



SANTA CRUZ COUNTY COMMUNITY DEVELOPMENT & INFRASTRUCTURE PUBLIC WORKS DIVISION

CSA-5 CANON DEL SOL ENGINEER'S REPORT

January 8, 2024

Santa Cruz County Public Works Division
701 Ocean Street, Room 410
Santa Cruz, CA 95060



**CSA-5 Canon del Sol
Treatment Plant**

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Introduction

On August 16, 1972, the Board of Supervisors passed and adopted Resolution number 335-A to Annex Territory designated as Canon del Sol No. 335 to Sand Dollar Beach County Service Area No. 5 County Service Area (CSA) No. 5

CSA No. 5 Canon del Sol consists of 97 sewer connections, 2881 feet of 8-inch and 950 feet of 6-inch gravity sewer main, 28 sewer manholes, 13 cleanouts, a wastewater treatment plant and 26 leach pits. These facilities are operated and maintained by the County of Santa Cruz Department of Public Works' Sanitation Division. Revenues to operate the treatment facility and associated sewer collection system are collected on annual property tax bills from all parcels whose homes are connected to the system.

Appendix A includes a map of CSA No. 5 and Appendix E includes a copy of Resolution no. 399-72 and 335-A.

Current Use of Revenue

Assessment charges on each property are based on an initial estimate of the annual operating cost and expenses for the maintenance and operation of the system, as well as the funding deemed necessary for future capital improvements and reserves (replacement funding). The adopted fiscal year 2023-24 budget showing the currently budgeted revenues and expenditures is given in Appendix D.

Required System Improvements

The following improvements have been deemed necessary by County Sanitation Division staff (Staff):

- In July 2020, Sanitation Operations staff noted that the wood retaining wall next to the wastewater treatment plant was beginning to fail and discussion for repairs began with the Canon del Sol HOA representative and contractors. It was noted that the wood retaining wall was failing as a result of a leaking irrigation valve and the valve was shut off. In 2022, the State Water Board inspectors identified the failing wood retaining in their inspection report. Sanitation Operations initiated an emergency project to repair the retaining wall in September 2023 to prevent a complete failure prior to the winter weather of 2023. Approximately 40 lineal feet of the wood retaining wall was replaced and construction was completed in December 2023 at a cost of approximately \$158,450. Costs for the retaining wall include the temporary removal and relocation of the lab/office shed, soils engineering and construction management oversight. If the retaining wall were to have failed, it would have shifted the lab/office shed into the wastewater treatment plant and emergency hauling of wastewater would have been required to maintain compliance with the State permit.

- The roofing over the blower room is deteriorated and requires replacement to protect the electrical components from weather damage.

Estimated Costs for Improvements

An estimate of the costs required to construct and maintain the described required system improvements are shown in the following table along with a schedule for the improvement:

Capital Improvement	Estimated Cost	FY 23/24	FY 24/25	FY 25/26
Repair retaining wall Durden Construction \$119,600 West Coast Cranes \$3,201 CMG Soils Engineer \$17,216 Construction Management \$18,433	\$158,450	X	X	
Replace roof over blower room	\$2,500			X
Contribution to Reserves	\$0	\$0	\$0	\$0

Charge Calculation and Proposed Charge

The sewer service charge levied on each parcel is based on the direct cost of providing service to the parcels within the boundaries of the CSA. The Santa Cruz County Board of Supervisors approved the current rate charged, which became effective on July 1, 2023. The approved charge is \$1,724.47 per condo dwelling.

The costs to provide sewer service increase over time, so typically rates are raised in accordance with the Consumer Price Index (CPI) annually. However, due to the extent of the improvements that were required and the increase in operation costs, rate increases greater than the CPI should be expected. The sewer service charge for the 2024-25 fiscal year is being proposed by the County to cover the required maintenance and operation.

See attached historical rate increases and proposed rate increases in Appendix D. A significant rate increase is necessary to cover the cost of maintenance and operations expenses as well as funds for the retaining wall repairs.

Proposition 218 Considerations

Proposition 218, which the voters of the State of California passed on November 5, 1996, contains requirements for the imposition of a fee or charge for property related services. Requirements for fees and charges are contained in Section 6 of Article XIII D of the California Constitution.

Paragraph (b) of the law describes the requirements for new, existing, or increased fees and charges, as:

- (1) Revenues shall not exceed the funds required to provide the service.
- (2) Revenues shall not be used for any other purpose.
- (3) The amount of the fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.
- (4) No fee or charge may be imposed unless the service is actually used by or immediately available to the owner of the property in question.
- (5) No fee or charge shall be imposed for general governmental services, i.e., police, ambulance, library, where the service is available to the public at large in substantially the same manner as it is to the property owners.

This report and recommended charges comply with these requirements as follows:

- Revenues generated by this charge will not exceed funds required to provide sewer services and shall not be used for any other purpose, besides what has been described herein.
- The sewer charge is the proportional cost of provided service to the parcels in the CSA and the charge is for actual use or is immediately available to the property in question.

A Service Charge Report (a listing of the Assessor's Parcel Numbers to be levied with the proposed charge amounts) is not contained in this report but will be filed with the County Clerk in an electronic format at least two weeks prior to the April 30, 2024, public hearing regarding the levy and collection of the charges for the 2024-25 fiscal year. The purpose of the April 30, 2024, hearing is for the Board to hear and consider all objections or protests, if any, to the service charge reports. The service charge reports must be approved by the Board and forwarded to the Auditor-Controller by August 10, 2024, to be included on the 2024/2025 property tax roll.

Appendix A

CSA 5 – Canon del Sol Map



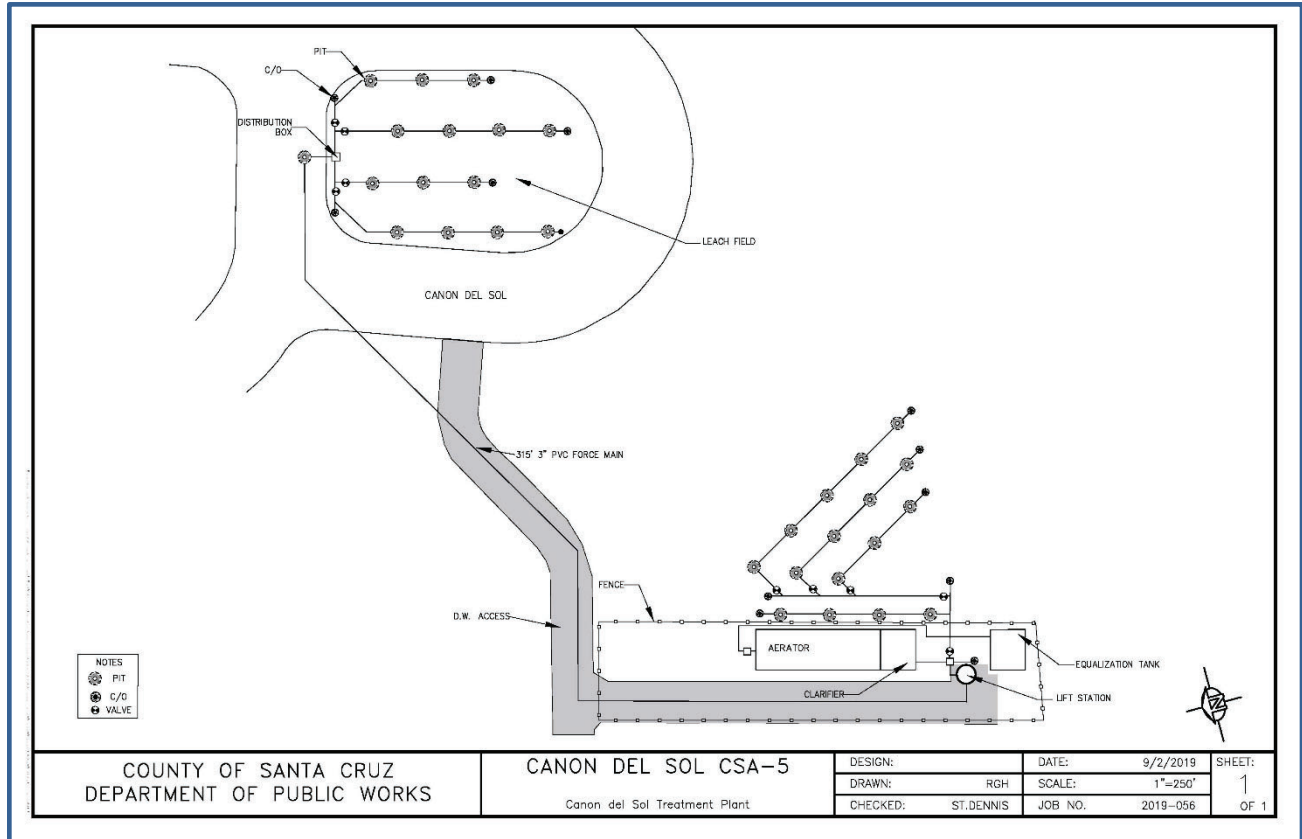
Appendix B

CSA-5 Utility Plan



Appendix C

CSA-5 Leach Field and Treatment Plant Overview Plan



Appendix D

SEWER SERVICE CHARGES HISTORY AND PROJECTIONS

% Rate					Service
Increase	Fiscal Year	Rate	Connections		Revenues
	18/19	\$1,444.02	97		\$138,669.24
4.5%	19/20	\$1,509.00	97		\$144,909.36
2.5%	20/21	\$1,546.73	97		\$148,532.09
2.0%	21/22	\$1,577.66	97		\$151,502.73
4.2%	22/23	\$1,643.92	97		\$157,865.85
4.9%	23/24	\$1,724.47	97		\$165,601.27
20%	24/25	\$2,069.37	97		\$198,721.53
0.0%	25/26	\$2,069.37	97		\$198,721.53

CURRENT AND PROJECTED BUDGET

Description	23/24 Adopted Budget	23/24 Projected Costs	24/25 Proposed Budget	25/26 Proposed Budget
Beginning Balance	\$ 127,945.00	\$ 130,246.27	\$ (27,702.45)	\$ 19.07
Revenues (Sewer Charges)	\$165,601.27	\$165,601.27	\$198,721.53	\$198,721.53
Revenues (Direct Payment)	\$ -	\$ -	\$ -	\$ -
Project # Expenditures (Maintenance & Operations)				
54207 Chemicals	\$ 500.00	\$ 500.00	\$ 500.00	500.00
54208 Electrical M&O	\$ 5,000.00	\$ 4,000.00	\$ 4,000.00	4,000.00
54209 Replacement Pumps	\$ 2,000.00	\$ -	\$ 1,400.00	1,400.00
54210 Sewer M&O	\$ 120,000.00	\$ 135,000.00	\$ 135,000.00	137,700.00
54211 Lab Analysis	\$ 3,000.00	\$ 2,100.00	\$ 2,500.00	2,500.00
54212 Utilities	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00	16,000.00
54218 Pumps and Motors	\$ 2,000.00	\$ -	\$ 1,400.00	1,400.00
54221 Sludge Processing	\$ 3,000.00	\$ 1,100.00	\$ 1,500.00	1,500.00
54222 Leach Field Maintenance	\$ 2,000.00	\$ -	\$ 1,500.00	1,500.00
54223 Cathodic Protection Assessment	\$ 1,000.00	\$ 200.00	\$ 1,000.00	1,000.00
54226 Engineering	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	1,500.00
54227 Permits	\$ 6,500.00	\$ 4,200.00	\$ 4,200.00	4,200.00
54228 Prop 218 Flyer, Mail, Postage	\$ 200.00	\$ 200.00	\$ 200.00	200.00
54231 Accounting & Audit Fees	\$ 600.00	\$ 300.00	\$ 300.00	300.00
54232 Retaining Wall Repair	\$ -	\$ 158,450.00	\$ -	-
Expenditures Subtotal (M&O)	\$ 163,300.00	\$ 323,550.00	\$ 171,000.00	\$ 173,700.00
Expenditures (Improvements)				
54215 Capital Replacement Reserve	\$0.00	\$0.00	\$0.00	\$0.00
NEW Blower Roof Replacement			\$0.00	\$2,500.00
Expenditures Subtotal (Improvements)	\$0.00	\$0.00	\$0.00	\$2,500.00
Expenditures Total	\$163,300.00	\$323,550.00	\$171,000.00	\$176,200.00
Ending Balance	\$ 130,246.27	\$ (27,702.45)	\$ 19.07	\$ 22,540.60

Appendix E

CSA 5 Formation Resolutions

B

1/12/96

2354

STATEMENT OF FUNCTIONS AND SERVICES

DISTRICT: CSA 5 Sand Dollar/Canyon del Sol

On January 4, 1995, this district was providing the following functions and services:

<u>FUNCTION</u>	<u>SERVICES</u>	<u>STATE CODE SECTIONS</u>
☐ Cemeteries	☐ Cemeteries	
☐ Fire and All Emergency Medical Services	☐ Fire protection ☐ First response, basic life support ☐ First response, paramedic ☐ Patient transport ☐ Hazardous materials (including administration and response) ☐ Rescue services ☐ Disaster planning and response ☐ Weed abatement	
☐ Flood Control	☐ Flood control	
☒ Harbor	☐ Harbor facilities and services ☒ Public access (beach access) ☐ Safety ☐ Visitor services	
☒ Parks and Recreation	☒ Park acquisition ☒ Development ☒ Operation and maintenance ☐ Recreational and educational activities	
☐ Pest and Vector Control	☐ Pest and vector control	
☒ Police	☒ Police ☒ Security patrols	
☐ Public Transportation	☐ Land transportation	
☒ Roads, Streets and Highways	☒ Road improvement ☒ Road maintenance ☒ Road landscaping ☐ School crossing guards	Government Code Section 25210

Statement of Functions and Services (continued)

<u>FUNCTION</u>	<u>SERVICES</u>	<u>STATE CODE SECTIONS</u>
☒ Sewer	☒ Sewage collection ☒ Sewage transportation ☒ Sewage treatment ☒ Sewage reclamation ☒ Sewage disposal ☐ Septic tank maintenance	
☐ Soil Conservation	☐ Soil conservation	
☐ Solid Wastes	☐ Waste collection ☐ Waste disposal ☐ Recycling ☐ Litter control ☐ Graffiti control	
☒ Street Lighting	☒ Street lighting	
☒ Water	☒ Water supply ☒ Water treatment ☒ Water distribution	
☐ Water Management	☐ Groundwater management ☐ Surface Water management ☐ Conservation and education	

Additional Information

- ☒ Additional information is attached to explain the categories checked above.
- ☐ No additional information is attached.

Certification

Signature: Susann Eggberg

Printed or typed name: Susann Eggberg

Title: CSA Administrator

District: Co Service Areas

Date: Jan 12, 1996

Please return the completed form to the LAFCO office. An envelope is provided.

RESOLUTION NO. 399-72

On motion of Supervisor Sanson
seconded by Supervisor Forbus
The following Resolution is adopted:

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY
OF SANTA CRUZ ESTABLISHING AN ADDITIONAL EXTENDED
SERVICE IN SAND DOLLAR BEACH COUNTY SERVICE AREA NO. 5

WHEREAS this Board of Supervisors has heretofore, by Resolution No. 338-67 adopted May 31, 1967, established Sand Dollar Beach County Service Area No. 5 to provide extended services, and that the boundaries of said Sand Dollar Beach County Service Area No. 5 are described in a legal description marked Exhibit "A" attached hereto and by this reference made a part of this Resolution; and

WHEREAS this Board of Supervisors did, on its own motion, adopt a Resolution of Intention to provide the additional extended service of structural fire protection within said County Service Area No. 5 and for that purpose fixed a time and place for public hearing on said resolution; and

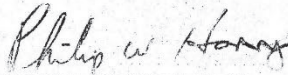
WHEREAS, at the time and place fixed and upon notice duly given as required by law, a public hearing was held at which no protests were received;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Supervisors of Santa Cruz County that structural fire protection be, and it hereby is, established as an extended service in Sand Dollar Beach County Service Area No. 5 and that a tax sufficient to pay for such extended service will be

levied annually upon all taxable property within such area,

PASSED AND ADOPTED THIS 24th day of October 1972, by
the following vote:

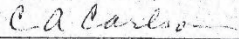
AYES: Supervisors Forbus, Mello, Sanson, Cress, Harry
NOES: Supervisors None
ABSENT: Supervisors None



PHILIP W. HARRY
Chairman, Board of Supervisors
County of Santa Cruz

Attest: TOM M. KELLEY
Clerk of the Board

Approved as to form:


County Counsel

Distribution: LAFC ✓
Public Works
Auditor
County Counsel

STATE OF CALIFORNIA] SS
COUNTY OF SANTA CRUZ

I, TOM M. KELLEY, County Clerk and ex-officio
Clerk of the Board of Supervisors of the County of
Santa Cruz, State of California, do hereby certify that
the foregoing is a true and correct copy of a resolution
passed and adopted by and entered in the minutes of
the Board of Supervisors.

In Witness whereof I have hereunto set my hand and
affixed the seal of the said Board, on October 24, 1972

TOM M. KELLEY, County Clerk

By  Deputy

RESOLUTION NO. 196-A

On motion of Commissioner Sanson

seconded by Commissioner Harry

The following Resolution is adopted:

RESOLUTION OF THE SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND AUTHORIZING PROCEEDINGS TO ADD STRUCTURAL
FIRE PROTECTION TO THE POWERS OF COUNTY SERVICE AREA NO. 5

The Santa Cruz Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE
AND ORDER as follows:

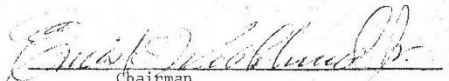
1. A petition for the addition of Structural Fire Protection to the powers of Sand Dollar Beach County Service Area No. 5 was heretofore filed with the Executive Officer of this Commission; The County of Santa Cruz is designated as the conducting agency; and the Board of Supervisors of said County is hereby authorized to conduct proceedings in compliance with this resolution and must commence said proceedings within 70 days of the date of this Resolution.
2. The Executive Officer of this Commission has examined said petition and executed his certificate determining and certifying that said petition is sufficient; has given notice of public hearing by this Commission upon said petition in the form and manner provided by law; and has reviewed said petition and has prepared a report, including his recommendations, thereon, and has presented the same before this Commission for consideration.
3. The public hearing by this Commission was held on September 20, 1972, being the time and date, and at the place specified in said notice of public hearing, and at such hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented, or filed.
4. The approval of such additional power is conditioned upon the following terms and conditions: None.

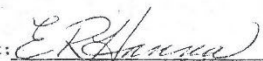
PASSED AND ADOPTED by the Local Agency Formation Commission of the County of Santa Cruz this 20 day of Sept., 1972 by the following vote:

AYES: Commissioners Sanson, Harry, Wicklund, Haber

NOES: Commissioners

ABSENT: Commissioners Walker


Chairman
Santa Cruz Local Agency Formation Commission

Attest: 
E. R. Hanna, Executive Officer

Job No. 16934

Drawn by TPW

Checked by GRD

August 9, 1972

George R. Dunbar
L. S. 3666

DESCRIPTION OF SANDDOLLAR BEACH COUNTY SERVICE AREA NO. 5

PARCEL A

SITUATE IN THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

BEING a part of lands conveyed to Santa Cruz Land Title Company by deed recorded in Volume 1629 of Official Records at Page 447, Santa Cruz County Records, and more particularly described as follows, to wit:

BEGINNING at the Southern corner of Tract No. 477, Sand Dollar Beach Subdivision, as shown on map filed in Volume 50 of Maps at Page 5, Santa Cruz County Records; thence from said point of beginning along the Southeastern boundary of said Tract, North 23° 05' 30" East 1071.24 feet; thence North 40° 56' 43" East 114.28 feet to the Eastern corner of said Tract on the Eastern boundary of Sand Dollar Beach Drive (formerly known as Linda Vista Drive); thence along said last mentioned boundary Easterly curving to the left from a tangent bearing South 88° 52' 20" East with a radius of 43 feet through an angle of 109° 30' a distance of 82.18 feet to a point of reverse curvature; thence Northerly curving to the right with a radius of 29 feet through an angle of 41° 28' 20" a distance of 20.99 feet to a point of tangency; thence North 23° 06' East 304.45 feet to the Northeastern boundary of said lands conveyed to Santa Cruz Land Title Company; thence along said last mentioned boundary South 66° 54' East 1205.98 feet to the Eastern corner thereof; thence along the Southeastern boundary of said last mentioned lands South 22° 34' West 808.14 feet; thence South 68° 01' West 1434.37 feet to the Southern corner of said lands; thence along the Southwestern boundary of said lands North 21° 03' West 350.93 feet to the place of beginning.

SURVEYED AUGUST, 1972, BY BOWMAN & WILLIAMS, REGISTERED CIVIL ENGINEERS. JOB NO. 16934.

PARCEL B - All of Sand Dollar Beach County Service Area No. 5 as on file with the State Board of Equalization on August 16, 1972.

EXHIBIT "A" LAFC RESOLUTION NO. 335-A

that if the supply were not sufficient, he had agreed to pay for any wells required to supply the need; that he had also agreed to install his own sewage disposal system and turn it over to the City for operation; and that he did not feel they were treated fairly by the Executive Officer.

Discussion among Commissioners reflected that they felt the annexation would be premature since there would be difficulty servicing the area.

Action On motion of Commissioner Sanson, seconded by Commissioner Walker, the petition for annexation of Sand Hill No. 327 to the City of Scotts Valley was denied.

PUBLIC HEARING Danube Drive No. 332 Annexation to the Aptos Sanitation District

The Executive Officer explained that he was recommending this two-lot annexation because of septic tank difficulty wherein the petitioner cannot be granted a repair permit since he is within 200 feet of a sanitary sewer.

Action On motion of Commissioner Sanson, seconded by Commissioner Haber, Resolution No. 332, consenting to annexation proceedings, was approved.

PUBLIC HEARING Glenwood No. 333 Annexation to the Soquel Creek County Water District

The Executive Officer presented his report stating that the Glenwood project is a part of the Santa Cruz County Master Water Plan scheduled for construction about 1986, and the service area is to be the coastal plain between Santa Cruz and La Selva with interties to Santa Cruz and Watsonville. The Master Water Plan was based on the assumption that agencies concerned would develop the legal and administrative techniques necessary for cooperative water resources development and utilization; this has not been done, and denial of the petition was recommended by the Executive Officer on that basis.

Bob Bosso, Counsel for the Soquel Creek County Water District, by use of a wall map, pointed out the boundaries of the Glenwood site. Mr. Bosso stated that the Glenwood site was necessary to service the Soquel plain, and the District Directors would like to follow this plan as closely as possible. A \$5,000,000 revenue bond issue will be before the District voters next year to begin land purchase in 1973, and site acquisition could be expedited if the area were within the District.

Ken Izant, President of the Board of Directors of the Soquel Creek Water District stressed necessity of the site purchase before the price is any higher.

Jack Hinds, Manager of the Scotts Valley County Water District, opposed annexation stating that this site is the last possible source of surface water for his district, and they will need the dam to insure their future supply. The Hearing was closed.

Action On motion of Commissioner Sanson, seconded by Commissioner Harry, a finding on the annexation of Glenwood No. 333 to the Soquel Creek County Water District will be made at the September meeting.

PUBLIC HEARING Canon del Sol No. 335 and 335-A Annexations to County Service Area No. 5 and Soquel Creek County Water District

The Executive Officer presented his report and told Commissioners that a similar petition known as Canyon No. 280 had previously been approved by the Commission but was not completed due to the refusal of the La Selva Fire District to annex and assume fire protection responsibility for the

development. The developer has now proposed that his tract, along with the Sand Dollar Beach tract, be placed in a County Service Area for fire protection with equipment and fire department housing to be located at Monterey Bay Academy where personnel will be available as volunteer firemen.

The proposal further stipulates that sewer and water services will be integrated with Sand Dollar Beach County Service Area 5 with water service handled by the Soquel Creek County Water District. The County Planning Commission has approved this proposal with the stipulation that the tract make these annexations prior to filing of the final map.

Bob Johnson, Manager of the Soquel Creek County Water District said that the Board of Directors has voted to service the area in question.

Action On motion of Commissioner Walker, seconded by Commissioner Sanson, Resolutions No. 335 and 335-A, consenting to annexation proceedings, were adopted with the provision that the Executive Officer notify Planning and the other involved agencies in writing that there will be no occupancy until the Board of Supervisors has approved the fire protection plan.

OTHER Time Extension for Graham 304 and 304-A and Mt. Harmon Road No. 325 and
BUSINESS 325-A

The Executive Officer reported that Andrew Thice, consultant for the Scotts Valley County Water District had submitted his report on the "Possible Revenue Effects of Detachment of one or more water users or Land Area from the San Lorenzo Valley County Water District," and asked that the districts be given another month to work out the details of the terms and conditions.

Action On motion of Commissioner Harry, seconded by Commissioner Walker, an extension of one month was granted to fulfill the terms and conditions of Resolution 304, 304-A, 325 and 325-A.

OTHER Resolution No. 97-E Extending time for Initiation of Proceedings
BUSINESS

The Executive Officer read Resolution No. 97-E which requests that hereafter all Resolutions of the Commission consenting to proceedings for a change of organization under the District Reorganization Act shall stipulate that the conducting agency must initiate proceedings in compliance with the Commission Resolution within 70 days of the date of approval by the Commission.

Action On motion of Commissioner Walker, seconded by Commissioner Sanson, Resolution No. 97-E, extending time for initiation of proceedings to 70 days, was approved.

OTHER Recording of 30th Avenue No. 289 to the East Cliff Sanitation District
BUSINESS

This area has been annexed but not recorded due to the Commission's freeze on annexations. Apartment units in the area have been connected to sewers for several years and pay no sewer tax. Now a residence has developed septic tank problems and cannot be granted a repair permit. Bare land in the area cannot now receive connection permits.

Action On motion of Commissioner Harry, seconded by Commissioner Walker, the matter of recording 30th Avenue No. 289 to the East Cliff Sanitation District was continued for one month.

COUNTY SERVICE AREA NO. 5 (SAND DOLLAR)

County Service Area No. 5 is located south of the community of La Selva Beach at Monterey Bay. This CSA was established in 1970 and provides maintenance service for water and sewer systems. There are 193 Assessor's Parcels in this CSA. Eight of the parcels (those which do not have improvements) are not charged for water and sewer services. Six of these parcels are owned by the Sand Dollar Beach Home Owners, Sand Dollar Beach Property, or the Soquel Creek Water District. Parcels in Sand Dollar Beach are charged for sewer and water services, while parcels in Canon del Sol are charged fees only for sewer services. There are no proposed development projects in the area of CSA No. 5 or plans to expand CSA services.

The Santa Cruz County General Plan land-use designation for the entire CSA is Urban Low Residential (5,000-20,000 square feet/acre). Property surrounding the CSA to the northwest has a general plan land-use designation of Rural Residential (2.5-20 acres/dwelling unit), while property to the east is designated for Park and Recreation uses. County Service Area No. 5 is supported by service charges; the 1987-88 fees were \$190.00 or \$265.00 depending upon the services provided. The fiscal year budget was \$41,675.00.

County Service Area No. 5 provides maintenance and operation of water and sewer systems for the 87 parcels in the Sand Dollar Beach development. The County Public Works Department is in the process of applying for a Safe Drinking Water Grant for CSA No. 5. This funding would be used to extend lines and pay annexation fees to connect homes in CSA No. 5 to the Soquel Creek Water District system. Discussion with the staff at the Public Works Department indicated that the state ranked this improvement to CSA No. 5 as a low priority. Thus, securing grant funding would be unlikely within the near term. The waste-water treatment system for Sand Dollar Beach was recently upgraded with an equalization tank. The tank was installed to ensure a more consistent level of waste-water treatment to accommodate population fluctuations from vacation rentals and homes.

County Service Area No. 5 also provides maintenance and operation of the sewer system for 106 existing and planned residences in the Canon del Sol development. Improvements to the existing waste-water treatment system are being included in the final phase improvements. The waste-water treatment system is being upgraded to ensure a consistent level of waste-water treatment regardless of population fluctuations from vacation rentals and homes.

ENVIRONMENTAL CONSIDERATIONS

Future land use is expected to be similar to present land use but intensified. Agricultural land to the northwest and park land to the southeast of the district, as well as open-space lands, will not be affected by a status-quo sphere-of-influence recommendation.

Since no change is recommended, this sphere consideration is exempt under the provisions of the California Environmental Quality Act (CEQA). Specifically, it is exempt under Class 20 of the state CEQA guidelines:

Class 20: Changes in Organization of Local Agencies

Class 20 consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised.

SUMMARY OF RECOMMENDATIONS

Before a sphere-of-influence determination can be made by the Local Agency Formation Commission (LAFCO), CEQA requires that LAFCO consider the environmental impact of such designation.

This report recommends a status quo sphere of influence for the territory encompassed by County Service Area No. 5 in Santa Cruz County. Adoption of the recommended sphere will not result in the addition of territory to the district. Since no change is recommended, this sphere consideration is categorically exempt under the provisions of CEQA.

Having reviewed all of the information contained within this report, it is respectfully recommended that LAFCO:

By Motion:

- Determine this project to be categorically exempt from the provisions of CEQA under the authority of section 15320 of the state CEQA guidelines;
- Determine that the sphere-of-influence determination will in and of itself have no significant effect on the environment.

By Resolution:

- Approve Resolution No. 727-5 to adopt a status quo sphere of influence for the Sand Dollar County Service Area.

EXHIBIT A

Santa Cruz LAFCO
Resolution No. 727-5
Sphere of Influence Determinations
Sand Dollar--County Service Area No. 5

The following determinations are made pursuant to sections 56076, 56301, 56378, and 56425 of the Cortese/Knox Local Government Reorganization Act for designation of the area shown on the attached map as the Sphere of Influence for County Service Area No. 5 (Sand Dollar).

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

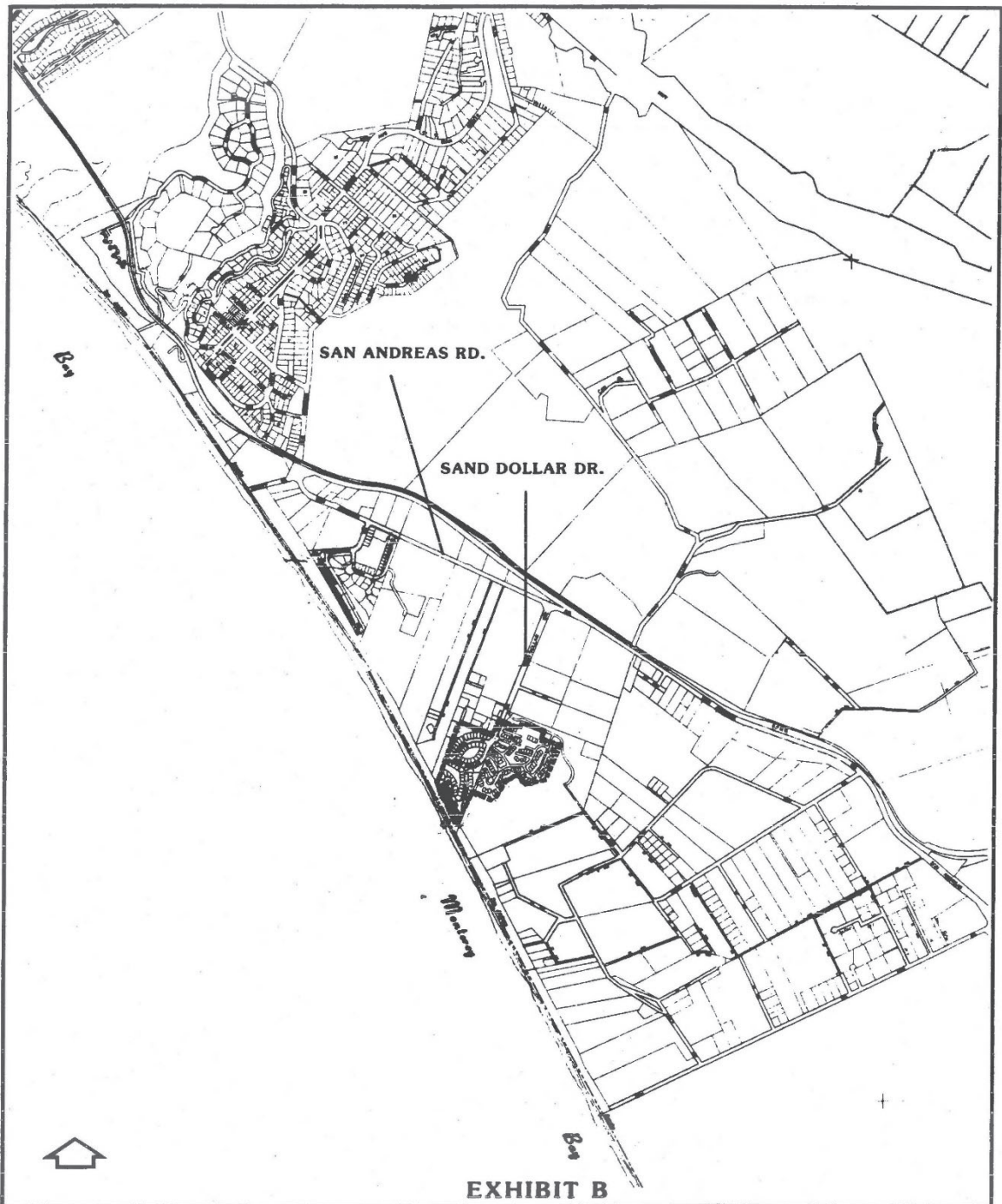
DETERMINATION: The territory encompassed by CSA No. 5 is within the County of Santa Cruz General Plan area and is designated as Urban Low Residential (5,000-20,000 square feet/acre). Future land uses are expected to be similar. Agricultural and open-space lands will not be affected by a status quo sphere of influence.

- (2) The present and probable need for public facilities and services in the area, and
- (3) The present capacity of public facilities and adequacy of public service which the agency provides or is authorized to provide.

DETERMINATION: Owners of property within the boundaries of this CSA desire particular services that are of local benefit. The need, capacity, and adequacy of services provided by the CSA are determined on an annual basis by the residents in the CSA and representatives of the county. The wastewater treatment system for Canon Del Sol has been designed to provide capacity for planned future growth. There is presently no other agency that could provide equal or better service to the district.

- (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.

DETERMINATION: Social or economic communities of interest are not relevant in determining the sphere of influence for this CSA.



EMC Planning
Group Inc.
A Land Use Planning
and Design Firm

**SANTA CRUZ LAFCO
SAND DOLLAR**

**CSA NO.
5**

RESOLUTION NO. 335

On motion of Commissioner Sanson

seconded by Commissioner Walker

The following Resolution is adopted:

RESOLUTION OF THE SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
MAKING DE TERMINATIONS AND AUTHORIZING PROCEEDINGS TO ANNEX
TERRITORY DESIGNATED AS CANON DEL SOL NO. 335 TO SAND DOLLAR
BEACH COUNTY SERVICE AREA NO. 5

The Santa Cruz Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE
AND ORDER as follows:

1. A petition for the proposed annexation of certain territory to the Sand Dollar Beach County Service Area No. 5 was heretofore filed with the Executive Officer of this Commission; said territory is assigned the short form designation of "Canon del Sol No. 335;" the County of Santa Cruz is designated as the conducting agency; and the Board of Supervisors of said County is hereby authorized to conduct proceedings in compliance with this resolution.
2. The Executive Officer of this Commission has examined said petition and executed his certificate determining and certifying that said petition is sufficient; has given notice of public hearing by this Commission upon said petition in the form and manner provided by law; and has reviewed said petition and has prepared a report, including his recommendations, thereon, and has presented the same before this Commission for consideration.
3. The public hearing by this Commission was held on August 16, 1972, being the time and date, and at the place specified in said notice of public hearing, and at such hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented, or filed.
4. Said territory is found to be uninhabited for purposes of annexation.
5. The boundaries set forth in the petition of territory to be annexed are approved as submitted.
6. The approval of such annexation is conditioned upon the following terms and conditions:

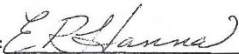
"NONE"

7. Waiving of Notice and Hearing before the conducting agency in conformance with provisions of Section 56261 of the Government Code, is approved.

PASSED AND ADOPTED by the Local Agency Formation Commission of the County of Santa Cruz this 16th day of August, 1972 by the following vote:

AYES: Commissioners Harry, Wicklund, Haber, Sanson, Walker
NOES: Commissioners
ABSENT: Commissioners


Chairman
Santa Cruz Local Agency Formation Commission

Attest: 
E. R. Hanna, Executive Officer

Distribution: Public Works

RESOLUTION NO. 335-A

On motion of Commissioner Sanson

seconded by Commissioner Walker

The following Resolution is adopted:

RESOLUTION OF THE SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND AUTHORIZING PROCEEDINGS TO ANNEX
TERRITORY DESIGNATED AS CANON DEL SOL NO. 335-A TO THE SOQUEL
CREEK COUNTY WATER DISTRICT

The Santa Cruz Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. A petition for the proposed annexation of certain territory to the Soquel Creek County Water District was heretofore filed with the Executive Officer of this Commission; said territory is assigned the short form designation of "Canon del Sol No. 335-A;" the Soquel Creek County Water District is designated as the conducting agency; and the Board of Directors of said District is hereby authorized to conduct proceedings in compliance with said resolution.
2. The Executive Officer of this Commission has examined said petition and executed his certificate determining and certifying that said petition is sufficient; has given notice of public hearing by this Commission upon said petition in the form and manner provided by law; and has reviewed said petition and has prepared a report, including his recommendations, thereon, and has presented the same before this Commission for consideration.
3. The public hearing by this Commission was held on August 16, 1972, being the time and date, and at the place specified in said notice of public hearing, and at such hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented, or filed.
4. Said territory is found to be inhabited for purposes of annexation.
5. The boundaries set forth in the petition of territory to be annexed are approved as amended to include all of Sand Dollar Beach County Service Area No. 5.
6. The approval of such annexation is conditioned upon the following terms and conditions:

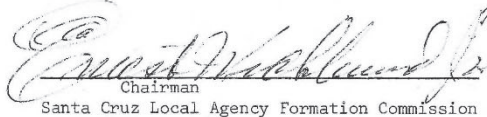
"NONE"

PASSED AND ADOPTED by the Local Agency Formation Commission of the County of Santa Cruz this 16th day of August, 1972 by the following vote:

AYES: Commissioners Harry, Wicklund, Haber, Sanson, Walker

NOES: Commissioners

ABSENT: Commissioners


Chairman
Santa Cruz Local Agency Formation Commission

Attest: 
E. R. Hanna, Executive Officer

Distribution: Soquel Creek Co. Water Dist.

RESOLUTION NO. 280-A

On motion of Commissioner Forbus
seconded by Commissioner Sanson
The following Resolution is adopted:

RESOLUTION OF THE SANTA CRUZ LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND AUTHORIZING PROCEEDINGS TO ANNEX
TERRITORY DESIGNATED AS CANYON NO. 280-A TO COUNTY SERVICE AREA
NO. 5

The Santa Cruz Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE
AND ORDER as follows:

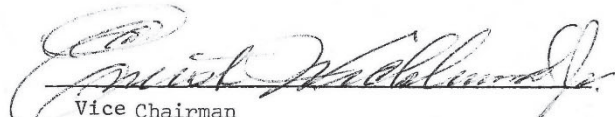
1. A petition for the proposed annexation of certain territory to County Service Area No. 5 was heretofore filed with the Executive Officer of this Commission; said territory is assigned the short form designation of Canyon No. 280-A; the County of Santa Cruz is designated as the conducting agency; and the Board of Supervisors of said County is hereby authorized to conduct proceedings in compliance with this resolution.
2. The Executive Officer of this Commission has examined said petition and executed his certificate determining and certifying that said petition is sufficient; has given notice of public hearing by this Commission upon said petition in the form and manner provided by law; and has reviewed said petition and has prepared a report, including his recommendations, thereon, and has presented the same before this Commission for consideration.
3. The public hearing by this Commission was held on May 19, 1971 being the time and date, and at the place specified in said notice of public hearing, and at such hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented, or filed.
4. Said territory is found to be uninhabited for purposes of annexation.
5. The boundaries set forth in the petition of territory to be annexed are approved as submitted.
6. The approval of such annexation is conditioned upon the following terms and conditions: "None."
7. Waiving of Notice and Hearing before the conducting agency in conformance with provisions of Section 56261 of the Government Code is approved.

PASSED AND ADOPTED by the Local Agency Formation Commission of the County of Santa Cruz this 21st day of July 1971 by the following vote:

AYES: Commissioners Forbus, Haber, Wicklund, Walker

NOES: Commissioners none

ABSENT: Commissioners Sanson


Vice Chairman
Santa Cruz Local Agency Formation Commission

Attest: 
E. R. Hanna, Executive Officer

