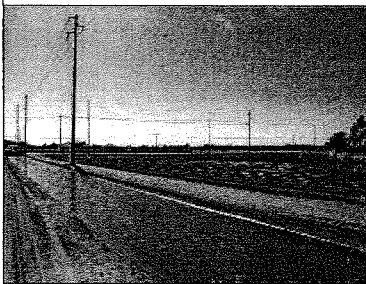
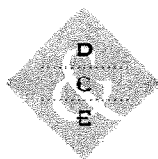


ADOPTED
AUGUST 24, 2005

HUGHSON MUNICIPAL SERVICE REVIEW



Prepared by the City of Hughson | May 27, 2005
for Stanislaus LAFCO



DESIGN, COMMUNITY & ENVIRONMENT

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I INTRODUCTION

This Municipal Service Review (MSR) was prepared by City of Hughson for Stanislaus County Local Agency Formation Commission (LAFCO) in compliance with the 2000 Cortese-Knox-Hertzberg Act, which requires each LAFCO to prepare an MSR for each service provider with a Sphere of Influence (SOI). This MSR will be used by Stanislaus LAFCO when updating the Hughson SOI in response to the City's 2005 General Plan update, anticipated to be adopted in 2005.

State law requires the MSR to make nine written determinations. This document has been organized by each of these topics, as follows:

- ◆ Infrastructure Needs and Deficiencies
- ◆ Growth and Population Projections for the Affected Area
- ◆ Financing Constraints and Opportunities
- ◆ Cost Avoidance Opportunities
- ◆ Opportunities for Rate Restructuring
- ◆ Opportunities for Shared Facilities
- ◆ Government Structure Options
- ◆ Evaluation of Management Efficiencies
- ◆ Local Accountability and Governance

A. *Sphere of Influence*

As mentioned above, the City of Hughson is undertaking a comprehensive update to its General Plan. The 2005 General Plan will identify land to provide for potential growth during the next 20 years. The Housing Element was adopted separately in 2004 to comply with State requirements.

As part of the General Plan update process, the City found that much of the land within its existing LAFCO-approved SOI was already proposed for development and there was the need to expand the SOI to appropriately plan for growth that could occur by 2025. The city-proposed SOI outside the city limits consists of approximately 1.6 square miles and includes an

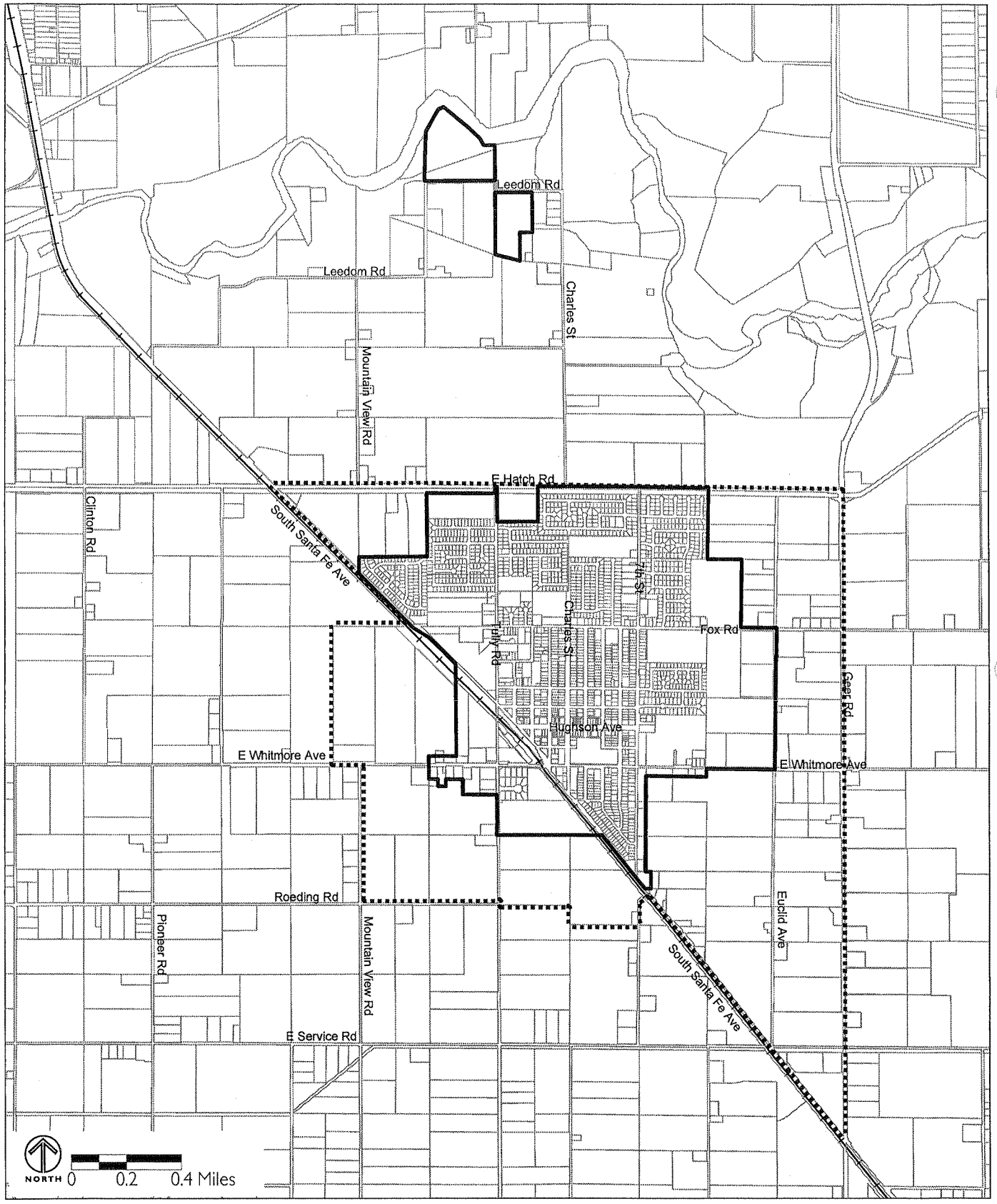
agricultural buffer between Euclid Avenue and Geer Road. Figure 1-1 depicts the current city limits and SOI identified in the City's 2005 General Plan, while Figure 1-2 depicts the proposed changes from the LAFCO-adopted SOI and the 2005 General Plan SOI.

The City has divided its proposed SOI into a Primary SOI and an Ultimate SOI, as shown in Figure 1-3. The Primary SOI is the area where the City generally anticipates growth to occur through 2015, while a portion of the Ultimate SOI is the area anticipated to develop between 2015 and 2025. As described below, minimal development is anticipated within the agricultural buffer included in the Ultimate SOI.

a. Primary Sphere of Influence



The Primary SOI consists of areas closest to the existing city limits, targeted for development before other parts of the SOI. To the northeast of the railroad, the Primary SOI is located north of Whitmore Avenue, south of Hatch Road and west of Euclid Avenue, and encompasses a limited amount of residential land to the south of Whitmore Avenue. These areas were included in the Primary SOI for the following reasons:

- ◆ They are contiguous with existing urban uses where urban services are already available, which will allow for the well-planned expansion of services, consistent with good growth management practices.
- ◆ They allow for a range of housing, retail and employment opportunities to help provide a balance of housing and jobs within Hughson. This is important since so many residents currently have to travel out of the community to find employment and shop, so there is a need for new employment and retail opportunities. The additional homes will also help to support the new commercial uses, which along with additional local jobs, will provide needed sales tax revenue for the City.
- ◆ As shown in Figure 1-4, the areas are generally less restricted by Williamson Act contracts.

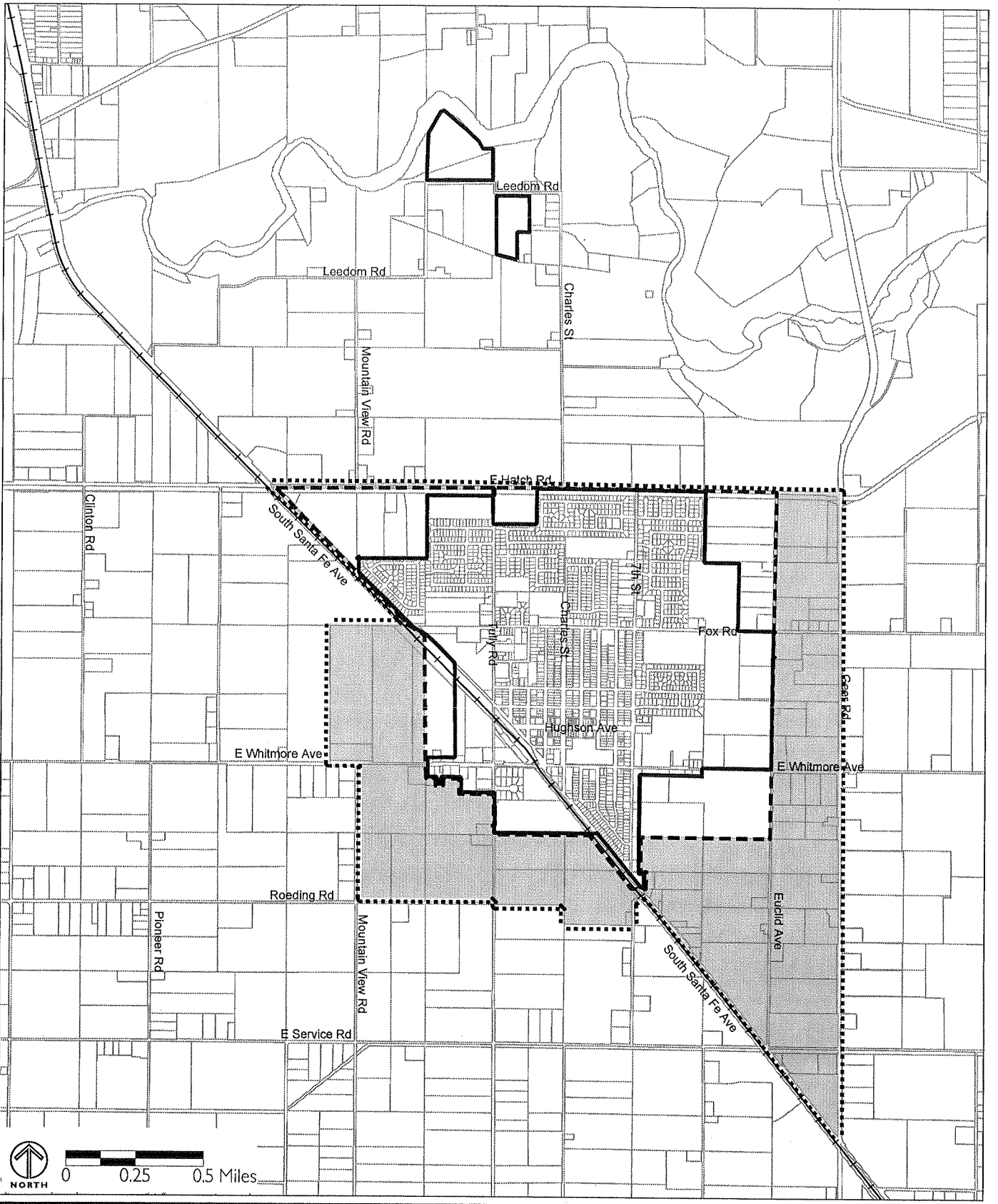


Data Source: Stanislaus County GIS, City of Hughson

FIGURE 1-1





-  Sphere Of Influence
-  City Limits

CITY LIMIT AND SPHERE OF INFLUENCE

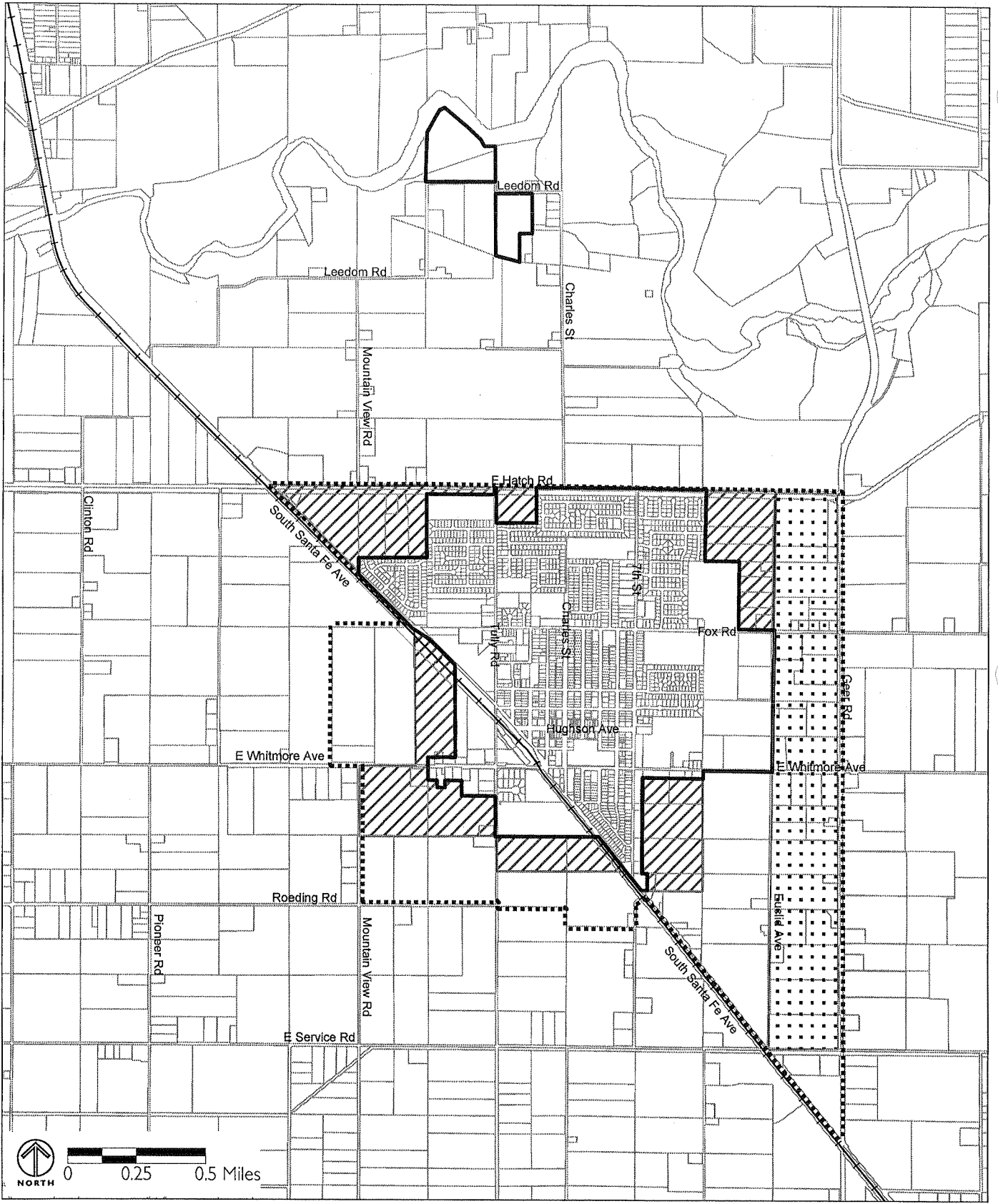


Data Source: Stanislaus County GIS, City of Hughson

FIGURE 1-2





-  General Plan Sphere of Influence
-  LAFCO-adopted Sphere Of Influence
-  City Limits
-  New Area Added to Sphere of Influence

**SPHERE OF INFLUENCE
BOUNDARY CHANGES**



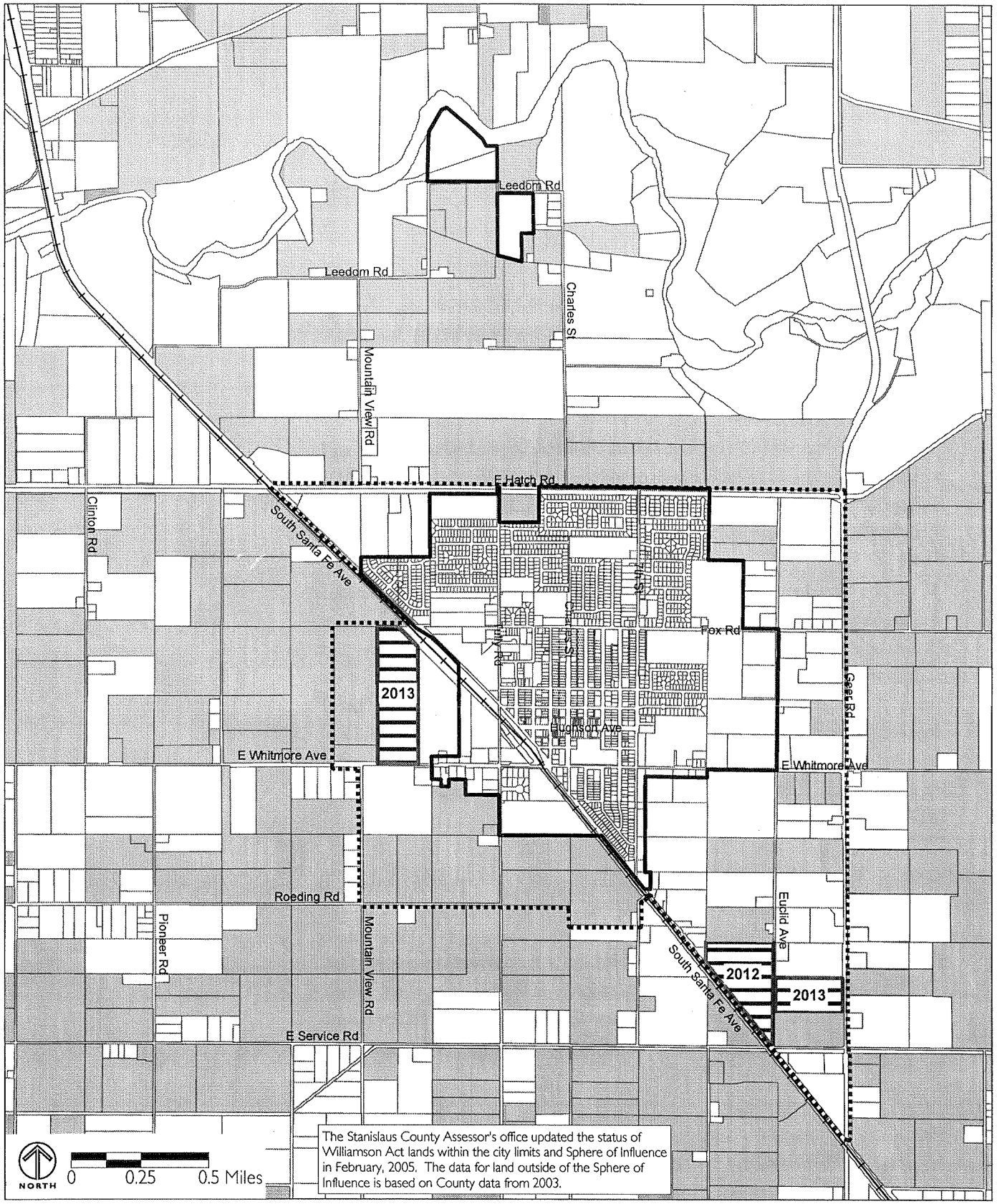
Data Source: Stanislaus County GIS

FIGURE 1-3

-  Primary Sphere of Influence
-  Ultimate Sphere of Influence
-  City Limits
-  Agricultural Buffer





**PRIMARY AND ULTIMATE
SPHERE OF INFLUENCE**

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Data Source: Stanislaus County GIS (2000); Stanislaus County Assessor (2005).

FIGURE 1-4

-  **Williamson Act: active contract**
-  **Williamson Act: in non-renewal (and expiration year)**
-  **City Limits**
-  **Sphere Of Influence**

WILLIAMSON ACT LANDS

To the southwest of the railroad tracks, within the industrial area, the Primary SOI is designed to avoid leapfrog development by including parcels adjacent to existing industrial uses.

b. Ultimate Sphere of Influence

The City's Ultimate SOI is comprised of the remainder of the total SOI and contains the rest of the land south of Whitmore Avenue, the outer ring of industrial land to the southwest of the railroad, and the agricultural buffer between Euclid Avenue and Geer Road.

While the City does not anticipate urban development within the agricultural buffer located between Euclid Avenue and Geer Road during the 20-year planning period, it has included the buffer area in its SOI to ensure that the City has control over future proposed development so that it occurs in an orderly and controlled manner and does not result in County sprawl. This is especially important since much of the buffer area is not subject to Williamson Act contracts, and therefore, has the potential to convert to urban uses. In addition, the County has already allowed several agricultural-related industrial and commercial uses along the Geer Road corridor.

B. California Environmental Quality Act

Since this MSR is an informational document used for future actions that LAFCO or the City have not approved, adopted or funded, it is considered to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 of the CEQA Guidelines. A notice of exemption pursuant to CEQA will be prepared by LAFCO.

2 INFRASTRUCTURE NEEDS AND DEFICIENCIES

The purpose of this section is to evaluate infrastructure needs and deficiencies for services provided by Hughson, especially as they relate to current and future users.

This section of the MSR will address the provision of the following public services, some of which are directly provided by the City and others which are provided through contract or by special district:

- ◆ Fire Protection
- ◆ Law Enforcement
- ◆ Water Supply and Treatment
- ◆ Wastewater Collection and Treatment
- ◆ Stormwater Drainage
- ◆ Roadways and Circulation System

In order to approve a change to the SOI and annexation of land into the city, LAFCO must determine that the necessary infrastructure and public services exist to support the new uses at comparable service levels. This section supports this determination.

A. *Fire Protection*

Fire protection and emergency medical services are handled by a combination of service providers, with Hughson Fire Protection District and Hughson Paramedic Ambulance Company providing the majority of emergency response services, as outlined below.

1. **Hughson Fire Protection District**

The Hughson Fire Protection District (FPD), which was established in 1915, is responsible for the primary provision of fire service and emergency medical response for Hughson and its residents. The district area services approximately 10,000 people throughout about 35 square miles in and around the

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INFRASTRUCTURE NEEDS AND DEFICIENCIES

city.¹ District staff consists of a full-time Fire Chief and 25 to 30 volunteers, and is administered by an elected board of three directors, which is elected by voters within the District boundaries.² Volunteers are required to complete at least 240 hours of training per year.³

As of May 2004, the maximum response time to emergency calls was three to five minutes, which affords the District a Class IV level by the Insurance Services Organization.⁴ The most frequent calls are for emergency medical assistance.⁵ The District's only station is located at 2315 Charles Street, in downtown Hughson, as shown on Figure 2-1.

The District currently has the following fire protection and emergency response vehicles:

- ◆ Three Type-1 engines
- ◆ Two Type-3 engines
- ◆ One Type-1 water tender
- ◆ One command vehicle
- ◆ One rescue boat⁶

¹ Berner, Scott. Fire Chief, Hughson Fire Protection District. Personal communication with Lisa Fisher and Catherine Reilly, DC&E. February 1 and April 12, 2005 and www.hughson-ca.com/hvfd/index.htm, accessed January 5, 2005.

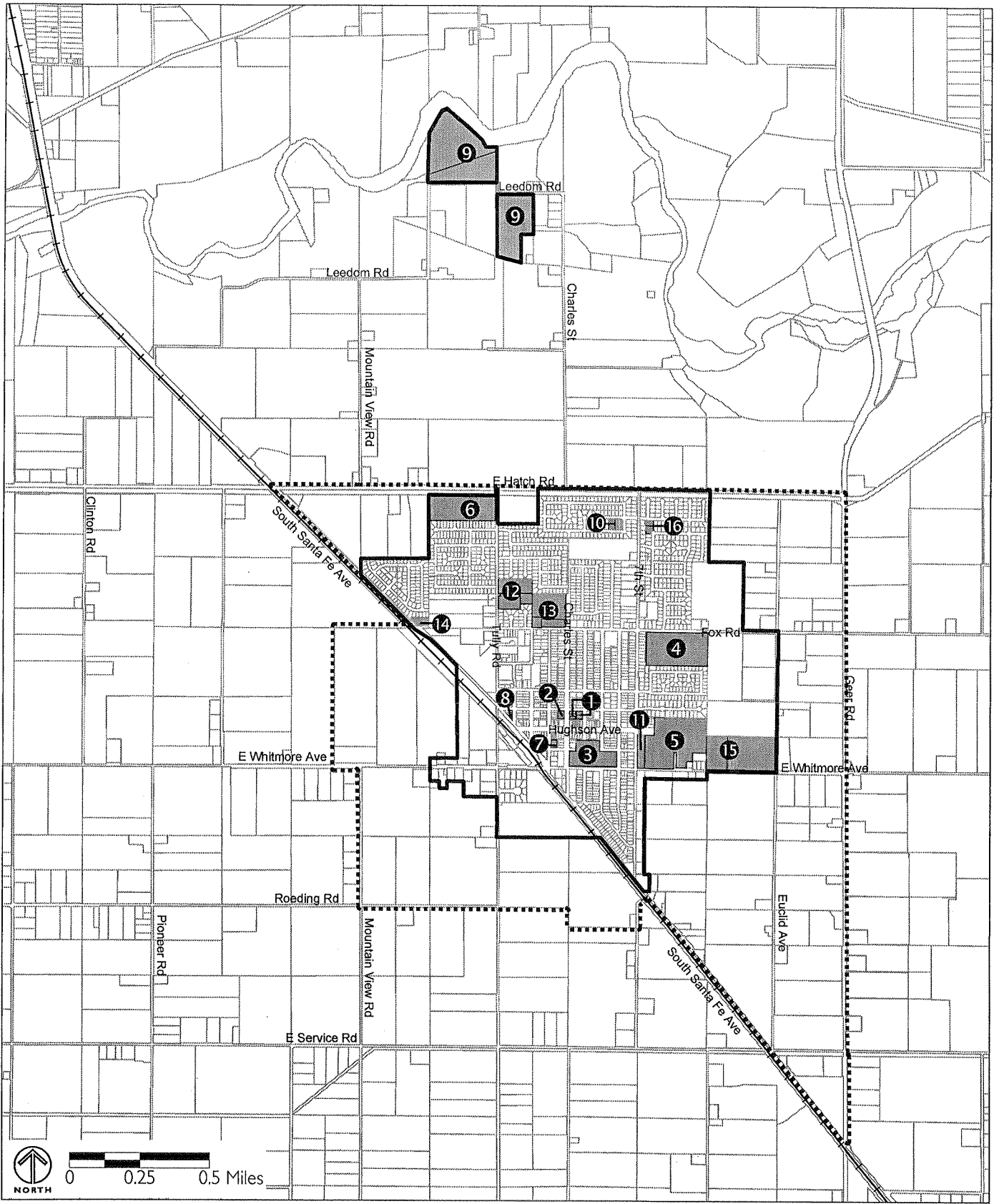
² Pacific Municipal Consultants (PMC). December 2004. Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson. Page 5-6.

³ Berner, Scott. Fire Chief, Hughson Fire Protection District. Personal communication with Catherine Reilly, DC&E. April 12, 2005.

⁴ Pacific Municipal Consultants (PMC). December 2004. Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson. Page 5-6.

⁵ Chief Berner, Scott, Hughson Fire Protection District, personal conversation, February 1, 2005.

⁶ Pacific Municipal Consultants (PMC). December 2004. Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson. Page 5-6.



Data Source: City of Hughson

- | | |
|---|------------------------------|
| 1 City Hall and Police Department | 11 Carrie Shrader Park |
| 2 Fire Department | 12 Starn Park |
| 3 Hughson Elementary School | 13 LeBright School Site/Park |
| 4 Fox Road Elementary & Emilie J. Ross Middle Schools | 14 Santa Fe Drainage Basin |
| 5 Hughson High School | 15 Botanical Garden |
| 6 Hughson Christian School | 16 Drainage Basin |
| 7 Hughson Public Library | |
| 8 Corporation Yard | |
| 9 Wastewater Plant and Ponds | |
| 10 Rhapsody Mini-Park & Drainage Basin | |

-  City Limits
-  Sphere Of Influence

FIGURE 2-1

PUBLIC/SEMI-PUBLIC USES

While the Hughson FPD provides primary fire protection to the community, the Hughson FPD also has a mutual aid agreement with all neighboring fire protection service providers in Stanislaus County. As a result, if the Hughson FPD is unavailable to answer a call in Hughson, a neighboring fire department or district will respond to the call.⁷

The Hughson FPD receives funding from its share of property taxes and a special assessment tax. In addition, the District receives support through community fundraising through the Hughson Fire Fighter Association.⁸

In its 2005 General Plan, Hughson will identify the need to continue to work with the Hughson FPD to ensure that adequate fire protection is maintained, especially in the event that the City grows. Section 8 of this MSR discusses in more detail some possibilities for balancing growth with adequate fire protection.

2. Stanislaus Consolidated Fire Protection District

The Stanislaus Consolidated Fire Protection District also cooperates with the City to reduce the risk of fires in the area. Prior to project approval, Stanislaus Consolidated FPD reviews plans for new development to assess design issues such as the provision of adequate water supply systems and compliance with minimum street widths and hydrant locations and distances. The Stanislaus Consolidated FPD also is responsible for fire prevention programs and fire investigations.⁹ The Hughson FPD assists Stanislaus Consolidated FPD with fire prevention, investigation and plan review.¹⁰

⁷ Pacific Municipal Consultants (PMC). December 2004. Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson. Page 5-6.

⁸ Pacific Municipal Consultants (PMC). December 2004. Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson. Page 5-6.

⁹ Weigard, James. Deputy Chief, Stanislaus Consolidated Fire Protection District. Personal communication with Catherine Reilly, DC&E. April 14, 2005.

¹⁰ Berner, Scott. Fire Chief, Hughson Fire Protection District. Personal communication with Catherine Reilly, DC&E. April 12, 2005.

Stanislaus Consolidated FPD receives funding through the Less than Countywide District (LTCD), which was formed around 50 years ago. The County collects property tax through the LTCD, which is passed on to Stanislaus Consolidated FPD to provide fire prevention, fire investigation and plan review for those areas of the County within the LTCD, which include 14 fire districts. Since the property tax agreement for the LTCD has not been updated for 50 years, Stanislaus Consolidated FPD is understaffed, with only two fire inspectors and three fire investigators for the entire service area. Starting at the end of June 2005, the County is going to evaluate alternatives for the provision of fire prevention, fire investigation and plan review to identify a more cost effective manner to provide these services.¹¹

While Stanislaus Consolidated FPD does collect some fees in other jurisdictions for actions such as plan review, it does not collect fees for these activities in Hughson. Hughson could take action to create a fee for plan check to pass through to Stanislaus Consolidated FPD, which would help the district recover the costs of reviewing development plans. Hughson FPD would be responsible for taking action to create a fee for fire investigation and fire inspection.

3. Mountain Valley Emergency Medical Services Agency

Stanislaus County contracts with Mountain Valley Emergency Medical Services (EMS) Agency to provide emergency medical services from the time a 911 medical emergency call is received until a patient arrives at an emergency room. Mountain Valley EMS is responsible for a five-county service area, including Stanislaus, Alpine, Amador, Calaveras and Mariposa Counties. Since Mountain Valley EMS is a multi-county EMS agency, it receives the majority of its funding from the State. Additional funding is received from the County, as well as to a minor extent from fees the agency charges for services.¹²

¹¹ Weigard, James. Deputy Chief, Stanislaus Consolidated Fire Protection District. Personal communication with Catherine Reilly, DC&E. April 14, 2005.

¹² Smith, Marilyn, Mountain Valley Emergency Medical Services Agency, personal conversation, April 14, 2005.

4. Hughson Paramedic Ambulance Company

Stanislaus County, through the Mountain Valley EMS, contracts with Hughson Paramedic Ambulance Company (HPA) to provide emergency medical service for the entire Hughson FPD service area. However, if there is a paramedic company closer to a call than HPA, the other company will respond. Hughson FPD also responds to all emergency medical calls for immediate response; however, HPA or the responding private ambulance company is ultimately responsible for the treatment and transport of patients to an emergency room. HPA is a privately-owned, fee-for-service paramedic company and bills residents directly for services. Stanislaus County allows HPA to adjust its fees to reflect changes in operating costs, such as the recent increase in gas prices.¹³

B. Law Enforcement

The Stanislaus County Sheriff's Department is under a five-year contract to supply the residents and businesses of Hughson with law enforcement and protection services. The Department operates a base station attached to City Hall, which is centrally located in the city at 7018 Pine Street and shown in Figure 2-1. The contracted level of service includes four patrol vehicles dedicated to Hughson and an agreed staff allocation of 0.85 officers per 1,000 residents.¹⁴ Currently the Department provides:

- ◆ One on-duty patrol officer: 24 hours per day, 7 days a week
- ◆ One clerical staff: normal business hours, 40 hours per week
- ◆ One Chief: normal duty hours, 40 hours per week

¹³ Berner, Scott. Fire Chief, Hughson Fire Protection District. Personal communication with Catherine Reilly, DC&E. April 12, 2005; Crowder, Thomas. Hughson Paramedic Ambulance Company. Personal communication with Catherine Reilly, DC&E. April 18, 2005; and Smith, Marilyn, Mountain Valley Emergency Medical Services Agency, personal conversation, April 14, 2005.

¹⁴ Sanders, Maurice. Assistant Sheriff, Stanislaus County Sheriff's Department. Personal communication with Lisa Fisher, DC&E. January 18, 2005.

Hughson experiences a relatively low level of crime. Emergency calls and complaints are usually related to traffic accidents or vehicle-related problems. The current maximum response time to an emergency call is three minutes.¹⁵

The City coordinates with the Stanislaus County Sheriff's Department to develop and provide crime prevention programs, and distribute information to the public on safety precautions and ways to protect themselves and their belongings. The Department reviews new development proposals for crime prevention design and general safety, and keeps abreast of population increases which might trigger a need for additional staff or facilities.

Hughson funds its law enforcement through the General Fund. The current contract with the Sheriff's Department expires in September 2006 and new contract negotiations will start six to 12 months prior. The City anticipates renewing the contract since the Sheriff's Department has been providing good quality service. Negotiations will address whether increased policing coverage is needed. Currently, the contracted staff allocation of 0.85 officers per 1,000 residents provides for an appropriate level of service for the community.

C. Water Supply and Treatment

The City of Hughson operates its own water service with approximately 1,850 residential connections, 50 commercial connections, 10 industrial connections and 10 public facility and church connections. All of Hughson's potable water is supplied from the Turlock groundwater basin, which comprises an area of about 540 square miles.¹⁶

¹⁵ Pacific Municipal Consultants (PMC). December 2004. Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson. Page 5-6.

¹⁶ Turlock Groundwater Basin Association. October 2003. *Turlock Groundwater Basin Water Budget, 1952-2002.*

Hughson's existing water infrastructure system contains a water distribution system and four active well sources to provide potable water to residential, commercial and industrial uses. There are also two inactive wells, one which was abandoned due to high uranium levels, and a second that is out of service due to a deteriorated casing and pump. The active wells each can produce between 1,000 and 1,200 gallons per minute (gpm) for a total of 4,500 gpm or 6.5 million gallons per day (mgd).¹⁷

Generally, Hughson's potable water quality is good, meeting all current water quality standards in regards to allowable levels of regulated pollutants. Data gathered by the City indicates that the current water supply system and its contents are in compliance with existing State maximum contaminant levels (MCLs). Arsenic levels in Hughson register 11 parts per billion (ppb) on average, which although compliant with current regulations, of 50 ppb, are one point higher than new standards established by the United States Environmental Protection Agency (EPA), which will take effect in 2006. Once the new regulations come into effect, the City's potable water supply will exceed allowable arsenic levels. The City is working with the Department of Health to determine how to address the issue of arsenic in the groundwater basin, which could include the installation of a mandatory arsenic removal system, which would add to the overall cost for the provision of potable water in Hughson.

1. Existing Demand and Short-term Improvements

In 1990, the City of Hughson Water Distribution System Study and Master Plan cited an average per capita water use of 250 gallons per day (gpd). The 2003 Water Master Plan used this figure to evaluate the current system in 2003 and estimate future demand for the City as a whole for 2005. The Master Plan estimated residential demand for 2005 at 1.3 mgd, commercial demand at 212,600 gpd and industrial demand at 296,000 gpd, for a total 2005 demand of 1.8 mgd, with a peak hour demand of 6.3 mgd.

¹⁷ City of Hughson. October 2003. *Water Master Plan*. Page 12.

The existing wells can pump adequate amounts of water to meet the 2005 demand; however, if one of the wells were to go out of service, the remaining wells would not have adequate capacity to meet the peak hour demand. As a result, the Master Plan did recommend the following immediate system improvements to provide adequate backup capacity and meet regulations:

- ◆ Upsizing of several 4-inch pipes in order to maintain minimum required pressures during peak conditions, which the City is already planning on completing.
- ◆ Install back-up generators for wells 3 and 6, and add Variable Frequency Drives (VFDs) to all four wells. The City has planned the well 6 generator and needs to budget well 3.
- ◆ Add one more potable well to the system at the current location of Well 2 or install a storage tank to support the four existing wells. The City is in the process of implementing this recommendation.

2. Future Water Demand and Long-term Improvements

As shown in Table 2-1, the 2003 Water Master Plan also looked at future demand scenarios for 2011, 2017 and 2023. Total population growth through 2023 is estimated in the Master Plan to reach 9,012, which would almost double the current residential water demand to a total of 2.3 mgd.¹⁸ The Master Plan suggested either constructing new wells or providing a combination of new wells with storage tank to meet the future demand. In addition, supplementary water line extensions are expected to accommodate new development areas.¹⁹ As is discussed in detail in later sections of this MSR, the City receives funding for water improvements through capital improvement fees, connection fees and user fees. Developers are also required to install certain infrastructure improvements.

¹⁸ Thompson-Hysell Engineers. City of Hughson Water System Master Plan, 2003, page 1-7.

¹⁹ Thompson-Hysell Engineers. City of Hughson Water System Master Plan, 2003, page 1-7.

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INFRASTRUCTURE NEEDS AND DEFICIENCIES

TABLE 2-1 MASTER PLAN WATER DEMAND SUMMARY – TOTAL USE

Projected Daily Demand	2005	2011	2017	2023
Residential Population (persons)	5,205	6,740	8,140	9,012
Residential Demand (gpd)	1,301,250	1,685,000	2,035,000	2,253,000
Commercial and Industrial Demand (gpd)	508,600	755,260	1,235,060	2,000,040
Total Average Day Flow (gpd)	1,809,850	2,440,260	3,270,000	4,253,040

Source: 2003 City of Hughson Water System Master Plan, page 6-8.

Since the Master Plan was adopted prior to the 2005 General Plan, the “expected” growth projections based on the 2005 General Plan, and described in Section 3 of this MSR, were compared to the growth projections used in the Master Plan. The “expected” growth assumptions were created using a range of assumptions for planning purposes only, as discussed on page 3-3. Based on the projected “expected” growth for the 2005 General Plan, the resulting net increase in demand for water in 2025 would be approximately 766,000 gpd more than was projected in the Master Plan, as shown in Table 2-2. As a result, the City may eventually have to revise its Water Master Plan to take into consideration the larger projected population. One reason for the larger projected population is due to the two-year difference in planning horizons used by the Master Plan (2023) and 2005 General Plan (2025). The remainder of the difference is due to the use of different land use plans and development assumptions between the two documents. The Master Plan does not provide adequate background information to do a detailed comparison on the assumptions used to project 2023 growth and the 2005 General Plan growth assumptions.

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TABLE 2-2 **COMPARISON OF THE 2003 WATER MASTER PLAN AND 2005
GENERAL PLAN FUTURE WATER DEMAND – NET INCREASE**

Land Use Type	Generation Factor (gpd)	2003 MP Net Increase ¹	MP Total (gpd)	2005 GP Net Increase ¹	GP Total (gpd)
Residential	250	3,807	951,750	9,132	2,283,000
Neighborhood Commercial	5,000	10	50,000	4	20,000
Downtown Commercial	3,690	0	0	2	7,380
Service Commercial/ Public Facilities	3,070	288	884,160	48	147,360
General Commercial	3,920	0	0	59	231,280
Industrial	4,320	129	557,280	100	433,728
Agriculture	4,320	0	0	20	86,400
Total NET Increase			2,443,190		3,209,148

Note: ¹ For Residential, net increases are calculated by number of persons, while all the other categories are calculated by net increase in acres.

Sources: 2003 Hughson Water System Master Plan and 2005 General Plan.

3. Future Water Sources

While the 2003 Water Master Plan calculated how much potable water would be needed to meet future needs, it assumed that there would be adequate groundwater to support future growth and did not include an analysis of the actual carrying capacity of the aquifer, i.e., whether there is actually enough groundwater in the Turlock groundwater basin to support Hughson's future demand without depleting the groundwater basin. In 1997, the City did adopt the Groundwater Management Plan for the Turlock groundwater basin. As a result of the Management Plan process, the Turlock Groundwater Basin Association, of which Hughson is a member, undertook a Water Budget Study in the early 2000's which concluded that, while the groundwa-

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ter levels are lower than 30 years ago, overall the Basin appears to be in equilibrium between extraction and recharge. However, the Water Budget Study did not make any determinations on the impact of increased urban growth on the groundwater table. Now that the Water Budget Study is completed, the Groundwater Management Plan is being updated.²⁰

Since there are no studies at this time for the Turlock groundwater basin that take into consideration the impact of future urban growth on the groundwater basin, the City is not able to make a determination on how conversion from agricultural uses to urban uses as allowed under the 2005 General Plan would affect the groundwater basin and whether the basin would be able to support the projected growth. To determine this, a study would need to examine the existing amounts of groundwater use by existing agricultural operations and compare that usage to what would be anticipated by the urban uses that would replace the agricultural operations.

In the late 1980's and early 1990's, the City participated in a process led by the Turlock Irrigation District (TID) to explore the feasibility of creating a regional surface water system in response to potential changes in water quality regulations that would make the use of groundwater sources more costly. Under the proposal, the TID would build a water treatment plant to treat its water from the Don Pedro Dam for transfer to various local jurisdictions in order to allow for the transition from dependence on groundwater to surface water. While this idea was revisited in the early 2000's, the TID planning process is still in the conceptual stage and the feasibility of the project will depend on the eventual evaluation by local jurisdictions in regards to the costs associated with creating a surface water system versus the continued use of groundwater.²¹

²⁰ Liebersbach, Debbie. Turlock Irrigation District. Personal communication with Catherine Reilly, DC&E. February 2, 2005.

²¹ Ness, Robert. Turlock Irrigation District. Personal communication with Catherine Reilly, DC&E. March 2005.

4. Water Conservation

Water use and conservation is also a priority and concern throughout the entire Central Valley. The combination of agricultural production, warm climate and increase in urban landscaping threatens supply and sustainability. Hughson has recently enacted a Water Conservation Program aimed at preserving water, reducing the environmental impacts of overuse and controlling costs for customers. The Program limits times and days for watering landscaping and washing vehicles, as well as outlining appropriate operation and maintenance of watering systems and fountains, or other water displays.

The Hughson Standard Conditions of Approval also contains guidelines and regulations aimed at the maintenance of high water quality. During construction, new development is required to adopt Best Management Practices to minimize grading and control run-off which, as mentioned in the 2005 General Plan, pollutes storm drains that eventually can lead to pollution of ground water sources. New development proposals are also reviewed for adequate drainage systems that ensure the project will not, over time, hamper water quality in the City.

D. Wastewater Collection and Treatment

The City of Hughson provides wastewater treatment and collection for the incorporated City and operates a wastewater treatment plant on the northern edge of the city, between Hatch Road and the Tuolumne River, as shown in Figure 2-1. The facility was completed in 1986 to accommodate the City's anticipated growth and is currently approaching capacity. The plant includes a series of 10 evaporation and percolation ponds, one of which is used for emergency storage. Pond usage fluctuates according to flows; three ponds were in use in 2004.²²

²² City of Hughson. October 8, 2003. *Wastewater Treatment Master Plan*.
Page 6.

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All new development within the city is required to connect to the wastewater collection system and septic systems are prohibited. There are currently approximately 1,850 residential connections, 50 commercial connections, 10 industrial connections and 10 public facility and church connections.

In 2003, Hughson adopted a Wastewater Treatment Master Plan, which considers a 20-year timeline for wastewater treatment needs. According to the Master Plan, the facility has an existing design capacity for dry weather flows of 800,000 gpd and up to 2.33 mgd for peak wet weather flows. The Master Plan estimated that in 2003, the total average daily dry weather flow was 552,000 gpd, for residential, commercial and industrial uses.²³ However, a later review of the treatment plant estimated the average flow in 2004 being 740,000 gpd.²⁴ The plant's permitted capacity is the same as its design capacity.²⁵

The Master Plan estimates a 2030 demand for wastewater treatment at 1.3 mgd based on a projected 2030 population of 9,733 and a projected commercial and industrial flow of 500,000 gpd.²⁶ However, the Master Plan, does not include the assumptions used to calculate the demand for wastewater treatment, other than projected population which is less than the 15,074 person "expected" 2025 population under the 2005 General Plan that is used for planning purposes only.

There is an immediate need to upgrade the treatment facility to comply with State and federal regulations and address violations. The treatment plant has been found by the Regional Water Quality Control Board (RWQCB) to be in

²³ City of Hughson. October 8, 2003. *Wastewater Treatment Master Plan*. Page 6.

²⁴ Carollo Engineers. *City of Hughson Wastewater Treatment Plan - Technical Memorandum Peer Review and Preliminary Design*. December 2004. Page ES-1.

²⁵ Carollo Engineers. *City of Hughson Wastewater Treatment Plan - Technical Memorandum Peer Review and Preliminary Design*. December 2004. Page 7.

²⁶ City of Hughson. October 8, 2003. *Wastewater Treatment Master Plan*. Page 33.

violation for total dissolved solids, electrical conductivity, total coliform organisms and nitrate as nitrogen. The RWQCB has also identified violations of acceptable sludge management practices and degradation of groundwater for total coliform, nitrate, salts and chloroform.²⁷

To analyze various approaches to expanding capacity and address violations, a preliminary technical study and peer review of the Wastewater Treatment Plant was completed in December 2004. Based on this review, interim improvements to expand the facility will be implemented in 2005 to comply with State and federal regulations and correct existing violations. An Initial Study and Negative Declaration has been processed by the City for the interim improvements. As a result of improving the treatment facility to meet government standards, there will be an increase in capacity to 1.0 mgd. To pay for the needed improvements, the City has sold a portion of this excess capacity to developers.

The peer review study also calculated future demand for wastewater treatment for 2030. Since the report writers were unable to replicate the future growth projections used in the 2003 Water Master Plan, the peer report assumed for 2030 a creamery average flows of 0.2 mgd; a projected population of 11,250, with a demand of 107 gallons per capita per day; and a 15 percent increase for uncertainty, to generate an average projected wastewater flow of 1.6 mgd for the year 2030.²⁸

The peer review identified several alternatives on how to expand the treatment plant to provide at least 1.6 mgd of capacity, with disposal of wastewater being the largest issue. These alternative range from utilizing existing percolation ponds, with improvements to the headworks, construction of a new oxidation ditch and the addition of a second sludge dewatering press. However, if, after completing a groundwater study, it is found that the percolation

²⁷ City of Hughson. October 8, 2003. *Wastewater Treatment Master Plan*. Appendix H.

²⁸ Carollo Engineers. *City of Hughson Wastewater Treatment Plan - Technical Memorandum Peer Review and Preliminary Design*. December 2004. Page 2.

ponds do not have adequate capacity to support 1.6 mgd of flow, alternatives, such as the use of recycled water or pumping to another jurisdiction's facility, may have to be explored further.²⁹ Due to financial considerations and feasibility, long-term improvements to the treatment plant will most likely involve the expansion of the facility and water recycling and on-site treatment, versus constructing a piped connection to Turlock's facility.

Since the "expected" population and commercial and industrial growth for 2025 based on the 2005 General Plan would exceed the assumptions used for the peer review and Master Plan, it is likely that the Master Plan may need to be revised once the 2005 General Plan is adopted to take into consideration the additional needed capacity. At this time, it is unknown what the actual demand would be from the projected 2005 General Plan and how much wastewater flow can be support by the existing pond areas. However, the 2005 General Plan includes Policy PSF-7.1, that states that the City will start planning for expansion of the treatment plant to support growth allowed under the 2005 General Plan at least four years before the plant will reach its existing maximum capacity.

As is discussed in detail in later sections of this MSR, the City receives funding for wastewater improvements through capital improvement fees, connection fees and user fees. Developers are also required to install infrastructure improvements.

E. Stormwater Drainage

Historically, Hughson has discharged its stormwater into Turlock Irrigation District (TID) canals, which are located along Hatch and Service Roads, through a Revocable License Agreement with the TID. As part of this agreement, the City is required to enforce regulations prohibiting dumping

²⁹ Carollo Engineers. *City of Hughson Wastewater Treatment Plan - Technical Memorandum Peer Review and Preliminary Design*. December 2004. Page ES-4.

into any portion of the storm drainage system and ensure that stormwater discharged into the TID system does not exceed allowable levels of contaminants. Current regulatory trends suggest that increased regulatory monitoring, handling, treatment and disposal of stormwater may be required in the future. Already, with the increased growth within the region, TID facilities are starting to meet capacity for stormwater conveyance and most of the TID system is already obligated to serving various jurisdictions. Finally, to allow for necessary servicing during the non-irrigation season (November to March), TID needs to maintain portions of its facilities in a dry condition. Unfortunately, the non-irrigation season is the same as rainy season, when storm drainage is most needed.³⁰

Recognizing the limitations to long-term use of TID facilities as outlined above, the 2005 General Plan includes a policy to consider exploring alternative methods to dispose of stormwater, such as purchasing land to use for application and percolation of run-off, or building a treatment facility to improve water quality prior to discharging into the Tuolumne River.

Hughson has several small stormwater facilities that were built to control run-off from specific projects, including the existing turfed stormwater basins adjacent to the Santa Fe Estates subdivision and within the Rhapsody subdivision. The City's Standard Conditions of Approval provides guidelines for stormwater detention basins, such as dimensions and percolation requirements. They must be designed to dry within 24 hours of use, and are encouraged to incorporate the opportunity for dual use as local recreation areas.

For approval, new development projects must provide acceptable on- and off-site storm drainage infrastructure at the proponent's sole expense and comply with State storm drainage policies, the City of Hughson Municipal Code guidelines and the City's Standard Conditions of Approval. The Standard Conditions of Approval also outline requirements for the incorporation of

³⁰ Liebersbach, Debbie. Turlock Irrigation District. Personal communication with Catherine Reilly, DC&E. April 8, 2005.

Best Management Practices during project construction, to avoid substantial run-off and debris clogging the City's storm drain system. Applicants must submit a grading and drainage plan for review as part of the development approval process.

As is discussed in detail in later sections of this MSR, the City receives funding for stormwater drainage improvements through capital improvement fees. Developers are also required to install infrastructure improvements to ensure adequate project-related stormwater drainage.

F. Roadways and Circulation System

The main mode of transportation in Hughson is private automobile, with limited public transit, pedestrian and bicycle opportunities. Although the Burlington Northern/Santa Fe Railway bisects the city, there are no rail service stops or spurs within the City. Additional growth and development requires the continuous review and occasional expansion of the circulation system components.

1. Roadway Network

Although many of Hughson's streets have existed since the original development of the city, the network continues to grow to accommodate new development. System improvements or extensions may be necessary in the future to maintain appropriate levels of service. Recent residential development in Hughson has been built around systems of discontinuous streets and exterior sound walls abutting collector and arterial streets.

a. Level of Service Classifications

To describe traffic conditions for the roadway network and put traffic volumes in perspective, industry Level of Service (LOS) standards are utilized. LOS is a qualitative measure of traffic operating conditions whereby a letter grade, "A" through "F", corresponds to progressively worsening traffic service along a roadway or intersection. LOS A, B and C indicate that traffic

can move relatively freely. LOS D indicates that delays are more noticeable and average traffic speeds are sometimes 40 percent of free flow speed. LOS E describes operating conditions at or close to capacity with significant delays and average travel speeds as low as 30 percent of free flow speed.

b. Roadway Classifications

Roadways are categorized according to a typology known as functional classification, with each one representing shifting priorities in regards to traffic movement and access. The current roadway system in Hughson is comprised of arterials, collectors and local streets; all of which are two-lane with one travel lane in each direction. These distinctions are described as follows:

- ◆ **Arterials.** Arterials are typically larger roadways designed to gather traffic from the collector system, described below, and provide major connections between regional destinations and highway and freeway systems. Arterials usually maintain 80- to 100-foot right-of-ways and carry up to 9,000 vehicles per day for a two-lane arterial and 20,000 vehicles per day for a four-lane arterial, while maintaining LOS C. As Hughson does not have local access to a freeway or highway, the arterials serve to link the City to neighboring cities and SR-99.

Existing arterials serving Hughson and its SOI include Santa Fe Avenue, Whitmore Avenue, Geer Road, Hatch Road and Service Road. Santa Fe Avenue runs northwest to southeast, alongside the railroad tracks breaking away from the City's standard grid pattern. This alignment complicates circulation patterns since all Santa Fe Avenue intersections have a skewed configuration, and intersection improvements are limited due to the presence of the adjoining at-grade railroad crossing and irrigation canals.

- ◆ **Collectors.** These roadways serve as intermediaries between arterials and local roads; collecting traffic from local roads and distributing it to the arterial system. They provide direct access to residential subdivisions as well as shopping centers and industrial complexes, and should be spaced at quarter-mile to half-mile intervals. Collectors are designed with two lanes of traffic and right-of-ways of approximately 80-feet, to carry about

7,500 vehicles per day while maintaining a LOS C. Right-of-way may need to be larger to incorporate additional space for landscaping or bicycle facilities as needed, or to create an edge to the community.

Existing collectors in Hughson include Tully Road, Charles Street, 7th Street and Euclid Avenue, all running north to south. East-west collectors include Fox Road, Pine Street and Hughson Avenue.

- ◆ **Local Streets.** The remainder of Hughson's streets are considered local, or residential, and serve to connect vehicles from individual parcels and neighborhoods to the collector system. In some of the City's southern portions, older streets were developed based on previous County standards and contain potentially dangerous connections directly with arterials. Local streets should have right-of-ways of approximately 60 feet, be dedicated as public streets and maintained by the City with the rest of the roadway system.

2. Existing Level of Service

The 2005 General Plan will include policies to ensure that, as much as possible, Hughson's roadways are maintained at LOS D or better. All of the City's existing arterials and collectors currently operate at LOS C or better, with the only exception being Hatch Road between Tully Road and Santa Fe Avenue, which operates at LOS D due to the congestion that builds at the Santa Fe Avenue/Hatch Road intersection.

The majority of the unsignalized intersections in the city operate at LOS B or better during both AM (7:00 to 9:00) and PM (4:00 to 6:00) peak hours. One exception is the intersection of Santa Fe Avenue and Hatch Road, which currently operates at LOS F during AM peak hours and LOS E during PM peak hours. The Geer Road/Santa Fe Avenue intersection operates at LOS D during PM Peak hours. Based on the existing LOS, the Santa Fe Avenue/Hatch Road intersection requires signalization to improve its operation.

The volume of traffic on the major roads around Hughson can fluctuate throughout the year, primarily as a result of agricultural activity. According to data obtained from the Stanislaus County Department of Public Works,

volumes observed during the late summer months (July, August and September) are typically much higher than those collected in the winter. To provide a rough indication of the variation, County staff has compared traffic volumes recorded throughout the year on major roads and developed rough “equivalency” factors.

Based on these equivalency factors, the County data suggests that the volume observed in July could be as much as 68 percent higher than volumes counted in December. The effects of this traffic variation can be substantial. If the volumes observed in December were uniformly increased by 68 percent to approximate July condition, the resulting LOS at most major intersections would reach E and F, and all intersections, other than the Whitmore Ave would reach E and F, and all intersections, other than Whitmore Avenue/7th Street, therefore prompting consideration for additional signalization where needed.

3. Future Roadway Improvements

Based on a traffic analysis of the 2005 General Plan, the General Plan will identify a future roadway system and associated improvements that will be needed to support growth that may occur under the Plan. As areas within the SOI are developed, they will be required to comply with this circulation plan, either through the provision of roadways or improvements, or payment of fees for larger circulation facilities.

The County has already begun to plan for improvements to intersections and roadways operating at poor conditions to provide capacity for potential regional growth. Based on conversations with the Stanislaus County Department of Public Works staff, the following projects are understood to have been funded:

- ◆ **Geer Road/Hatch Road.** Signalize intersection and widen approaches to accommodate two through lanes and a left turn lane in each direction.
- ◆ **Geer Road/Whitmore Avenue.** Signalize intersection and widen approaches to accommodate two through lanes and a left turn lane in each direction.

- ◆ **Fox Road/Geer Road.** Add left-turn lanes.
- ◆ **Santa Fe Avenue/Hatch Road.** Signalize intersection and widen approaches to accommodate two through lanes and a left turn lane in each direction.
- ◆ **Santa Fe Avenue/Geer Road.** Signalize intersection and widen approaches to accommodate two through lanes and a left turn lane in each direction.

As is discussed in detail in later sections of this MSR, the City charges capital improvement fees for streets. Developers are also required to install certain infrastructure improvements as part of project approval and development.

4. Public Transit

Public transit in the Hughson area is provided by Stanislaus County Transit's fee-for-service Waterford-to-Modesto Runabouts. Runabouts are available to the general public and combine designated fixed stops/routes with curb-to-curb service. For fixed stop/route service, passengers can board a runabout in Hughson at the Community Resource Center without having to pre-book a ride, but will also be required to disembark at another designated fixed stop. Passengers living within the Hughson city limits can also request curb-to-curb service from a specific location. Residents can call up to a week in advance to request a curbside pick-up before or after one of the scheduled pick-ups at the Community Resource Center. Based on the number of other pickups, the curb-to-curb service from Hughson to Modesto can take between one to two hours.

In Hughson, the runabouts stop at the Community Resource Center on Third Street just north of Whitmore Avenue, Monday through Saturday between 7:30 a.m. and 6:00 p.m. There are three round trips per day between Modesto and Waterford with planned stops in Hughson and Empire. The trip from Hughson to Modesto typically takes 45 minutes. Once in Modesto, riders can connect with the Modesto Area Transit system.

5. Pedestrian System

Hughson's existing pedestrian system is comprised of sidewalks along roadways; however, there are gaps in the sidewalk system in some areas of the city. There are not currently any dedicated pedestrian paths meant specifically for recreation.

Many of the major destination points in Hughson are accessible by pedestrians. Most routes around schools and the Downtown maintain sidewalks in good condition. Some pedestrian connections exist to the various community parks, and are required in the City's soon to be adopted Park Master Plan as a component of future development. New subdivisions are also required to incorporate and provide sidewalks as part of the neighborhood's site design.

The City is studying improvements within the Downtown to improve the area's walkability and attractiveness to pedestrians in order to encourage residents to shop and visit local businesses. The City is concerned with safety issues at the pedestrian railroad crossing on Whitmore Road, especially because it is the main linkage for residents and employees living and working on the west side of the railroad tracks to schools and other services in the downtown.

The 2005 General Plan also requires new development to provide pedestrian connections internally within individual developments, as well as externally to major destination points in Hughson and the larger region. The Plan also includes an action to create a sidewalk maintenance fund to improve the existing sidewalk system and provide for its continued maintenance. Current funding for sidewalk maintenance comes from the City's General Fund.

6. Bicycle System

Bicycle facilities are classified according to a typology established by Caltrans as documented in its Highway Design Manual. The Caltrans standards provide for three distinct types of bikeway facilities, as described below:

- ◆ **Class I Bikeway (Bike Path).** Provides a completely separate right-of-way and is designated for the exclusive use of bicycles and pedestrians with vehicle and pedestrian cross-flow minimized.
- ◆ **Class II Bikeway (Bike Lane).** Provides a restricted right-of-way and is designated for the use of bicycles with a striped land on a street or highway. Vehicle parking and vehicle/pedestrian cross-flow are permitted.
- ◆ **Class III (Bike Route).** Provides for a right-of-way designated by signs or pavement markings for shared use with pedestrians or motor vehicles.

Although the City does not have a comprehensive bicycle plan, there are currently Class II bikeways along Hughson Avenue and Sixth Avenue, and one planned for Charles Street. In general, separate bicycle lanes have not been pursued in Hughson because local bicycle travel is considered safe due to the relatively low volumes of automobile and truck traffic on the neighborhood streets and in the Downtown.

The 2005 General Plan includes an action for the City to adopt a Bicycle Master Plan, which would address the need for bicycle facilities both within the city limits, SOI and larger region. The Master Plan would identify potential funding sources for additional bicycle facilities. Existing bicycle facilities were originally striped through the use of grant funds.

G. Determination

As Hughson continues to grow, there will be the need to expand services. With the 2005 General Plan update, the City already began the planning for potential expansion of services. The following is a summary of the major City actions that may be required to ensure adequate provision of services.

- ◆ **Fire Protection.** The City will work with the Hughson FPD to determine how adequate fire protection will continue to be provided. The City may also explore the possibility of adopting a plan check fee to be

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passed through to Stanislaus County FPD to help off-set the cost of development review.

- ◆ **Law Enforcement.** The City will use the contract negotiation process with the Stanislaus County Sheriff's Department to determine if a change in the level of service or provider is needed.
- ◆ **Water Supply and Treatment.** Based on potential growth resulting from the 2005 General Plan, the City will continue to plan for future water system improvements by updating the Water System Master Plan.
- ◆ **Wastewater Collection and Treatment.** Similar to water, the City will utilize the Wastewater Treatment Master Plan update process to identify needed improvements to support growth allowed by the 2005 General Plan.
- ◆ **Stormwater Drainage.** The City will consider alternative methods for stormwater drainage to reduce reliance on TID facilities.
- ◆ **Roadways and Circulation System.** The 2005 General Plan will include a circulation plan and policies that will identify needed improvements to the circulation system. New development will be required to comply with this policy direction.

More detail on financing the expansion of services to the SOI is outlined in the following sections of the MSR.

3 GROWTH AND POPULATION PROJECTIONS

This section identifies future growth projections for Hughson and its SOI that need to be taken into consideration when planning for the provision of services. A detailed discussion on existing and future provision of municipal services to meet the future demand identified in this section is included in Section 2 of this MSR.

As discussed in Section 2, the City will have plans and policies in place to ensure that if demand increases, as allowed by the 2005 General Plan, adequate public services will be provided, while existing service levels are maintained. Some plans, such as the Water and Wastewater Master Plans, may need to be updated to reflect the 2005 General Plan update, but in general, the City does take into consideration potential future growth when planning for the provision of services.

A. *General Plan Growth Projections*

According to the US Census, there were 3,980 people living in Hughson in 2000, which represented a 22 percent increase from 1990, or about 2.2 percent per year. Since 2000, the State Department of Finance estimates that Hughson is experiencing a much faster rate of growth, with 5,942 residents estimated for January 1, 2005, which reflects an annual growth rate of 10 percent. This rapid increase in development is primarily a reflection of the regional growth pressures that are affecting the Central Valley as people living in more expensive regions look for affordable housing in the Valley.

Based on the Department of Finance estimates for January 1, 2005, there are an estimated 1,836 housing units in Hughson. In addition, based on a survey of the City, there are approximately 1,032,000 square feet of non-residential uses in the City. Table 3-1 summarizes the existing housing units and non-residential uses in Hughson and its proposed SOI.

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TABLE 3-1 EXISTING DEVELOPMENT

Land Use	City Limits		Sphere of Influence	
	DU	Sq Ft	DU	Sq Ft
Single Family/ Mobilehome	1,635	---	46	---
Multi-Family	201	---	---	---
Downtown Commercial	---	232,000	---	---
Neighborhood Commercial	---	---	---	---
General Commercial	---	5,000	---	---
Service Commercial	---	---	---	35,000
Industrial	---	435,000	---	---
Public/Quasi Public	---	360,000	---	---
Agriculture	---	---	48	207,000
Total	1,836	1,032,000	94	242,000

DU = dwelling units, Sq Ft = square feet

Assumptions:

- Residential units in the city limits were determined from the January 1, 2005 Department of Finance estimates.
- Residential unit calculations for the SOI were based on the 2000 Census and from a review of a 2004 aerial photo.
- Non-residential square footage was calculated from analysis of a 2004 aerial photo.

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The City will adopt an updated General Plan in 2005. As part of the planning process, land use designations will be identified for land within the city limits and the SOI. The City is still in the process of finalizing a land use map; however, the following discussion is based on the preliminary land use plan, which is not anticipated to change significantly through public review.

Tables 3-2 and 3-3 project future residential and non-residential net growth within the City of Hughson and the proposed SOI. A range of growth assumptions are presented to illustrate different potential growth scenarios for residential and non-residential uses. Since some portion of land used in new development will need to be allocated for roads, public facilities (such as schools and parks), and to address design features, development at the maximum allowed densities and intensities is very unlikely to occur. These needs were taken into consideration and an adjustment applied to create an "expected" growth scenario. Also, in certain cases, assumptions were made as to the rate of development and location of infill or redevelopment of already developed areas and additional adjustments made. For all the scenarios, it is assumed that the entire city limit and SOI is developed for residential uses, however, this may not occur if growth rates return to pre-2000 levels.

Based on the "expected" total 2025 population of 15,074 persons (5,942 existing plus 9,132 new residents) if all the residential areas in the General Plan were built out, Hughson would experience a population growth rate of approximately eight percent per year or 39 percent every five years, for a total of 154 percent over the 20 year planning period. This growth rate would be lower than the recent growth experienced during the past five years, but would be higher than the Stanislaus Council of Governments (StanCOG) projected population increase of about 87 percent for Hughson for the same 20-year period for a total population of 11,431. In reality, actual growth rates will depend on market trends; environmental, site and regulatory limitations; and changes in household size. If population growth rates returned to 1990's levels around 2.2 percent annually, or 44 percent over 20 years, the total Hughson population in 2025 would be approximately 8,556 persons (5,942 existing plus 2,614 new residents).

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TABLE 3-2 RESIDENTIAL GROWTH PROJECTIONS – NET INCREASE

Land Use	City Limits				Sphere of Influence				Total			
	Acres	Max DUs	Min DUs	Exp DUs	Acres	Max DUs	Min DUs	Exp DUs	Acres	Max DUs	Min DUs	Exp DUs
Low Density Residential (LDR) (0-7 du/gross acre)	96	672	-	304	176	1,232	-	1,056	272	1,904	-	1,360
Medium Density Residential (MDR) (5.1-14 du/gross acre)	4	56	20	44	38	532	194	418	42	588	214	462
High Density Residential (HDR) (10.1-26 du/gross acre)	2	52	20	44	45	1,170	455	990	47	1,222	475	1,034
Downtown Commercial (0-30 du/gross acre)	2	65	0	13	0	0	0	0	2	65	0	13
Agriculture (Residential)	0	0	0	0	277	14	0	14	277	14	0	14
Subtotal		845	40	405		2,948	649	2,478		3,793	689	2,883
Less Replaced Existing DUs		36	36	36		94	94	94		130	130	130
Total Net Increase		809	4	369		2,854	555	2,384		3,663	559	2,753

Population Growth

Net Population Increase	2,683	13	1,224	9,467	1,841	7,908	12,150	1,854	9,132
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DU = dwelling units, Max = maximum, Min = minimum, Exp = expected

Assumptions:

- Expected residential densities are: LDR = 6 du/acre, except for areas zoned R-A, where 2 du/acre was used; MDR = 11 du/acre; HDR = 22 du/acre; Agriculture = 1 du/40 acres. Only 277 acres of the total 297 acres of Agriculture are assumed to develop as residential.
- The expected density for Downtown Commercial was based on the assumption that 20% of the area identified for potential infill (see Table 3-3), would be constructed at 30 du/acre.
- “Replaced Existing DUs” are existing units that will either be replaced by non-residential uses, or which have to be subtracted from the future projections to ensure that they are not double counted. These units are included in the existing residential unit calculations in Table 3-1.
- Persons per household is assumed at 3.317 to estimate future population increase.

TABLE 3-3 **NON-RESIDENTIAL GROWTH PROJECTIONS – NET INCREASE**

Land Use	City Limits			Sphere of Influence			Total		
	Acres	Max Sq Ft	Exp Sq Ft	Acres	Max Sq Ft	Exp Sq Ft	Acres	Max Sq Ft	Exp Sq Ft
Downtown Commercial (Maximum FAR – 1.8)	2	156,977	96,400	0	0	0	2	156,977	96,400
Neighborhood Commercial (Maximum FAR – 0.6)	2	52,272	26,136	2	52,272	26,136	4	104,544	52,272
General Commercial (Maximum FAR – 0.5)	21	457,380	274,428	38	827,640	496,584	59	1,285,020	771,012
Service Commercial (Maximum FAR – 0.5)	0	0	0	17	370,260	222,156	17	370,260	222,156
Industrial (Maximum FAR – 0.6)	31	632,537	225,269	347	9,069,192	906,919	378	9,701,729	1,132,188
Public/Quasi-Public	0	0	0	31	n/a	270,072	31	n/a	270,072
Agriculture (Industrial/Commercial) (Maximum FAR – 0.3)	0	0	0	20	261,360	217,800	20	261,360	217,800
Total Net Increase		1,299,166	622,233		10,580,724	2,139,667		11,879,890	2,761,900

FAR = Floor Area Ratio, Sq Ft = square footage, Max = maximum, Min = minimum, Exp = expected

Assumptions:

- “Acres” includes vacant parcels and parcels that are currently used for other uses, but are expected to eventually convert to the General Plan designation.
- Downtown Commercial acres were calculated by identifying potential sites which are either vacant or appropriate for redevelopment, per the Downtown Façade Study, and assuming that those buildings would be two-story. Existing development was subtracted from the expected sq ft to avoid double counting.
- Neighborhood Commercial, General Commercial, Service Commercial assumed an Expected FAR of 0.3. The expected square footage for General Commercial is conservative (ie, overestimates), since most likely only 1 or 2 of the 3 identified General Commercial areas will be developed during the 20 year planning period.
- Industrial assumed an Expected FAR of 0.3 and the Maximum FAR depicts development of all land designated Industrial. For the Expected FAR, all of the Industrial land in the city limits is assumed to develop during the next 20 years. 20% of the SOP’s Industrial land is assumed to develop in the next 20 years. The expected development of Industrial is conservative, since it results in a about 250% increase in industrial square footage, which is about 200% higher than the Stanislaus Council of Government has projected for Hughson. The Maximum and Expected calculations for the city limits has netted out the existing industrial located along Tully Road east of Santa Fe Avenue.
- The 2005 General Plan does not identify a maximum FAR for Public Facility since the land in this category is mainly school district property, which the City does not have control over, or various City properties, which due to their widely varying uses, require different allowable FARs. The Expected FAR is 0.2 FAR.
- For the Agriculture land, it was assumed that of the total acreage of 297, 20 acres would eventually be developed for Agriculture-based commercial and industrial uses. This would allow for approximately 2 additional shelling operations and a couple acres of commercial uses.

B. Regional Housing Needs Assessment

As part of the Housing Element update cycle, StanCOG prepared a Regional Housing Needs Assessment (RHNA) for each jurisdiction in the county, including Hughson and the County of Stanislaus. The City used the StanCOG generated RHNA in the preparation of the Housing Element as a basis of the need for additional new construction for the Housing Element period.

The RHNA construction needs are derived from StanCOG population and household growth projections. For the period of 2001 to 2008, StanCOG assigned Hughson a construction need of 412 new housing units. When Hughson's Housing Element was adopted, it determined that by the end of 2002, 214 units had already been developed, leaving a remaining construction need of 247 units based on income categories. Table 3-4 depicts the remaining construction need for Hughson to meet its RHNA. The City was able to show in its Housing Element that with existing vacant land within the city limits and limited rezoning, Hughson would be able to meet its RHNA.

C. Determination

The City is updating its General Plan, which will provide the framework for future growth within Hughson and the SOI. The General Plan will be used to plan for the provision of services to this additional growth.

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GROWTH AND POPULATION PROJECTIONS

TABLE 3-4 **REMAINING RHNA CONSTRUCTION NEED**

Income Group - % of Households	Construction Need	Constructed 2001-2002	Remaining Construction Need
Very Low - 22%	91	0	91
Low - 17%	70	0	70
Moderate - 21%	86	0	86
Above Moderate - 40%	165	214	0
Total	412	214	247

Source: 2004 Hughson Housing Element, page 71.

4 FINANCING CONSTRAINTS AND OPPORTUNITIES

This section evaluates the funding mechanisms available for the provision of expanded services in Hughson to meet future needs. As part of this, funding constraints are identified where inadequate funds would be available under existing conditions, as well as efforts that the City is undertaking to correct these shortfalls.

A. *Development Fees*

The 2005 General Plan requires new development to pay for public facilities and utilities needed to support additional growth. Table 4-1 depicts the various fees that are currently charged to new development. The following provides a brief description of the use of each fund:

- ◆ **Public Facility.** Funds improvements to public facilities, such as City Hall and the Corporation Yard.
- ◆ **Storm Drain.** Used to fund improvements to the storm drainage collection backbone system.
- ◆ **Sewer System.** Provides funding to expand the sewer backbone collection, treatment and disposal system to increase capacity to meet needs.
- ◆ **Water System.** Funds improvements necessary to pump, treat, store and transport potable water.
- ◆ **Street Improvements.** Used for various street improvements and maintenance.
- ◆ **Parks Development Fee and Parks Fee.** Used to develop and expand public park facilities.

Impact fees are collected on a square foot basis for non-residential uses, and a per dwelling unit basis for residential uses. In the case of single-family residential subdivisions, the City typically enters into a Development Agreement with the developer. The fees shown in Table 4-1 are those that are included in the City's standard Development Agreement requirements.

CITY OF HUGHSON
MUNICIPAL SERVICE REVIEW
FINANCING CONSTRAINTS AND OPPORTUNITIES

TABLE 4-1 HUGHSON CAPITAL IMPROVEMENT FEES

Fee	Residential					Indus- trial (per sf)
	Single Family (per unit)	Multi Family (per unit)	Retail (per sf)	Office (per sf)	Service (per sf)	
Public Facility	\$3,882	\$2,342	\$5.86	\$3.59	\$2.39	\$1.92
Storm Drain	\$1,233	\$959	\$1.13	\$0.85	\$1.73	\$0.71
Sewer System	\$2,357	\$1,359	\$2.06	\$1.27	\$1.19	\$1.11
Water System	\$1,902	\$1,097	\$1.66	\$1.03	\$0.96	\$0.90
Street Im- provemen	\$3,191	\$1,396	\$10.37	\$2.99	\$2.57	\$1.45
Park Devel- opment Fee	\$3,000	--	--	--	--	--
Park Fee ¹	\$1,267	--	--	--	--	--
Total	\$16,832	\$7,153	\$21.08	\$9.73	\$8.84	\$6.09

Note: Single family subdivisions are typically developed in Hughson through the use of a Development Agreement. The fees shown in this table are those that have been used for recent Development Agreements.

¹ The City adopted a Quimby Act fee in 1987, but the current fee is out of date and does not result in the collection of adequate revenues to pay for needed facilities. The fee shown is the typically fee included in the Development Agreements, but the actual adopted fee is approximately \$500 per unit.

The current rate structure is in need of updating since it does not result in adequate revenues to meet actual demand. To address this, Hughson has contracted with a consultant to update the City's fee structure based on the 2005 General Plan, once adopted. As part of this process, the City will be adopting

a parks fee that will be applicable to all residential development, including multi-family units.

Since there is a fee structure study underway to update the City's fees, the Development Agreements for residential development also include a section to allow for future adjustment of fees charged to match those determined in the fee study. Once the City adopts the revised fee schedule, the Development Agreements will be reviewed to determine whether developers will need to pay additional fees equal to the newly adopted fees if the adopted fees are higher than in the Development Agreement, or if lower, the City will reimburse developers.

New development is also required to provide the individual connections from private uses to the backbone utility system, including water, sewer and storm drainage.

B. City/County Master Property Tax Agreement

Hughson also receives revenue from property taxes from land within the city limits. Hughson has a Tax Sharing Agreement with Stanislaus County that addresses the adjustment of the allocation of property tax revenue among affected governmental agencies when a jurisdictional change occurs, such as annexation of unincorporated property into the city limits. The Agreement became effective on May 13, 1996 and is automatically renewed each year until the event that the County or City request a renegotiation. The City Council reviews the Agreement on a regular basis to determine if any adjustment is necessary. A copy of the Agreement is included in Appendix A.

The Agreement specifies the following property tax sharing for additional land annexed into the city:

- ◆ For annexations other than County unincorporated islands, the County will retain the base property tax revenue for the annexed area. Hughson

will receive a 30 percent share of increases in property tax over the base amount.

- ◆ For annexations of unincorporated islands, Hughson will receive 34 percent of the County's share of property tax, including the base amount.
- ◆ Hughson will receive 100 percent of a special district's share of property taxes for any land that is annexed by the City from a special district once the property is detached from a special district or once the special district is dissolved.

C. Connection and Usage Fees

In addition to impact fees and property taxes, Hughson receives funds for the on-going provision of water and sewer service and solid waste collection and disposal through connection fees and usage fees. These are discussed in detail in Section 6, Rate Restructuring, of this MSR. These fees are reviewed on a regular basis to ensure that they reflect the appropriate levels necessary to provide adequate levels of water, sewer and solid waste disposal.

D. Determination

Hughson receives funds for the provision of public services through development fees, property taxes, and connection and usage fees. As land is annexed into the city from the SOI, these fees will apply. The city reviews these fee structures on a regular basis to ensure that they provide adequate financing to cover the provision of city services. In the case of developer fees, the City is undertaking a study to update the fee structure to reflect the current costs of provision of public services and facilities.

5 COST AVOIDANCE OPPORTUNITIES

This section addresses methods that can be applied to minimize the cost of service provision while still maintaining a good level of service.

A. Background

As shown in Table 5-1, Hughson provides a wide range of municipal services, such as general government services, potable water, wastewater collection and disposal, stormwater drainage, roadways and parks. The City contracts with other providers for additional services, including police and solid waste, when it has been shown to be a more cost effective alternative. Other services, such as fire protection, libraries, schools and mosquito abatement are already provided by separate agencies or districts.

As property from the SOI is annexed into Hughson, the service provider will change to the City for services currently provided through the County. With annexation, there may be an overall increase in cost to properties in the SOI related to provision of services; however, residents and businesses in the SOI would be receiving access to services, such as water, sewer and storm drainage, that are not currently available in the SOI.

Also, as discussed in the Introduction to this MSR, the City's 2005 General Plan will phase development through the use of a Primary and Ultimate SOI. This phasing program ensures that new development first occurs adjacent to areas that are already served by utilities. By avoiding leapfrog development, the cost of expanding infrastructure will be minimized as new development is able to connect to the existing backbone systems without needing to construct long expanses of infrastructure through agricultural lands.

CITY OF HUGHSON
MUNICIPAL SERVICE REVIEW
COST AVOIDANCE OPPORTUNITIES

TABLE 5-1 **SUMMARY OF SERVICE PROVIDERS FOR THE SOI**

Service Provider	Existing	After Annexation
General Government	Stanislaus County	City of Hughson
Fire Protection	Hughson Fire Protection District	Hughson Fire Protection District
Law Enforcement	Stanislaus County Sheriff	Stanislaus County Sheriff (under contract by City of Hughson)
Library	Stanislaus County Library	Stanislaus County Library
Schools	Hughson Unified School District	Hughson Unified School District
Water	None - Private Wells	City of Hughson
Wastewater	None - Private Septic Systems	City of Hughson
Stormwater Drainage	None	City of Hughson along with TID Facilities
Roadways/Circulation	Stanislaus County	City of Hughson
Parks and Recreation	Stanislaus County	City of Hughson
Solid Waste	Contracted Private Firm	Contracted Private Firm
Mosquito Abatement	Turlock Mosquito Abatement District	Turlock Mosquito Abatement District

B. Determination

As annexation occurs, duplication of costs will be avoided by ensuring that any services that will be provided by the City, either directly or through City-contract, will be removed from the County's responsibility. Also, by phasing development, costs related to the expansion of services will be minimized.

6 RATE RESTRUCTURING

The purpose of this section is to determine the potential for minimizing the rates charged to customers for public services, while maintaining the same or better level of service.

A. *Water and Sewer Service*

Hughson's requirement that new development connect to the City's municipal water and sewer system would also apply to new development occurring on property within the SOI as it is annexed into the city. As residential and non-residential uses are connected to the municipal system, they are charged a connection fee. The connection fee for each single-family residential unit is \$1,000 for water and \$1,200 for sewer. The connection fee for multi-family residential and non-residential uses is based on the line size and calculated flow for each use.

The City does not currently meter water and sewer for residential uses. Residences pay a monthly flat rate for water and sewer, as detailed in Appendices B and C. New residential development is required to install water meters so that the City will be able to meter water in the future. The City would need to hire additional staff in order to allow it to begin metering water usage for residential units, though metering would allow for the City to encourage water conservation and adjust fees charged to reflect actual usage by residence.

Non-residential businesses are metered for water and sewer. The cost for water and sewer depends on the type of land use and connection size. Appendices B and C include the City's adopted resolutions that set the water and sewer fees for non-residential uses.

B. Solid Waste Collection and Disposal

Hughson collects a fee for solid waste collection and disposal for residential and small commercial uses. For residential uses, there is a flat rate fee that ranges from \$15.62 to \$28.14 per month. As part of contract renegotiation with the private solid waste service providers, the City is able to control the fees charged through market competition between companies.

Industrial uses and larger commercial uses contract directly with a private solid waste collection and disposal service provider.

C. Lighting and Landscaping District

The City has several lighting and landscaping districts that service residential subdivisions. Each district operates with an independent budget and revenue stream from the others and is dependant on the residents within the subdivision to vote for rate increases. As a result, there is an concern that different subdivisions receive differing levels of service. The City is addressing this issue by working with an engineer to restructure the lighting and landscaping district organization.

D. Determination

Hughson reviews the fees it charges for water, sewer, solid waste and lighting and landscaping maintenance on a regular basis to ensure that adequate services are provided in a cost effective manner.

7 OPPORTUNITIES FOR SHARED FACILITIES

The focus of this section is to identify opportunities for reducing overall costs and improve services by sharing facilities and resources. The following outlines existing and potential opportunities for Hughson to share facilities and resources.

A. Background

The City has already identified opportunities for sharing facilities with other agencies, or combining uses to maximize recreational opportunities in the community. In at least one case, there is a need to reduce the dependence on shared facilities.

1. Combined Stormwater Basins and Parks

The City has two stormwater basins that were built to control run-off from specific projects: the Santa Fe Estates subdivision and the Rhapsody subdivision. Both of these facilities are turfed and provide passive recreational opportunities for the community, in addition to their primary role as a detention basin. The City's 2005 General Plan will include policy language that encourages future drainage basins to be designed for the dual purposes stormwater control and additional recreational opportunities.

2. School Sites and Parks

In addition to City-owned parkland, residents of Hughson are able to use several Hughson Unified School District (HUSD) park facilities. These include the two-acre Carrie Shrader Park, six-acre LeBright School site and recreational facilities at all HUSD school sites.

The City does not have a joint use agreement with HUSD; however, the City is proposing to include an action in its 2005 General Plan to establish a joint use agreement to allow for the shared design and operation of recreation facilities in a way that would maximize use and reduce costs.

3. Law Enforcement

The City of Hughson began contracting with the Stanislaus County Sheriff's Department in September 2001. The agreement between the City and Sheriff is included as Appendix D. As part of the City's agreement with the Sheriff's Department, the Sheriff has use of space within the City-owned police building, located adjacent to City Hall. The Sheriff can use this space for both Hughson-related purposes, as well as other general law enforcement services needed in the wider service area.

4. Fire Protection

The City and Hughson FPD do not share any facilities at this point. However, as discussed in Section 8, as Hughson grows and additional pressures are placed on the District, there may be opportunities for cooperation between the City and District. While there have been no discussions to date, one possibility may be for the District and City to share in the ownership of new fire stations if joint ownership or ownership by the City and staffing by the District would improve access to potential funding sources, such as grants, developer fees and property taxes.

5. Stormwater Drainage

As discussed in Section 2 of this MSR, Hughson has historically used the TID canals, which are located along Hatch and Service Roads, for the discharge of the City's stormwater run-off. However, the City is exploring alternative methods for stormwater collection, treatment and disposal in response to current regulatory trends and the limited capacity of the TID facilities. As a result, the City may eventually stop using TID facilities. In the meantime, the City plans on continuing to share the TID facilities.

B. Determination

Hughson will continue promoting sharing facilities with the HUSD and Stanislaus Sheriff's Department, as well as combining stormwater run-off control with recreational facilities. The City will also be exploring methods to

CITY OF HUGHSON
MUNICIPAL SERVICE REVIEW
OPPORTUNITIES FOR SHARED FACILITIES

work with the Hughson FPD to maintain a good level of fire service for the community, which may include sharing facilities. Finally, in the case of stormwater disposal, Hughson will be working to reduce its dependence on the TID facilities recognizing that regulations are making it more difficult to discharge into the TID system and capacity is limited as well.

8 GOVERNMENT STRUCTURE OPTIONS

This section considers the benefits and constraints of the Hughson government structure in regards to the provision of public services.

A. *Background*

Residents ultimately have oversight for the provision of public services in Hughson since the City is run by an elected City Council that answers to the public through the ballot process. This is discussed in more detail in Section 10.

When Hughson annexes property in the SOI, the City will provide a wide range of public services, both directly and by contract. In some cases, such as municipal water, sewer and stormwater drainage, annexation will result in the availability of services which are not currently available for the SOI. Currently, individual property owners in the SOI have to provide these services themselves, so there will be an increase in available services with annexation; however, there will also be a corresponding increase in service fees as well.

There are several public services discussed in Section 2 that the City could potentially provide, but which are currently provided within Hughson by other organizations. These services include policing, fire protection and stormwater disposal, and are discussed below.

- ◆ **Police.** The City has provided its own Police Department in the past and determined that it was more cost effective to contract for services with the County Sheriff's Department. The City will continue to evaluate the cost of contracting for policing services during the contract evaluation process in comparison with providing equivalent services directly.
- ◆ **Fire Protection.** In the event that Hughson grows to exceed the capacity of the volunteer Hughson Fire Protection District with its current funding sources, it will be necessary for the two agencies to work more closely to identify a manner to access additional funds and maintain an acceptable level of service. One extreme option would be for the City to create its own fire department; however, this would be very expensive for

CITY OF HUGHSON
MUNICIPAL SERVICE REVIEW
GOVERNMENT STRUCTURE OPTIONS

the City and would remove much of the property tax base for Hughson FPD, impacting the District's ability to provide protection to the remainder of its service area. More likely, the City and District will form a stronger partnership to work together to better access funds for facilities, equipment and staffing. At this point, discussions between the City and the Hughson FPD to identify possible mechanisms for cost sharing or better coordination are only just beginning.

- ◆ **Stormwater Drainage.** As discussed in Section 2, with changes in regulations affecting the disposal of stormwater and the capacity limitations of TID facilities, the City has started to explore alternatives stormwater disposal methods to reduce the City's dependence on TID canals. The exact approach has not yet been identified at this time.

As identified in Section 5, there are several other services provided by non-City organizations, but are not focused on in this MSR, which the City could in theory provide. These include solid waste collection and disposal, library services, mosquito abatement and schools.

- ◆ Solid waste collection and disposal is typically a contracted service since private firms are able to service a small community like Hughson at a more reasonable cost due to the large initial cost associated with the equipment and staffing needed to collect solid waste.
- ◆ Library service is provided at a countywide level, thereby accessing greater funds than would be available to the City if it were to have its own facilities.
- ◆ Mosquito abatement is a regional issue that crosses municipal boundaries, so it does not make sense to try to address mosquito control within just the city limits.
- ◆ Public education is traditionally provided by a school district, and not a municipal government.

B. Determination

The City of Hughson will need to continue to monitor the cost and level of service of contracting for law enforcement to determine if it is the most cost effective manner to provide good quality policing to the community. In the case of fire protection and stormwater disposal, the City is aware of the need to continue to work with the Hughson FPD to ensure that adequate fire protection is provided as the community grows, as well as begin exploring alternatives to disposing of stormwater into TID facilities, and is working to address these issues.

9 EVALUATION OF MANAGEMENT EFFICIENCIES

The purpose of this section is to evaluate the ability of Hughson to provide public services efficiently in a cost effective manner.

A. *Background*

Hughson provides a wide range of public services to its residents and businesses through the collection of developer fees, user fees and taxes, as well as grants and other State and federal funding. As previously mentioned, services provided directly by the City include potable water, wastewater and storm-water collection and disposal, parks and recreation, roadways, as well as general planning and maintenance for the community. Where cost effective, specific services are contracted, including policing and solid waste, while others are provided by specially created districts or agencies.

The City undertakes long-range planning programs to better plan and budget for needed improvements to services and facilities. For example, the City is completing an update to its General Plan to identify the potential for growth during the next 20 years. The General Plan growth projections will provide a baseline for other planning documents, such as water and sewer master plans, to allow the City to better estimate future demand for services and improvements needed to meet this demand. In addition, as part of the General Plan update, a circulation study was completed to identify needed improvements to the roadway system to support potential growth.

Using these long-range plans as a basis, the City utilizes an annual budgeting process to balance expenditures for provision of needed services with anticipated income. During this process, the City analyzes the need for City staffing, equipment and facilities for the following year, and department heads are encouraged to continually explore methods to minimize the cost for services while maintaining a high level of service. Table 9-1 provides a summary of the 2004/2005 projected budget for Hughson.

CITY OF HUGHSON
MUNICIPAL SERVICE REVIEW
EVALUATION OF MANAGEMENT EFFICIENCIES

TABLE 9-1 **2004/2005 BUDGET (ESTIMATED)**

Fund	Balance 7/1/04	Revenues/ Transfers In	Expenditures/ Transfers Out	Balance 6/30/05
General Fund	\$1,168,666	\$2,111,092	\$2,044,055	\$1,235,703
Special Revenue Funds	\$970,507	\$1,491,069	\$1,495,880	\$965,696
Enterprise Funds	\$979,004	\$1,531,011	\$1,898,807	\$611,208
Capital Im- provement Funds	\$2,474,464	\$2,939,540	\$2,798,100	\$2,615,904
Redevelopment Agency	\$1,804,214	\$190,100	\$959,040	\$1,035,274
Total	\$7,396,855	\$8,262,812	\$9,195,882	\$6,463,785

B. Determination

The City will continue to use the budget and long-range planning processes to ensure that it is able to provide directly and through contract adequate levels of service in a cost-effective manner within its service area.

10 LOCAL ACCOUNTABILITY AND GOVERNANCE

This section assesses the level of accountability provided by the City of Hughson to those it serves, focusing on the public accessibility and level of public participation offered in regards to the operation of the City.

A. Background

Incorporated in 1973, the City of Hughson is a General Law city that operates under the City Council/City Manager form of municipal government with 21 employees. This General Law format allows for citizens to elect a governing body that will set policy, pass ordinances and resolutions, and approve fiscal spending. To encourage residents to participate in the election, the City notifies the community through notices in the City newsletter and the local paper, the Hughson Chronicle.

The City Council is comprised of four Council Members and one Mayor. City Council Members and the Mayor are elected as at-large representatives of the citizens through non-partisan elections. Council Members are elected every four years on an overlapping basis, while the Mayor is elected every two years. The City Council meets on the second and fourth Monday of each month at 7:00 p.m., in the Hughson Council Chambers located in City Hall. The public also has access to City Council Members through email links on the City's website.

The City Council appoints the four-person Planning Commission, of which each member serves a two-year term. The Commission meets on the third Tuesday of each month at 6:00 p.m., in the Hughson Council Chambers.

The agendas for both the City Council and Planning Commission are available at City Hall, as well as on the City's website (www.hughson.org). Both the Council and Commission comply with the Brown Act.

City Hall, with the primary City administrative functions, is located at 7018 Pine Street and is open to the public for city business during normal working hours, between 8:00 a.m. and 5:00 p.m. Monday through Friday.

The City provides its residents with information on City policy and upcoming opportunities for public involvement on its website and newsletter, which is distributed with the water bills. In addition, residents also are notified as required by law for public hearings. The Hughson Chronicle also provides information to the community regarding City activities.

Finally, the City prepares annual reports as required by State and federal regulations. These include annual reports on General Plan implementation progress, water quality, growth for the Department of Finance, and Community Development Block Grant (CDBG) implementation. These reports are available to the public for review and comment.

B. Determination

The residents of Hughson are offered a range of opportunities to oversee the activities of elected, appointed and paid representatives responsible for the provision of public services to the community through elections, publicized meetings and hearings, as well as through the reports completed in compliance with State and federal reporting requirements.

II REFERENCES

A. Documents/GIS Data

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- City of Hughson. *2004 Housing Element*.
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- City of Hughson. October 8, 2003. *Wastewater Treatment Master Plan*.
- City of Hughson/Stanslaus County. May 13, 1996. *Tax Sharing Agreement*.
- City of Hughson/Stanslaus County Sheriff's Department. September 1, 2001. *Agreement for County to Perform Law Enforcement Services for the City of Hughson*.
- Pacific Municipal Consultants (PMC). December 2004. *Draft Plan for Services Katakis Annexation Change of Organization to the City of Hughson*.
- Turlock Groundwater Basin Association. October 2003. *Turlock Groundwater Basin Water Budget, 1952-2002*.
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B. Websites

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- www.tid.org/river/res.htm, accessed on February 1, 2005.
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C. Personal Communications

- Berner, Scott. Fire Chief, Hughson Fire Protection District. Personal communication with Lisa Fisher and Catherine Reilly, DC&E. February 1 and April 12, 2005.
- Crowder, Thomas. Hughson Paramedic Ambulance Company. Personal communication with Catherine Reilly, DC&E. April 18, 2005.

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- Heckendorf, Patricia. Stanislaus County Assessor's Office, Personal communication with Catherine Reilly, DC&E. February 2005.
- Liebersbach, Debbie. Turlock Irrigation District. Personal communication with Catherine Reilly, DC&E. February 2, 2005 and April 8, 2005.
- Ness, Robert. Turlock Irrigation District. Personal communication with Catherine Reilly, DC&E. March 2005.
- Sanders, Maurice. Assistant Sheriff, Stanislaus County Sheriff's Department. Personal communication with Lisa Fisher, DC&E. January 18, 2005.
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- Weigard, James. Deputy Chief, Stanislaus Consolidated Fire Protection District. Personal communication with Catherine Reilly, DC&E. April 14, 2005.

A P P E N D I X A

AGREEMENT FOR TAX SHARING

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AGREEMENT

SECTION ONE: PARTIES: The parties to this Agreement are the City of Hughson, hereafter referred to as "the City", and the County of Stanislaus, hereafter referred to as "the County" acting in its own behalf and on behalf of the special districts in Stanislaus County pursuant to Section 99 of the California Revenue & Taxation Code (Section 99).

SECTION TWO: PURPOSE: The purposes of this Agreement are to provide for:

- a. The adjustment of the allocation of property tax revenue; pursuant to Section 99 of the California Revenue & Taxation Code, among the affected governmental agencies when a jurisdictional change occurs; and,
- b. The adjustment of the appropriation limits of the affected governmental agencies pursuant to Section 3(b) of Article XIII B of the Constitution of the State of California.

SECTION THREE: DEFINITIONS: As used in this agreement, the terms "property tax revenue," "annual tax increment," "jurisdictional change," "affected agency," and "special district" have the same definitions and descriptions as set forth in Sections 95-100 of the California Revenue and Taxation Code. A "certificate of sufficiency" is a certificate issued by the Executive Officer of the Stanislaus County Local Agency Formation Commission pursuant to Section 56706 of the California Government Code.

SECTION FOUR: EFFECTIVE DATE: This agreement shall be effective as of 5/13/96, and shall apply, except as provided for in Section Eleven to all jurisdictional changes for which a certificate of sufficiency is issued on or after 5/13/96.

SECTION FIVE: TERM: TERMINATION: The term of this Agreement will be for five years starting on the effective date. At the end of the fifth year, the agreement will automatically renew for one-year periods thereafter unless one of the parties requests in writing 60 days prior to the anniversary date for a renegotiation of the terms and conditions of the agreement. If such a request is made, the agreement is terminated on the anniversary date. Notice of renegotiation

shall be sent to the other party, the Stanislaus County Local Agency Formation Commission and the Stanislaus County Auditor.

SECTION SIX: SUBSEQUENT JURISDICTIONAL CHANGES: The parties hereto recognize that the annexation of territory to the City, when done pursuant to the Cortese Knox Local Government Reorganization Act of 1985, as amended, (the "Act") ^{may} will precipitate the subsequent detachment of the annexation area from a County fire protection district and, in some cases, from other special districts. Consequently, in determining the amount of property tax revenue to be transferred from the County to the City pursuant to Section Seven of this agreement, the Stanislaus County Auditor-Controller shall consider the special districts from which the annexation area will subsequently be detached to be affected agencies. However, no property tax shall be transferred from these districts to the City until the detachments are completed.

SECTION SEVEN: ALLOCATION OF PROPERTY TAX REVENUE: When a jurisdictional change occurs, the property tax revenue attributable to the territory annexed to the City shall be adjusted in the following manner:

a. For annexations other than County unincorporated islands, the County shall retain the property tax revenue from the base assessed valuation for the area to be annexed. After annexation, the annexing city shall receive a 30% share of the County's property tax share that is attributable to an increase in assessed value above the base amount. The County shall continue to receive 100% of the property tax revenue attributable to the base assessed valuation.

b. The City shall receive the entire percentage amount of property tax of any affected special district in the area annexed. However, no transfer of that percentage amount of property tax will occur until either the annexed territory is detached from the special district or the special district is dissolved.

c. For annexations affecting an unincorporated island, the annexing City shall receive 34% of the County's share of property tax including the base amount.

SECTION EIGHT: ADJUSTMENT OF APPROPRIATION LIMIT: Pursuant to Section 3(b) of Article XIII of the Constitution of the State of California, the City shall increase its appropriation limit by the amount of property tax revenue received after the adjustment provided for in Section Seven is completed. The County shall decrease its appropriation limit by the amount of revenue it has had transferred to the City. It is also expected that any special district will decrease its appropriation limit by the amount of revenue it has had transferred to the City.

SECTION NINE: ALLOCATION OF ANNUAL TAX INCREMENT: All future annual tax increment revenue attributable to the annexed territory shall be allocated on the basis of the tax allocation percentage for each affected agency after the adjustment provided for in Section Seven has been completed.

SECTION TEN: EXCEPTIONS: (Modesto Agreement only) Notwithstanding any other provisions of this Agreement, adjustment of the allocation of property tax revenue shall be negotiated independently from this Agreement for any proposed jurisdictional change which includes all or any part of the territories designated as "AREAS EXCEPTED FROM THIS AGREEMENT" on the maps attached hereto and marked Exhibits 1, 2, and 3.

In addition, any area designated as a redevelopment zone in a redevelopment agreement between a City and the County is excluded from the provisions of this Agreement.

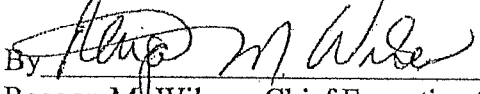
SECTION ELEVEN: AMENDMENT OF AGREEMENT: This Agreement can be amended at any time upon the mutual consent of the parties hereto.

SECTION TWELVE: COUNTY OPPOSITION TO ANNEXATION PROPOSALS BEFORE LAFCO: As a result of this Agreement, the County shall not object to a jurisdictional change as a result of an annexation on the grounds of fiscal impacts during the term of this Agreement.

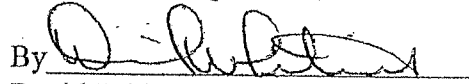
SECTION THIRTEEN: This section is reserved.

SECTION FOURTEEN: CHANGE IN LAW: In the event that either Section 99 or the Act are repealed or amended in any way by the Legislature of the State of California so that the requirement for a negotiated exchange of property tax revenues is changed or no longer exists, then within ten (10) days after the effective date of such a legislative act the parties shall immediately enter into good faith negotiations to modify the agreement for the purpose of conforming it to state law. In the event the parties do not reach agreement within thirty (30) days thereafter this agreement shall thereupon be null and void and state law prevails.

COUNTY OF STANISLAUS
STATE OF CALIFORNIA

By 
Reagan M. Wilson, Chief Executive Officer
of the County of Stanislaus, State of California

CITY OF HUGHSON
a municipal corporation,

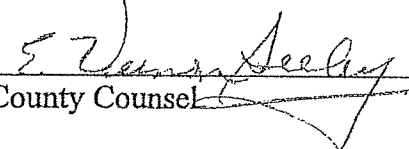
By 
David Whiteside
Acting City Manager

ATTEST:

REAGAN M. WILSON, Clerk to the Board
of Supervisors of the County of Stanislaus,
State of California

By 

APPROVED AS TO FORM:

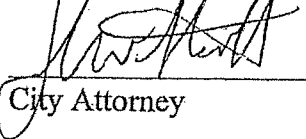

County Counsel

ATTEST:

City Clerk

By 

APPROVED AS TO FORM:


City Attorney

A P P E N D I X B

WATER SERVICE RATE
RESOLUTIONS



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HUGHSON CITY COUNCIL

RESOLUTION NO. 97-35

RESOLUTION AMENDING RESOLUTIONS
NO. 82-36, 94-18, AND 97-12
RELATIVE TO WATER SERVICE RATES
EFFECTIVE JANUARY 1, 1998

WHEREAS, pursuant to Section 13.08.860 of Chapter 13.08 of the
Hughson Municipal Code, the City Council may, from time to time, by
resolution, establish rates for water service.


NOW, THEREFORE, BE IT RESOLVED that effective January 1, 1997,
water service rates in effect in Hughson on that date (as established pursuant
to Resolutions 82-36, 84-18, and 97-12) shall be increased by 16% (that is, by
a factor of 1.16). A listing of water rates in effect on that effective date is
attached hereto and incorporated hereby in reference. The rates as thus
established may be, but are not required to be, increased hereafter by the
percentage change for the preceding year in the *Engineering News-Record*
("ENR") Annual Average Cost Report Index.

WHEREAS, all other provisions of Resolutions 83-36, 94-18, and 97-12,

1 to the extent the provisions of any one of those three resolutions is not
2 suspended by a provision in a later one of those three resolutions, remain in
3 effect.
4

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6 PASSED AND ADOPTED by the Hughson City Council at a regular
7 meeting thereof, held on November 17, 1997, by the following vote:
8

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11 AYES: Councilmembers KING, PROUTY and Mayor
12 CROWDER
13 NOES: None
14 ABSTENTIONS: None
15 ABSENT: Councilmembers WILLIAMS and LEMA
16

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20 _____
THOMAS E. CROWDER, Mayor
City of Hughson

21 ATTEST:
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23 _____
MARY JANE CANTRELL, CMC
24 City Clerk
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CITY OF HUGHSON

RESOLUTION NO. 97-12

RESOLUTION AMENDING RESOLUTION NO. 82-36,
AND RESOLUTION 94-18
~~WATER SERVICE RATES~~
EFFECTIVE May 12, 1997

WHEREAS, pursuant to Chapter 13.08.860 of Chapter 13.08 of the Hughson Municipal Code, the City Council may from time to time, by Resolution, establish rates for water service.

NOW, THEREFORE, BE IT RESOLVED that effective May 12, 1997, 1997, water service rates will be charged on the basis of the relative use factor assigned to each use, times the base rate which base rate shall be \$6.50.

BE IT FURTHER RESOLVED, that said Use Factor, fixed rates and other provisions shall be as follows:

All use factors are determined from engineering data based on average actual use records for equivalent fixture units and are applied on the basis of specific occupancies and facilities in place. Upon the recommendation of the Director of Public Works, the City Manager may authorize adjustments for major modification, errors, additions, and changes in use.

<u>Residential:</u>	<u>Monthly Use Factor</u>
Single Family attached and detached dwelling units	3.0
Multi-Family dwelling units "apartments", and all attached group dwelling clusters at a density greater than 6 DU/AC	2.7
Mobile Home Parks for each mobile home space occupied by a trailer or mobile home unit	2.4
<u>plus</u> for each common shower, washer, or vehicle wash facility provided thereon	3.0

Standby Service:

Up to and including 1" Service \$19.50/mo
 plus \$8.00/1000
 gal used

1½" Service \$25.00/mo
 plus \$8.00/1000
 gal used

2" Service \$60.00/mo
 plus \$8.00/mo
 gal used

Metered Service . . 5000 gal max used/mo - \$19.50/mo ~~Minimum~~
 plus \$2.00/1000 gal used over 5000 gal max

Temporary Service . . \$8.00/1000 gal with \$16.50/mo minimum

Notwithstanding use factors assigned on the basis of occupancy and fixture units, users served by service lines over ¾" shall be assigned use factors as follows:

1" service 6.5

1½" service 9.0

2" service 11.1

For uses which are served by services lines greater than 2", the use factor shall be calculated as follows:

The size of the service line shall be divided by 1.5, and the result shall be squared, and the result of the squaring shall be multiplied by 9.


PASSES AND ADOPTED by the Hughson City Council at a regular meeting thereof, held on May 12 1997, by the following vote:

AYES: Councilmembers KING, LEMA, PROUTY,
 WILLIAMS and Mayor CROWDER

NOES: None _____

ABSTENTIONS: None _____

ABSENT: None _____



 THOMAS E. CROWDER, Mayor
 City of Hughson

ATTEST:

Mary Jane Cantrell
MARY JANE CANTRELL, CMC
City Clerk, City of Hughson

1 CITY OF HUGHSON

2 RESOLUTION NO. 94-18

3 RESOLUTION AMENDING RESOLUTION NO. 82-36,
4 WATER SERVICE RATES
5 EFFECTIVE JULY 1, 1994

6 WHEREAS, pursuant to Chapter 13.08.860 of Chapter 13.08 of the Hughson
7 Municipal Code, the City Council may from time to time, by Resolution, establish
8 rates for water services.

9 NOW, THEREFORE, BE IT RESOLVED that effective July 1, 1994, water
10 service rates will be charged on the basis of the relative use factor assigned to each
11 use, times the base rate, which base rate shall be \$6.50.

12 BE IT FURTHER RESOLVED, that said Use Factors, fixed rates and other
13 provisions shall be as follows:

14 All use factors are determined from engineering data based on average
15 actual use records for equivalent fixture units and are applied on the
16 basis of specific occupancies and facilities in place. Upon the
17 recommendation of the Director of Public Works, the City Manager may
18 authorize adjustments for major modification, errors, additions, and
19 changes in use.

23 <u>Residential:</u>	<u>Monthly Use Factor</u>
24 Single Family attached and detached 25 dwelling units3.0
26 Multi-Family dwelling units "apartments", and all	

1	attached group dwelling clusters at a density	
2	greater than 6 DU/AC	2.7
3	Mobile Home Parks for each mobile home space	
4	occupied by a trailer or mobile home unit	2.4
5	plus for each common shower, washer, or vehicle	
6	wash facility provided thereon	3.0

Standby Service:

7	Up to and including 1" Service	\$19.50/mo
8		plus 8.00/1000
9		gal. used
10	1-1/2" Service	\$25.00/mo
11		plus 8.00/1000
12		gal. used
13	2" Service	\$60.00/mo
14		plus 8.00/1000
15		gal. used

Metered Service 5000 gal. max used/mo. - 19.50/mo minimum
plus \$2./1000 gal. used over 5000 gal.max.

Temporary Service \$8./1000 gal with 16.50/mo minimum

Notwithstanding use factors assigned on the basis of occupancy and
fixture units, users served by service lines over 3/4" shall be assigned
use factors as follows:

19	1" service	6.5
20		
21	1-1/2" service	9.0
22		
23	2" service	11.1

PASSED AND ADOPTED by the Hughson City Council at a regular meeting
thereof, held on July 11, 1994, by the following vote:

AYES: Councilmembers OAKES, LEMA, CROWDER and
Mayor Pro Tem HUTCHINSON

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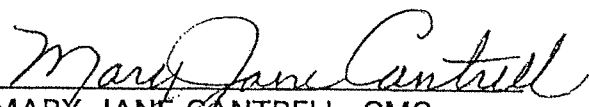
NOES: None

ABSTENTIONS: None

ABSENT: Mayor SEXTON


JIM R. SEXTON, Mayor

ATTEST:


MARY JANE CANTRELL, CMC
City Clerk

A P P E N D I X C

SEWER SERVICE RATE
RESOLUTION



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HUGHSON CITY COUNCIL

RESOLUTION NO. 96-10

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUGHSON
SETTING SEWER SERVICE RATES EFFECTIVE MAY 1, 1996

WHEREAS, pursuant to Section 1 of Article III of the City of Hughson Ordinance No. 74-3 (upon the effective date of Ordinance No. 78-10 amending said Article III), the City Council may, from time to time, by Resolution, establish rates for sewer service;

NOW, THEREFORE, BE IT RESOLVED, that effective May 1, 1996, sewer service rates will be based on the relative use factor assigned to each use, times the Base Rate, which Base Rate shall be \$14.95 per month.

SEWER RATES

Monthly
Use Factor

RESIDENTIAL:

All residential attached and detached dwelling units
(Dwelling unit = base factor = 1) 1.0

Mobile Home Parks for each mobile home space
occupied by a trailer or mobile home unit 1.0

PERSONAL HEALTH SERVICES:

Medical Clinics, Dental 2.0
Beauty Shop 3.0

PHARMACY, BANK: 1.5

RETAIL VENDORS, HOUSEHOLD & APPLIANCE SERVICES,
PROFESSIONAL SERVICES, INSTITUTIONAL/CIVIC 1.0

1	<u>COMMERCIAL - INDUSTRIAL BUSINESSES:</u>	
	(Varies, specific evaluation)	
2	Valley Tool (machine, tool & die manufacturing)	4.0
3	Vrismo	2.0
4	FMC - Hughson Chemical (chemical, sales, storage & distribution)	3.0
5	Automotive Repair (gas)	1.5
6	<u>BAR:</u>085/seat
7	<u>RESTAURANTS:</u>085/seat
8	<u>QUICK FOOD/DRIVE-IN:</u>	2.0
9	<u>CONVENIENCE MARKET/QUICK STOP:</u>	1.0
10	<u>MAJOR FOOD MARKET:</u>0009/Sq.Ft.
11	<u>CAR WASH:</u>	1.15/stall
12	<u>COMMERCIAL LAUNDRY:</u>22/washer
13	<u>GAS STATION:</u>45/pump
14	<u>CHURCHES:</u>	1.0
15	<u>FRATERNAL:</u>	2.0
16	<u>SCHOOL:</u>	
17	High School (600 ADA)	41.5
18	Jr. High (w/o gym & cafeteria) (378 ADA)	10.4
19	Elementary (800 ADA)	24.0
20	Hughson Christian School (K-12) (75 ADA)	4.6
21	<u>MAJOR WET INDUSTRY:</u>	
22	California Cooperative Creamery (flat rate)	\$15,644/month
23	<u>PRODUCE PROCESSING/GRADING WASHING STATION:</u>	
24	Hughson Terminal (flat rate)	\$91.00/month

PASSED AND ADOPTED by the Hughson City Council at a regular


1 meeting thereof held on March 25, 1996, by the following vote:

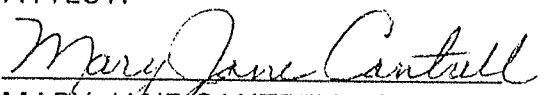
2 AYES: Councilmembers OAKES, LEMA, WILLIAMS, MATZKIND
3 and Mayor CROWDER

4 NOES: None

5 ABSENT: None

6 ABSTENTIONS: None

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THOMAS E. CROWDER, Mayor

10 ATTEST:
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12 MARY JANE CANTRELL, CMC
13 City Clerk

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A P P E N D I X D

AGREEMENT FOR LAW
ENFORCEMENT SERVICES

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RECEIVED

SEP 13 2001

CITY OF HUGHSON

AGREEMENT FOR COUNTY TO PERFORM
LAW ENFORCEMENT SERVICES
FOR THE CITY OF HUGHSON

THIS AGREEMENT is made and entered into by and between the County of Stanislaus, hereinafter called COUNTY, and the City of Hughson, hereinafter called CITY, and shall become effective on September 1, 2001.

RECITALS

WHEREAS, CITY desires to contract with COUNTY for the performance of law enforcement services and functions within its boundaries; and

WHEREAS, COUNTY agrees to contract with CITY and to perform such law enforcement services and functions as described herein and pursuant to the terms and conditions hereinafter set forth; and

WHEREAS, the performance by COUNTY for CITY of the law enforcement services and functions referenced herein will require COUNTY to incur certain costs and expenses including, but not limited, to the costs and expenses associated with general liability for the negligent or wrongful acts or omissions of COUNTY, its officers, and employees arising out of the performance of this Agreement and for the costs and expenses associated with workers' compensation arising out of the performance of this Agreement; and

WHEREAS, it is the intent of the parties to this Agreement that CITY shall assume all such costs and expenses, including, but not limited to, the costs and expenses associated with general liability and workers' compensation in accordance with the terms of this Agreement; and

WHEREAS, the parties to this Agreement have the legal authority to enter into this Agreement pursuant to the provisions of Article I, Chapter 1, Part 2, Division 1, Title 5, Sections 51300, et seq., and Chapter 5, Division 7, Title 1, Sections 6500, et seq., of the Government Code of the State of California;

NOW, THEREFORE, the parties hereto agree as follows:

TERMS AND CONDITIONS

- I. The aforementioned Recitals are true and correct and are deemed to be terms and conditions of this Agreement.
2. The term of this Agreement shall be from September 1, 2001, through, August 31, 2006 inclusive.
3. Subject to all the terms and conditions of this Agreement, including, but not limited to, any and all additional terms and conditions contained in any exhibit or attachment hereto, COUNTY shall perform, and CITY shall be entitled to have COUNTY perform, such law enforcement services and functions for CITY as are set forth in Exhibit A, attached hereto and incorporated herein by this reference.
4. All persons employed in the performance of this Agreement shall be employees of COUNTY. No person employed by COUNTY hereunder shall have any CITY pension, civil service, or other status or right.
5. No officer, employee or department of COUNTY shall perform for CITY any law enforcement service or function not coming within the scope of the duties of such officer, employee or department in performing such services or functions for COUNTY.

6. The Sheriff will assign a staff person to provide on-site management of the personnel providing law enforcement services to the CITY and provide supervision to County deputies assigned around the city of Hughson, as determined by the Sheriff. The position shall be designated as the Chief of Police Services. The Sheriff may recommend a change in this assignment in which case a recommendation would be forwarded to the City Manager. The City Manager will review the proposed personnel change with the City Council in closed session and the City Council's decision will be forwarded to the Sheriff prior to a final determination. The city council may also initiate the process of replacement of the Chief of Police Services by a majority vote after discussion in closed session. In the event of a vacancy in the position of Chief of Police Services, the Sheriff will provide a list of eligible candidates to the City Manager. The City Manager may review and/or interview the candidates and make a recommendation for appointment to the City Council. The Chief of Police Services will attend all CITY staff and CITY council meetings as recommended or requested in order to be available to the community to discuss their needs and to maintain communication and mutual cooperation. This Chief of Police Services will confer with CITY officials regularly to assure local control consistent with this Agreement over the quality and service and in identifying goals and programs that create a safer community. In any pay for performance review the Chief of Police Services must include the City Manager and the Mayor or designee as evaluators in that process.

7. COUNTY will provide all necessary support services for the staff assigned to perform the services under this Agreement with the CITY, including, but not limited to, case management, records management, and specialized training.

8. CITY will provide those services, equipment, facilities, and supplies as is set forth in Exhibit B, attached hereto and incorporated herein by this reference including the on going cost of replacement, insurance, utilities, and any and all costs associated in making them compatible with the equipment of the Sheriff.

The CITY shall transfer ownership to the COUNTY of any police dogs that are owned by the CITY and used in the present police department. Any such dog will be continue to be used in the City of Hughson if it passes the certification examination for police dogs used by SHERIFF. Any such dog that is no longer of service will be returned to the CITY, any such dog still in service at the conclusion of this agreement will be returned to the CITY unless otherwise agreed upon.

The CITY shall transfer title to the following vehicles and installed equipment to the COUNTY upon the signing of this agreement.

1. 1997 Ford Crown Victoria #PD1, Patrol Vehicle
2. 1998 Ford Crown Victoria # PD2, Patrol Vehicle
3. 2000 Ford Crown Victoria # PD3, Patrol Vehicle
4. 2000 Ford Crown Victoria # PD4, Patrol Vehicle

COUNTY agrees to provide said vehicles to the Sheriff for use in providing police services to CITY.

COUNTY shall invoice CITY at least quarterly on a cost per mile basis for each vehicle used by Sheriff in providing police services to CITY. Said cost will include,

gasoline, maintenance and replacement costs of each vehicle. Said costs will be computed annually and will be the same as that charged for other COUNTY vehicles in the same class with an additional charge applied to cover the costs of insurance not already covered in the police service contract with CITY. CITY agrees to provide to or reimburse COUNTY for any decals or special signage that are used to distinguish the vehicles with CITY markings.

COUNTY agrees that upon a termination of this agreement the COUNTY will return to CITY a like number of similarly equipped vehicles with similar equipment based on the standard at the date of termination. Excluded are any enhancements added to the vehicle and paid for by the COUNTY. Similar vehicles and/or equipment are defined as a vehicle having the same functionality. Similarity of functionality of vehicles are similar vehicles with a mileage within 5000 miles plus or minus. Any vehicle being leased by the COUNTY at the time of termination that is assigned to CITY, will not be replaced but the CITY will be provided the option of taking over the lease from COUNTY if no other similar vehicle is available. The mileage and equipment of the vehicles will be recorded on the date of transfer to the COUNTY.

Payment of moneys in this paragraph 8 by CITY to COUNTY is in addition to the monthly amount specified in paragraph 19 of this agreement.

9. CITY, its officers and employees, by this Agreement, shall not assume any liability for the direct payment of any salary or wages to any COUNTY officer or

employee performing services hereunder for CITY, nor for the direct payment of compensation or indemnity to any COUNTY officer or employee for any injury to or illness of such officer or employee arising out of his employment by COUNTY, nor for the direct payment of any claims, settlements or judgments resulting or arising solely from any negligent or wrongful act or omission of COUNTY, its officers and employees in performing the services or functions provided for in this Agreement, and COUNTY shall hold harmless, defend and indemnify CITY, its officers and employees, from and against each of the foregoing. COUNTY warrants that it is insured, or is permissibly self-insured, for workers' compensation coverage and agrees that its employees providing services to CITY pursuant to this Agreement will be covered by COUNTY'S workers' compensation program or insurance for all injuries arising out of or occurring in the course and scope of their employment. Furthermore, COUNTY shall not pursue any action against CITY, including, but not limited to an action for subrogation, if a COUNTY employee performing service pursuant to this Agreement obtains workers' compensation benefits which may be or are attributable to the conduct or alleged negligent or wrongful act or omission of CITY, its officers and or employees, or dangerous conditions of the street or property of CITY.

10. COUNTY, its officers and employees, by this Agreement, shall not assume any liability for the negligent or wrongful acts or omissions of CITY, nor of any officer or employee thereof, nor for any dangerous condition of the streets or property of CITY, and CITY shall hold harmless, defend and indemnify COUNTY, its officers and employees, from and against any and all costs, expenses, claims, suits and liability for bodily and personal injury to or death of any person and for injury to or loss of any

property resulting therefrom or arising out of or in any way connected with the solely negligent or wrongful acts or omissions of CITY, its officers and employees, in performing or authorizing the performance of or in failing to perform or authorize the performance of any work, services or functions provided for, referred to in or in any way connected with any work, services or functions to be performed under this Agreement. The provisions of this paragraph are expressly applicable to any and all occurrences which occurred or are alleged to have occurred prior to the effective date of this Agreement.

11. Unless otherwise required by this Agreement, the COUNTY shall provide all supplies, equipment, services and materials needed for its performance of law enforcement services under this Agreement; except that CITY shall, at its own expense, supply any special stationery, supplies, notices, forms, logos, insignias, name tags, badges, and/or uniforms which are to be issued in the name of the CITY.

12. CITY will provide to the COUNTY the use of the current inventory of police equipment as identified in Exhibit B. Said equipment will be used in performance of the law enforcement operations in the CITY and will not be used for non-CITY functions unless approved by the City Manager. Law enforcement mutual aid situations are exempt from this provision. The COUNTY agrees that upon a termination of this agreement the COUNTY will return to the CITY all items that CITY provided to the COUNTY identified in Exhibit B. COUNTY will advise CITY when any item listed in Exhibit B becomes non-serviceable. The CITY and COUNTY agree that Exhibit B may be updated periodically with items no longer needed for law enforcement service returned

to the CITY and deleted from Exhibit B. If additional equipment is provided by CITY the item will be added to Exhibit B.

13. COUNTY shall utilize the existing police facility at 7018 Pine Street, Hughson, California to provide law enforcement services to CITY. All costs for utilities and maintenance of said facility shall be the responsibility of CITY. The CITY and COUNTY agree to cooperate in the remodel of the police facility if and when any expansion is needed due to increased use by Sheriff in housing services provided to areas outside the corporate limits of the CITY.

14. COUNTY agrees that all revenues currently received by the CITY as revenue pertaining to police services or generated by police services will continue to be CITY revenue with the exception of Peace Officer Standards and Training reimbursement, Police Reserve revenue and individual booking fee recovery revenue. The COUNTY makes no commitment to any revenues other than they will not be diverted for COUNTY use by this agreement, except for those excluded above. COUNTY agrees that booking fees will not be charged to CITY for arrests made by deputy sheriffs assigned to the Hughson Polices Services during the term of this contract, including any extensions thereof.

15. Except as otherwise provided in this Agreement, CITY shall pay to COUNTY the entire cost to COUNTY of performing each service and function performed by COUNTY under the terms of this Agreement as set forth in more detail in Exhibit C. Liability and insurance costs shall include a pro rata share of the COUNTY costs incurred in maintaining general and all other applicable liability insurance coverage

and in self-insuring for the acts or omissions of the COUNTY, its officers and employees and a pro-rata share of COUNTY costs incurred in insuring and self-insuring for workers' compensation, which shall be charged on the basis of a rate per \$100.00 of payroll for the particular type of service being performed.

Applicable rates for the services and functions to be performed by COUNTY and to be charged at the time of execution of this Agreement are set forth in Exhibit C, attached hereto and incorporated herein by this reference. Except as otherwise specified hereafter, the rates charged for the performance of each service or function pursuant to this Agreement shall be recomputed annually and revised accordingly, by COUNTY pursuant to Government Code Section 51350.

In the event salaries and wages of the COUNTY officers and employees are changed at a time not coincident with the time for re-establishment of rates, the rates for salaries and wages set forth in Exhibit C shall be readjusted to reflect the appropriate rates pursuant to the effective date of the Memorandum of Understanding concerning the employees performing this Agreement. In the event insurance costs for COUNTY'S liability or workers' compensation programs are changed at a time not coincident with the time for re-establishment of rates, the rates for COUNTY'S liability program costs set forth in Exhibit C shall be readjusted to reflect the appropriate rates effective thirty (30) days after written notification to CITY

16. CITY shall be notified in writing of the new rates involving salary and wage changes affecting the employees performing this Agreement as established by COUNTY within thirty (30) days after their adoption by the COUNTY, Board of Supervisors.

17. COUNTY designates the Sheriff of Stanislaus County, or his or her designee, to represent COUNTY in all matters pertaining to the administration of this Agreement. The CITY designates its City Manager, or his or her designee, to represent CITY in all matters pertaining to the administration of this Agreement. Both CITY and COUNTY will provide the full cooperation and assistance of their officers, agents, and employees to each other in performance of this Agreement.

18. Any notice or notices provided for by this Agreement to be given or served upon COUNTY shall be given or served by letter deposited in the United States Mail, postage prepaid and addressed to:

STANISLAUS COUNTY SHERIFFS DEPARTMENT
POST OFFICE BOX 858
MODESTO, CALIFORNIA 95353

Any notice or notices provided for by this Agreement to be given or served upon CITY shall be given or served by letter deposited in the United States Mail, postage prepaid and addressed to:

CITY OF HUGHSON
POST OFFICE BOX 9
HUGHSON, CALIFORNIA 95326

19. COUNTY shall provide CITY within thirty (30) days of the close of each calendar month a statement covering one-twelfth (1/12) of the annual contract amount and CITY shall pay COUNTY within thirty (30) days after receipt of such statement. Where the anniversary date of this Agreement is other than the fiscal year of

the CITY and COUNTY, the computation of the billing may be adjusted to reflect fiscal year amounts. Notwithstanding any provision of law to the contrary, including, but not limited to Section 907 of the California Government Code, if such payment is not received by COUNTY within thirty (30) days after rendition of billing, COUNTY may satisfy such indebtedness from any and all funds of CITY collected by COUNTY, after giving written notice to CITY of COUNTY'S intention to do so. Both parties may, by mutual agreement between the CITY Manager and COUNTY Chief Executive, or their designees, agree that the COUNTY'S submittal to the CITY of a statement of costs for services rendered under this section shall be made on a quarterly basis provided that this method of payment is not inconsistent with any other provisions of this Agreement.

20. All personnel provided by the Sheriff in the performance of this Agreement shall be COUNTY officers and employees while engaged in such performance. The CITY shall have no liability for any salaries, wages, workers' compensation, or incidental personnel expenses to the COUNTY beyond those specified in this Agreement. CITY shall be solely responsible for all liability of any type including but not limited to any salaries, wages, workers' compensation, associated with employees of the Hughson Police Department prior to the effective date of this Agreement.

21. COUNTY agrees that relevant records shall be made available to the CITY to audit and examine if the CITY requests such audit and examination by contacting the Sheriff or his representative at least ten (10) working days prior to the commencement of the audit and examination.

22. CITY agrees that the staffing provided for by this Agreement will need to increase if there is growth in the population of the CITY. The staffing ratio of law enforcement will be maintained at a minimum of 0.85 officers per 1000 population, and CITY shall pay for the costs associated with maintaining said staffing. The adjustments to the contract resulting from such an increase in population shall follow the procedure incorporated in Exhibit A.

23. CITY and COUNTY agree that the proceeds from incidental asset forfeitures that occur in the CITY by a CITY deputy will be paid to the CITY in the same manner as if the forfeiture had been made by a CITY police officer as allocated to the "law enforcement agency" pursuant to California asset forfeiture laws. Any proceeds from a planned activity that occurs in the CITY over which the Sheriff has full control will be shared equally between the CITY and Sheriff unless otherwise agreed upon in advance. The proceeds from a planned and coordinated activity that occurs in the COUNTY jurisdiction, from an incident that originates within the CITY will be shared equally between the Sheriff and CITY. If assistance is provided to any other law enforcement agency either in the CITY or outside the CITY, by deputies who are on duty within the CITY the Sheriff will make a good faith effort to obtain a share of any forfeiture proceeds for the CITY to offset any use of the officers. The CITY agrees that all money received under this provision will be used only as authorized in Sections 11470 et seq., of the California Health and Safety Code.

24. COUNTY reserves the right, in the event of any extraordinary circumstances which require extreme expenses, to be able to apply to the CITY for a

change in the terms of this Agreement as it pertains to reasonable compensation for these expenses. Extraordinary circumstances would generally be limited to prolonged situations that are outside of or exceed the general scope of local or state mutual aid agreements. Upon such application by COUNTY, CITY agrees to meet and negotiate in good faith with the COUNTY within fourteen (14) days from receiving such application in order to determine the additional terms to be added to this Agreement to compensate COUNTY for such extraordinary expenses.

25. CITY agrees that the CITY will provide additional funds for the policing of any event that the CITY has authorized or given consent to take place if said event requires additional law enforcement services as determined by and in the sole discretion of the Sheriff or his or her designee.

The annual Hughson Fruit and Nut Festival as it is presently permitted is excluded from this provision.

26. This Agreement shall become effective on September 1, 2001, and shall continue in full force and effect until August 31, 2006, unless and until the Agreement is terminated by either party pursuant to provisions of paragraph 27. At its sole discretion CITY retains the option to extend this Agreement under the terms and conditions as set forth herein, or as modified as provided for herein for an additional 5 year term by providing notice to COUNTY at the end of the fourth year of this Agreement

27. Either party may terminate this Agreement effective the first day of

the month of September of any year upon providing notice in writing to the other party not less than one hundred and eighty (180) days prior to the effective date of such termination, provided that such termination shall be subject to all provisions set forth in this Agreement, or any subsequent amendment to this Agreement providing for or concerning settlement upon termination, including, but not limited to, further provisions of this paragraph. Each party agrees that the party terminating this Agreement shall pay the actual damages associated with the termination of this Agreement prior to August 31, 2006. Actual damages are defined as any costs associated with the termination or transfer of employees affected by the early termination of the agreement and any obligations incurred but not yet paid by the party terminating.

28. Default. The parties agree that in the event a party to this Agreement fails to perform pursuant to the terms and conditions of this Agreement, the party to whom an obligation is owed will provide the non-performing party with at least ten (10) days' prior written notice of said non-performance, upon which the non-performing party will have the opportunity to comply with the request for performance, or in the event of continued non-performance, the parties further agree to submit their dispute to mediation within thirty (30) days after the presentation of the written notice. In the event the mediation is unsuccessful in facilitating a resolution of the parties' dispute, the parties shall have the right to then pursue any and all available legal remedies.

In the event that a party to this Agreement commences litigation to enforce the performance of this Agreement, the prevailing party shall be entitled to an award of its costs of litigation, including attorneys' fees.

29. Duties and Obligations Upon Termination. In the event a decision is made to terminate this Agreement pursuant to the provisions of paragraph 27, all parties shall execute any and all documents required by federal, state or county law to effectuate such a dissolution.

30. The parties to this Agreement hereby authorize their respective officers and employees to do all things reasonably necessary to accomplish the purposes of this Agreement, including but not limited to, the negotiation and execution of additional agreements.

31. CITY will provide space in the City of Hughson police building for other law enforcement purposes in addition to the direct police services in the City of Hughson. These services would include the use of the building to provide fingerprinting services to residences of the surrounding area. The staffing of patrol and investigative personnel who serve the area around the CITY and other such uses so long as the use would not interfere with the law enforcement services to the CITY.

32. In order to assist the CITY in meeting its vacation and sick leave cashout obligations to their existing police department employees who are being terminated as a result of this Agreement, the County agrees to spread the actual cost of such obligation over the term of the Agreement, by subtracting the cost of said cash out from the first monthly billing and by adding the monthly equivalent of such cost to the remaining 59 monthly contract obligation billing. It is understood that the City Manager

of the City of Hughson and the Chief Executive Officer of the County of Stanislaus are hereby authorized to execute a separate letter of agreement to implement this provision.

In exchange for the advance to the City of Hughson to meet their terminating employee cashout obligation, the CITY will provide space in the City of Hughson police building to the Sheriff for other law enforcement purposes in addition to the direct police services in the City of Hughson.

33. Miscellaneous Provisions.

(a) Modification Only in Writing. This Agreement may not be modified, amended, changed, added to, or subtracted from by the mutual consent of the parties hereto if such amendment or change is not in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

(b) Entire Agreement. This Agreement contains the entire Agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties, not embodied herein, or incorporated herein by reference shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated unless the same is in writing executed by the parties above.

(c) Severability. If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state or county statute, ordinance or regulation, the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the

extent that the provisions of this Agreement are severable.

(d) Successors and Assigns. This Agreement shall be binding on and enforceable by and against the parties to it and their respective heirs, legal representatives, successors and assigns.

(e) Duplicate Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart, executed telecopy, fax or photocopy shall be deemed to be an original instrument, but all of which together shall constitute one and the same Agreement.

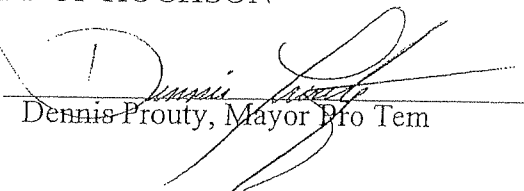
(f) Agreement to Perform Necessary Acts. Each party to this Agreement agrees to perform any further acts and execute and deliver any documents that may be necessary to carry out the provisions of this Agreement.

35. Pursuant to Government code Section 8546.7, CITY and COUNTY shall be subject to examination and audit by the State Auditor for a period of three (3) years after final payment by CITY to COUNTY under this Agreement. CITY and COUNTY shall retain all records relating to the performance of this Agreement for said three (3) year period as a minimum.

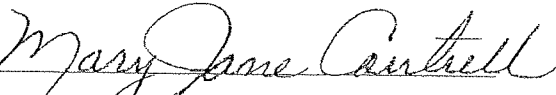
IN WITNESS WHEREOF, COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the Chairman of said Board of Supervisors and the seal of said Board to be affixed and attested by the Clerk thereof; and CITY has, by order of the City Council, caused these presents to be subscribed by the presiding officer of CITY and the seal of CITY to be affixed and attested by the Clerk thereof on the day and year first hereinabove written.

CITY OF HUGHSON

By


Dennis Prouty, Mayor Pro Tem

ATTEST:


Mary Jane Cantrell, City Clerk

COUNTY OF STANISLAUS


Pat Paul, Chair

AUG 14 2001

Board of Supervisors



Les Weidman, Sheriff
Stanislaus County

ATTEST:

Christine Ferraro-Tallman

Christine Ferraro-Tallman
Clerk of the Board of Supervisors
Stanislaus County

APPROVED AS TO FORM:

By Deen Wright

Michael H. Krausnick
County Counsel

By John Stovall

John Stovall, City Attorney
City of Hughson

EXHIBIT A

SERVICE - GENERAL LAW ENFORCEMENT

1. General Law Enforcement Defined

- 1.1 General Law Enforcement Services consist of Patrol, Investigation, Traffic and all Auxiliary and Technical Service now produced by the Sheriff's Department in support of Patrol and Investigations. Any services of which the COUNTY or Sheriff may be a party, such as a J.P.A. or task force M.O.U. are not included unless specifically established as a provided service within this agreement.
- 1.2 All references to general Law Enforcement Services contained in this Agreement are references only to services that shall be delivered under the terms of this Agreement.

2. Delivery of Services

- 2.1 The COUNTY through its Sheriff shall provide general Law Enforcement Services within the corporate limits of the CITY.
- 2.2 The Sheriff shall enforce the statutes of the State of California and such Municipal Codes of the CITY as are of the same type or nature as ordinances of the COUNTY which are enforced by the Sheriff in the unincorporated territory of the COUNTY.
- 2.3 Unless otherwise provided for in this agreement, staffing level which will be provided is identified in Exhibit C.
 - a. Patrol One on duty 24 hours/day, 7 day/week.
 - b. Clerical One, normal business hours, 8hours/day, 5 day/week.
 - c. Chief One, normal duty hours.

Ancillary Services: STARS Program
Reserve Program

- 2.4 The planning, organization, scheduling, direction, supervision, standards of performance and discipline of Sheriff's personnel and all other matters incidental to the delivery of general Law Enforcement Services to the CITY shall be as determined by the Sheriff. The Sheriff shall retain exclusive authority over the activities of his or her personnel working in the CITY.

- 2.5 The Sheriff shall give prompt consideration to all requests of the CITY regarding the delivery of general Law Enforcement Services. The Sheriff shall make every effort to comply with these requests if they are considered within good law enforcement practices.
- 2.6 In the event of a dispute between parties regarding the extent of the duties and functions to be rendered or the minimum level or manner of performance of such services, the determination made by the Sheriff shall be final and conclusive.
- 2.7 The CITY and the Sheriff shall each designate a specific individual and alternatives to make or receive requests and to confer upon matters concerning the delivery of general Law Enforcement Services to the CITY.
- 2.8 The Sheriff agrees that the positions assigned to this contract will originally be filled with officers formerly employed by the CITY that have been employed by the COUNTY. The officers filling these CITY positions will remain so assigned for a period of two years unless transferred by mutual consent of the CITY and Sheriff or through disciplinary action. Any vacancies in the positions provided for in this agreement will be filled using the normal procedures for filling any vacancy within the Sheriffs Office, except that any such assignment will be for a minimum of two (2) years. New officers assigned will receive appropriate orientation regarding special characteristics and needs of CITY.

The Sheriff and CITY will execute a letter of understanding as to the pay and benefits that will be provided to the former employees of the CITY upon their employment by COUNTY.

- 2.9 The CITY understands and agrees that the Lieutenant assigned to the CITY of Hughson as its Chief will also have duties and responsibilities which pertain to COUNTY law enforcement. The entire cost of this position will be borne by the COUNTY. The COUNTY will ensure that adequate time is provided through this position to properly manage the Hughson law enforcement operation.

3. Service Level

- 3.1 The CITY will each year, ninety (90) days prior to the yearly anniversary of the contract, request of the Sheriff, in writing, the specific type and level of staffing of Law Enforcement Services for the succeeding year and its understanding of the cost of such services. An affirmative reply from the Sheriff will constitute an agreement effective immediately.
- 3.2 Attached hereto and incorporated by reference herein is the level of service requested by the Hughson City Council for fiscal year as set forth in Exhibit C.

3.3 The parties agree to study the feasibility of using deputies assigned to the City of Hughson to provide services outside the corporate limits of CITY. Such services would be over and above the emergency response and mutual aid responses already provided for in this agreement.



SHERIFF'S DEPARTMENT
Les Weidman, Sheriff - Coroner

RECEIVED

ADMINISTRATION
DIVISION

Richard Breshears, Assistant Sheriff
Zane Clark, Assistant Sheriff

SEP 13 2001

CITY OF HUGHSON

City of Hughson
Honorable Mayor and Members of City Council
P.O. Box 667
Hughson, Calif. 95363

IN RE: POLICE SERVICES CONTRACT WITH COUNTY SHERIFF
SUBJECT: LETTER OF UNDERSTANDING CONCERNING CITY EMPLOYEES

Dear Mayor Pro Tem Prouty:

During negotiations with the City of Hughson on the establishment of a police services contract several areas dealing with the issues of the current Police Department employees salary, benefits and working conditions were agreed upon.

1. All employees of the City Police Department hired by the Sheriff's Department will receive a beginning salary with the County at entry level. For sworn employees it shall be Deputy Sheriff-Coroner, step 1. For clerical employees it shall be Legal Clerk I, step 1. In the event that the base pay for step one is not at least equal to the base pay currently being received by the city employee their pay as a county employee will be adjusted to a higher step but in no event greater than step 3.
2. All agreed upon and currently employed personnel of the Police Department will be hired by the Sheriff's Department upon the successful completion of a background investigation that will include the following.
 - a. Criminal History
 - b. Driving Record and License Status
 - c. Credit History
 - d. Discipline Record
 - e. Restraining Orders
 - f. Psychology Testing

In order to successfully complete the background it must be free from any circumstances that would legally or ethically be a detriment or prohibited circumstance inhibiting the performance of the individual in the position being considered. Such situations include but are not limited to, acts of domestic violence or restraining orders that would prohibit the carrying of a firearm. Acts or findings that would require disclosure under Brady vs. Maryland or any deficiency in P.O.S. T standards.

3. City employees hired by County will be subject to a probationary period of 18 months (legal clerks 12 months), the Sheriff may grant permanent status after six months if no performance issues exist. In no event will an employee with less than 3 years with the Hughson Police Department be considered for early permanent status. During the probationary period any

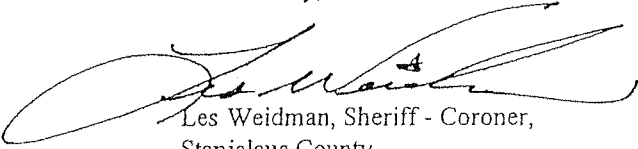


termination must follow the process outlined in the COUNTY personnel regulations and/or the DSA MOU

4. The transfer of the employee's Hughson seniority to the County system will not occur. Employees who are hired by the County and assigned to the Hughson Police Services will continue to have shift preference and vacation preference determined by their Hughson City Seniority. Any decisions as to assignment of officers that are not going to be used in meeting the staffing of Hughson Police Services will be by Hughson seniority if necessary.
5. Employees of the City Police Department will be terminated as City employees as provided in the respective City of Hughson MOUs'. This will include any compensation for accrued sick time, vacation time or CTO time.
6. The Sheriff's Department will provide the training required by law, and any additional training that may be needed by employees assigned to the Hughson Police Services in order to perform duties in a municipal setting.
7. The City of Hughson will transfer to the Sheriff any and all personnel records, to include discipline, of the employees who are employed by the County as part of this agreement with the expressed authorization of the City that the Sheriff will maintain and appear at any proceeding concerning the disclosure of the contents as if they had been employees of the Sheriff during the time prior to the effective date of this contract. This provision has no effect on the provisions of the Police Services Agreement, which exclude civil liability of acts occurring before the effective date of this agreement.

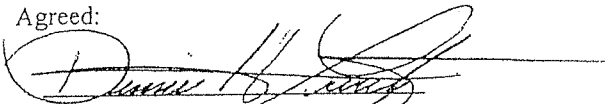
The Board of Supervisors on August 14, 2001, approved the terms of the agreement and authorized the Sheriff to execute this side letter to the Hughson Police Services Contract.

Yours Truly,



Les Weidman, Sheriff - Coroner,
Stanislaus County

Agreed:



Dennis Prouty, Mayor Pro Tem
City of Hughson

Dated: 08-12-01



SHERIFF'S DEPARTMENT
Les Weidman, Sheriff - Coroner

RECEIVED

SEP 13 2001

CITY OF HUGHSON

Richard Breshears, Assistant Sheriff
Zane Clark, Assistant Sheriff

ADMINISTRATION
DIVISION

City of Hughson
Honorable Mayor and Members of City Council
P.O. Box 667
Hughson, Calif. 95363

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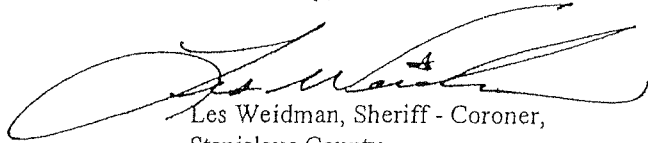


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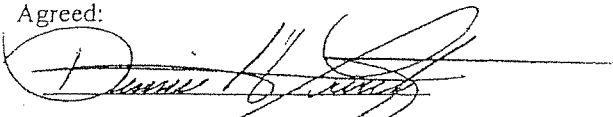
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Les Weidman, Sheriff - Coroner,
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Agreed:



Dennis Prouty, Mayor Pro Tem
City of Hughson

Dated: 08-12-01