impacts on drinking water for communities vulnerable to impacts of climate change. The bill outlines the new requirements for small water suppliers, county governments, Department of Water Resources, and the State Water Board to implement more proactive drought planning and be better prepared for future water shortage events or dry years.

Each county, in accordance with SB 552, is required to have a standing drought task force to facilitate drought and water shortage preparedness for state small water systems (serving 5 to 14 connections), domestic wells, and other privately supplied homes within the county's jurisdiction. Each county must also develop a plan demonstrating the potential drought and water shortage risk and proposed interim and long-term solutions for state small water systems and domestic wells within the county. Both of these requirements may be implemented as part of other existing committees and/or planning processes⁴.

I want to thank you once again for this opportunity to comment on the Grand Jury's recent water report. LAFCO also recently developed a water report that analyzes the nine water agencies in Santa Cruz County. This countywide report is now available on LAFCO's website: <https://santacruzlafco.org/reviews/>. I encourage the Grand Jury to review this report and continue collaborating with LAFCO on these important issues. Feel free to contact me if you have any questions. I can be reached by email (joe@santacruzlafco.org) or by phone (831-454-2055).

Sincerely,



Joe A. Serrano
Executive Officer

⁴ SB 552 Information: <https://water.ca.gov/Programs/Water-Use-And-Efficiency/SB-552#:~:text=SB%20552%20requires%20small%20water,to%20drought%20resilient%20standards%2C%20if>