AGENDA
Wednesday, March 22, 2017
6:00 P.M.
Joint Chambers—Basement Level
1010 10th Street, Modesto, California 95354

The Stanislaus Local Agency Formation Commission welcomes you to its meetings. As a courtesy, please silence your cell phones during the meeting. If you want to submit documents at this meeting, please bring 15 copies for distribution. Agendas and staff reports are available on our website at least 72 hours before each meeting. Materials related to an item on this Agenda, submitted to the Commission or prepared after distribution of the agenda packet, will be available for public inspection in the LAFCO Office at 1010 10th Street, 3rd Floor, Modesto, during normal business hours.

1. CALL TO ORDER
   A. Pledge of Allegiance to the Flag.
   B. Introduction of Commissioners and Staff.

2. PUBLIC COMMENT PERIOD
   This is the period in which persons may speak on items that are not listed on the regular agenda. All persons wishing to speak during this public comment portion of the meeting are asked to fill out a “Speaker’s Card” and provide it to the Commission Clerk. Each speaker will be limited to a three-minute presentation. No action will be taken by the Commission as a result of any item presented during the public comment period.

3. APPROVAL OF MINUTES
   A. Minutes of the February 22, 2017 Meeting.

4. CORRESPONDENCE
   No correspondence addressed to the Commission, individual Commissioners or staff will be accepted and/or considered unless it has been signed by the author, or sufficiently identifies the person or persons responsible for its creation and submittal.
   A. Specific Correspondence.
   B. Informational Correspondence.
      1. Sustainable Groundwater Management Act & LAFCOs.
      C. “In the News.”

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS
6. PUBLIC HEARING

Any member of the public may address the Commission with respect to a scheduled public hearing item. Comments should be limited to no more than three (3) minutes, unless additional time is permitted by the Chair. All persons wishing to speak during this public hearing portion of the meeting are asked to fill out a “Speaker’s Card” and provide it to the Commission Clerk prior to speaking.

A. LAFCO APPLICATION NO. 2017-01 – CITY OF PATTERSON DETACHMENT FROM THE DEL PUERTO WATER DISTRICT. The City of Patterson has requested to detach approximately 326.34 acres from the Del Puerto Water District, located east of the California Aqueduct and Rogers Road along the north and south sides of Sperry Road in the west Patterson area. The City and District currently have overlapping boundaries. The proposal is being requested to remove the overlap in compliance with the Sustainable Groundwater Management Act. LAFCO Staff has determined that under the California Environmental Quality Act (CEQA) Section 15061(b)(3), the proposal is considered exempt as there is no possibility that the proposed detachment may have a significant effect on the environment. (Staff Recommendation: Approve Resolution No. 2017-03.)

7. COMMISSIONER COMMENTS

Commission Members may provide comments regarding LAFCO matters.

8. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

The Commission Chair may announce additional matters regarding LAFCO matters.

9. EXECUTIVE OFFICER’S REPORT

The Commission will receive a verbal report from the Executive Officer regarding current staff activities.

A. On the Horizon.

10. ADJOURNMENT

A. Set the next meeting date of the Commission for April 26, 2017.

B. Adjourn.
**LAFCO Disclosure Requirements**

**Disclosure of Campaign Contributions:** If you wish to participate in a LAFCO proceeding, you are prohibited from making a campaign contribution of more than $250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than $250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings. If you or your agent have made a contribution of more than $250 to any commissioner or alternate during the twelve (12) months preceding the decision, that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

**Lobbying Disclosure:** Any person or group lobbying the Commission or the Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. Any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them.

**Disclosure of Political Expenditures and Contributions Regarding LAFCO Proceedings:** If the proponents or opponents of a LAFCO proposal spend $1,000 with respect to that proposal, they must report their contributions of $100 or more and all of their expenditures under the rules of the Political Reform Act for local initiative measures to the LAFCO Office.

**LAFCO Action in Court:** All persons are invited to testify and submit written comments to the Commission. If you challenge a LAFCO action in court, you may be limited to issues raised at the public hearing or submitted as written comments prior to the close of the public hearing. All written materials received by staff 24 hours before the hearing will be distributed to the Commission.

**Reasonable Accommodations:** In compliance with the Americans with Disabilities Act, hearing devices are available for public use. If hearing devices are needed, please contact the LAFCO Clerk at 525-7660. Notification 24 hours prior to the meeting will enable the Clerk to make arrangements.

**Alternative Formats:** If requested, the agenda will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC 12132) and the Federal rules and regulations adopted in implementation thereof.

**Notice Regarding Non-English Speakers:** Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedure Section 185 which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Local Agency Formation Commission shall be in English and anyone wishing to address the Commission is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.
1. **CALL TO ORDER**

Chair Bublak called the meeting to order at 6:00 p.m.

A. **Pledge of Allegiance to Flag.** Chair Bublak led in the pledge of allegiance to the flag.

B. **Introduction of Commissioners and Staff.** Chair Bublak led in the introduction of the Commissioners and Staff.

Commissioners Present: Amy Bublak, Chair, City Member
Terry Withrow, Vice Chair, County Member
Tom Dunlop, City Member
Jim DeMartini, County Member
Kristin Olsen, Alternate County Member
Annabel Gammon, Alternate Public Member

Staff Present: Sara Lytle-Pinhey, Executive Officer
Javier Camarena, Assistant Executive Officer
Jennifer Goss, Commission Clerk
Robert J. Taro, LAFCO Counsel

Commissioners Absent: Brad Hawn, Public Member
Michael Van Winkle, Alternate City Member

2. **PUBLIC COMMENT**

None.

3. **APPROVAL OF MINUTES**

A. Minutes of the January 25, 2017 Meeting.

Motion by Commissioner Withrow, seconded by Commissioner Dunlop and carried with a 5-0 vote to approve the Minutes of the January 25, 2017 meeting by the following vote:

Ayes: Commissioners: Bublak, DeMartini, Dunlop, Gammon and Withrow
Noes: Commissioners: None
Ineligible: Commissioners: Olsen
Absent: Commissioners: Hawn and Van Winkle
Abstention: Commissioners: None
4. CORRESPONDENCE

A. Specific Correspondence.

B. Informational Correspondence.


2. CALAFCO 2017 Events Calendar.

3. AB1234 Flyer from County Counsel dated February 1, 2017.

4. 40th Annual Stanislaus County Planning Commissioners Workshop Flyer.

C. “In the News”

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

6. CONSENT ITEMS

*A. MUNICIPAL SERVICE REVIEW NO. 17-01 AND SPHERE OF INFLUENCE UPDATE NO. 17-01 FOR THE MODESTO IRRIGATION DISTRICT. The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Modesto Irrigation District. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to Regulation §15061(b)(3). (Staff Recommendation: Approve Resolution No. 2017-02.)

Motion by Commissioner Gammon, seconded by Commissioner Dunlop, and carried with a 5-0 vote to approve Resolution No. 2017-02, by the following vote:

Ayes: Commissioners: Bublak, DeMartini, Dunlop, Gammon and Withrow

Noes: Commissioners: None

Ineligible: Commissioners: Olsen

Absent: Commissioners: Hawn and Van Winkle

Abstention: Commissioners: None

7. OTHER BUSINESS

A. UNINCORPORATED ISLAND INVENTORY AND UPDATE. Staff will provide information regarding unincorporated islands and an update regarding the impact of recent legislation.

Sara Lytle-Pinhey, Executive Officer, presented the information to the Commission.

8. COMMISSIONER COMMENTS

None.
9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

None.

10. EXECUTIVE OFFICER’S REPORT

A. On the Horizon. The Executive Officer informed the Commission of the following:
   
   • Upcoming items include an Out-of-Boundary Service Agreement, Detachment from Del Puerto Water District and Municipal Service Review Updates for TID and Riverdale Park Tract.
   
   • The recruitment for Public and Alternate Public Member has begun.
   
   • If you have not completed and turned in your 700 form, please do so.

11. ADJOURNMENT

A. Chair Bublak announced that the next meeting date and time will be March 22, 2017 at 6:00 p.m.

B. The meeting was adjourned at 6:31 p.m.

NOT YET APPROVED

Sara Lytle-Pinhey, Executive Officer
MEMORANDUM

DATE: March 22, 2017

TO: LAFCO Commissioners

FROM: Sara Lytle-Pinhey, Executive Officer

SUBJECT: Sustainable Groundwater Management Act & LAFCOs

Attached for the Commission’s information is a recently released White Paper from CALAFCO regarding the Sustainable Groundwater Management Act (SGMA) and potential impacts to LAFCOs.

While LAFCOs are not directly involved in the formation of Groundwater Service Agencies (GSAs), LAFCOs may see an increase in certain applications that are a direct result of SGMA. Some examples of these include: sphere of influence amendments to include larger portions of a groundwater basin, annexations, and formations of new districts.

For Stanislaus LAFCO, Staff has had an increase in inquiries regarding district boundary adjustments related to SGMA. Thus far, these inquiries have been related to existing districts, as opposed to creation of any new districts.

Staff will continue to keep the Commission informed should expanded legislation be proposed that would further affect LAFCOs.

Attachment: CALAFCO White Paper - Sustainable Groundwater Management Act and Local Agency Formation Commissions
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CALAFCO White Paper

Sustainable Groundwater Management Act and Local Agency Formation Commissions

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Purpose

The purpose of this white paper is to summarize how the Sustainable Groundwater Management Act will impact Local Agency Formation Commissions (LAFCOs) around the State of California. The paper will use a variety of existing documents and sources to describe SGMA and evaluate how this important new law might affect LAFCOs. It is important to note that LAFCOs do not have a formal role in implementing SGMA; however LAFCO can become involved in a number of ways that will be discussed in this paper.

Sustainable Groundwater Management Act Overview

The Sustainable Groundwater Management Act (SMGA) was signed by Governor Jerry Brown on September 16, 2014, and went into effect on January 1, 2015. SGMA amended the Water Code and Government Code. SGMA provides a framework for sustainable management of groundwater supplies by local authorities, with a provision for possible state intervention and management if the groundwater resources are not being managed effectively by local agencies.

SGMA requires the formation of local Groundwater Sustainability Agencies (GSAs) in groundwater basins designated as high- or medium-priority by the Department of Water Resources (DWR). GSAs must assess conditions in their local groundwater basins and adopt and implement local Groundwater Sustainability Plans (GSPs). SGMA provides substantial latitude and time – 20 years – for GSAs to implement plans and achieve long-term groundwater basin sustainability. The Association of California Water Agencies (ACWA) has provided analysis regarding SGMA. Here are a few key points:

- Local agencies have until June 30, 2017, to form a GSA.
- Any local agency or combination of local agencies with water supply, management, or land use responsibilities overlying a groundwater basin may decide to become a GSA for that basin.
- Agencies that have been created by statute to manage groundwater are deemed the exclusive agencies to comply with the Act within their boundaries, unless the agency decides to opt out.
- DWR reviews the completeness of the notice submitted by the proposed GSA. DWR also reviews the notice to determine if there are overlapping jurisdictions in a basin.

SGMA provides broad powers to GSAs to organize their governing structures and design and implement plans. In addition, local agencies that become GSAs may exercise any existing authority they already have. SGMA includes these steps and deadlines:

- January 1, 2016: Adopt basin boundary adjustment regulations. (DWR)
• April 1, 2016: Adjudicated basins submit judgments/decrees.

• June 1, 2016: Adoption of GSP regulations (DWR)

• January 1, 2017: Publish groundwater sustainability Best Management Practices. (DWR)

• June 30, 2017: Local agencies establish GSAs.

• July 1, 2017: Identify probationary basins: basins without a GSA. (State Water Resources Control Board)

• January 31, 2020: GSAs submit adopted GSPs for critically overdrafted high- and medium-priority basins. No GSP = probationary status.

• January 31, 2022: GSAs submit adopted GSPs for all other high- and medium-priority basins. No GSP = probationary status.

• January 31, 2020: Critically overdrafted high- and medium-priority basins: Probationary status if GSP is inadequate or is not being implemented in a manner likely to achieve sustainability goal.

• January 31, 2022: High- and medium-priority basins: Probationary status if GSP is inadequate or is not being implemented in manner likely to achieve sustainability goal.

**Background and Governance**

Prior to passage of SGMA, groundwater was largely unregulated in the state of California, especially compared to the state’s comprehensive permit system for surface water rights. California was the last state in the West to adopt a groundwater management law. The Water Education Foundation explained in a 2015 report, titled “The 2014 Sustainable Groundwater Management Act: A Handbook to Understanding and Implementing the Law,” that historically there were four basic options for local groundwater management: (1) Management by local agencies under AB 3030 and SB 1938; (2) Management by special act districts under special authority granted by state statute; (3) Management under city and county ordinances; or (4) Court adjudications.

**Management by Local Agencies Under AB 3030 and SB 1938**

In 1992, the state adopted AB 3030 (Water Code Section 10750-10755.4), which enabled local agencies to voluntarily create a plan to manage groundwater and tackle issues such as sea water intrusion into drinking water wells, groundwater overdraft and contaminated groundwater. Better coordination of using surface water and groundwater supplies, known as conjunctive use, was another focus of some plans. Subsequently, the Legislature passed SB 1938 in 2002 requiring
public agencies seeking state funding for groundwater projects to submit a management plan to DWR with specified components. As of 2015, 149 groundwater management plans have been developed. As of 2013 (under the terms of AB 359), copies of all plans are required to be submitted to the state for public information and use.

These laws encouraged local groundwater management planning, and some regions have made progress to improve management efforts. But the laws did not require the plans to achieve a sustainable management goal for the groundwater basin and did not provide local agencies the authority needed to effectively manage a groundwater basin. Groundwater management plans often depend on conjunctive use and recharging surface water to a groundwater basin.

Management by Special Act Districts

Another form of local groundwater management is special act districts. These are created by the Legislature in response to specific concerns. Their powers are customized to the needs of a particular groundwater basin. For example, the Orange County Water District statute provided for the district to establish a groundwater replenishment assessment, commonly known as a pump tax. The Legislature granted the Santa Clara Valley Water District similar authority.

In all, SGMA identifies fifteen (15) statutorily created agencies with the specific authority to manage groundwater, although the authority of each agency varies. These special districts are:

- Alameda County Flood Control and Water Conservation District, Zone 7
- Alameda County Water District
- Desert Water Agency
- Fox Canyon Groundwater Management Agency
- Honey Lake Valley Groundwater Management District
- Long Valley Groundwater Management District
- Mendocino City Community Services District
- Mono County Tri-Valley Groundwater Management District
- Monterey Peninsula Water Management District
- Ojai Groundwater Management Agency
- Orange County Water District
- Pajaro Valley Water Management Agency
- Santa Clara Valley Water District
- Sierra Valley Groundwater Management District
- Willow Creek Groundwater Management Agency

Local Ordinances

Counties and cities have constitutional police power to regulate the use of groundwater. Virtually all local jurisdictions regulate well permitting. In the early
1990s, some counties began to pass local groundwater ordinances primarily designed to discourage transferring groundwater from one county to another county — a practice that became controversial during the 1987-1992 drought. More recently, a few counties have used their authority to manage groundwater use through limitations on well permits. According to DWR, 30 of the state’s 58 counties have adopted groundwater ordinances. The power of counties to regulate groundwater has been challenged, but in 1995 the California Supreme Court declined to review an appeal of a lower court decision, upholding the authority for such local ordinances through a county’s existing police powers.

Groundwater Adjudication

When multiple parties withdraw water from the same aquifer, groundwater pumpers can ask the court to determine the rights that various entities or individuals have to use the groundwater resources. In such adjudications, pumpers are assigned a designated share of the basin’s water resources, and watermasters are typically appointed by the court to ensure that pumping conforms to the limits defined by the adjudication. These watermasters can be existing jurisdictions or another entity appointed by the judge.

Litigation, however, is time-consuming and costly, in part because of the multiple factual questions that must be addressed, including the identity of the pumpers, the respective amounts of historical production, the boundaries of the groundwater basin, and the history of the basin’s hydrogeologic status to determine, among other things, when overdraft began. In the past, adjudications have taken a very long time to complete and have resulted in high legal costs. High and medium priority basins (i.e. basins subject to SGMA) that were adjudicated before the time of SGMA’s passage are exempted from almost all SGMA requirements with the exception of specified reporting on the adjudication. Those basins are listed by name in SGMA. Basins that are adjudicated after the passage of SGMA must be consistent SGMA’s requirements for sustainable management. This was codified by SB 226 (Pavley/2015). SB 226 added Chapter 12 to SGMA so that:

In an adjudication action for a basin required to have a groundwater sustainability plan under this part, the court shall manage the proceedings in a manner that minimizes interference with the timely completion and implementation of a groundwater sustainability plan, avoids redundancy and unnecessary costs in the development of technical information and a physical solution, and is consistent with the attainment of sustainable groundwater management within the timeframes established by this part.

DWR is able to exempt a judgment from further SGMA compliance if DWR determines the adjudication satisfies SGMA’s objectives for the basin or portion of the basin covered by the judgment. (Wat. Code section 10737.4.) DWR reviews the judgment every 5 years just like a SGMA plan and can recommend corrective actions to the court. (Wat. Code section 10737.6.)
Groundwater Sustainability Agencies

SGMA requires local formation of GSAs to manage groundwater for High and Medium priority basins as determined by DWR. By legislative design, SGMA provides broad local discretion in how GSAs are formed and governed. A GSA may consist of an individual public agency or multiple public agencies. A GSA may manage all or part of a basin. SGMA requires that all areas in a basin be managed by a GSA, and presumes that a county will be the GSA for any areas within that county not managed by a GSA unless the county declines. SGMA contemplates state involvement and potential state intervention for basin areas not managed by a GSA. SGMA permits private and mutual water companies, as well as Indian tribes, to participate in a GSA through a memorandum of agreement or other legal agreement, but does not confer any additional powers to a nongovernmental entity. A GSA must locally manage the groundwater basin through the preparation of a GSP. SGMA also allows for submission of an alternative in lieu of a GSP that meets the objectives of the Act.

Under SGMA, the terms GSA and Local Agency are defined as follows:

“Groundwater sustainability agency” means one or more local agencies that implement the provisions of this part [Part 2.74]. For purposes of imposing fees pursuant to Chapter 8 (commencing with [Water Code] Section 10730) or taking action to enforce a groundwater sustainability plan, “groundwater sustainability agency” also means each local agency comprising the groundwater sustainability agency if the plan authorizes separate agency action.

“Local agency” means a local public agency that has water supply, water management, or land use responsibilities within a groundwater basin.

The Department of Water Resources Notification Guidelines for Local Agencies (January 2016) further states as follows:

One local agency can decide to become a GSA or a combination of local agencies can decide to form a GSA by using either a joint powers authority (JPA), a memorandum of agreement (MOA), or other legal agreement. However, a local agency will only be presumed to be the exclusive GSA within their respective service area or combined service areas. A local agency must define its service area as part of its GSA formation process.

Exhibit A provides examples of both types referenced above.

The following excerpts are from the California Water Foundation's 2015 report titled “Know Your Options: A Guide to Forming Groundwater Sustainability Agencies,” which describes the local control and flexibility inherent in SGMA:
Aside from requiring that GSAs be formed, SGMA does not mandate a single formation approach. This gives local agencies overlying a basin a wide variety of formation options. For example, a single local agency whose service area encompasses an entire basin could elect to be the sole GSA for a basin. Alternatively, multiple local agencies could come together to form a single GSA that manages the entire basin. Or, a basin could be managed by multiple GSAs who each manage separate portions of a basin through either a single GSP or coordinated GSPs.

Given the likelihood that multiple local agencies overlying a basin may elect to participate in managing the basin, this guide focuses on the different ways multiple local agencies can come together to create a GSA and coordinate with other GSAs. Pursuant to SGMA, a combination of local agencies can form a GSA through a joint powers agreement, a memorandum of agreement, or “other legal agreement.”

GSAs are being established throughout California with a great deal of variability. The Water Education Foundation identified several models of GSAs in its informational white paper on SGMA. These include:

- **Centralized GSA:** One agency assumes all responsibilities and authorities throughout the entire basin. An existing entity may assume this role or a new entity could be formed via a JPA, MOA, or through special legislation.

- **Distributed GSA:** Includes several GSAs within a basin. Each GSA is responsible for areas under its jurisdiction, with coordination required among the GSAs.

- **Combination of Centralized and Distributed GSAs:** Centralizes some authority and tasks and distributes others among multiple agencies.

According to the DWR website, Groundwater Sustainability Plans may be in any of the following forms: (Water Code § 10727(b)):

- A single plan covering the entire basin developed and implemented by one GSA.

- A single plan covering the entire basin developed and implemented by multiple GSAs.

- Subject to Water Code Section 10727.6, multiple plans implemented by multiple GSAs and coordinated pursuant to a single coordination agreement that covers the entire basin.

As these examples show, SGMA allows for local discretion in determining the most
appropriate way to form GSAs and manage groundwater basins. The formation process involves providing formation notices to DWR, which reviews the notices for “completeness.” Notices go through a 90-day waiting period during which other GSA formation notices for that portion of the basin may be filed. If, after 90 days, no overlap exists between proposed GSAs, the GSA becomes the “Exclusive GSA” and no other GSA formation notices will be posted for that area unless the exclusive GSA withdraws its notice. Since multiple GSAs can be formed to manage a basin, this has led to multiple and, in many cases overlapping, requests being submitted to DWR for formation of GSAs. In those cases, DWR places the GSA in “overlap” status and no agency may become the GSA until the overlap is eliminated at the local level.

**Powers of a Groundwater Sustainability Agency**

SGMA gives a GSA broad power to adopt rules, regulations and ordinances and take actions it deems necessary to carry out the Act. It does not give the GSA authority over land use decisions. The use of these powers may be implemented at the discretion of the GSA. It is important to bear in mind that a GSA may consist of a number of agencies and is subject to state laws like CEQA and Proposition 218. The following is a partial list of the powers and authorities of GSAs:

- Conduct investigations for the following:
  - Identify and review the need for groundwater management;
  - Prepare and adopt a GSP;
  - Propose and collect fees in compliance with Prop. 218, other laws;
  - Monitor compliance with SGMA and the local GSP.

- In connection with such investigations, inspect the property or facilities of a person or entity (in compliance with any necessary consent or warrant requirements) in its management area to determine compliance with SGMA;

- Call for the registration of wells within its management area;

- Require wells in the area be measured by a water metering device;

- Require a well owner or operator to file an annual statement identifying total extraction of groundwater from that well for the previous year;

- Impose spacing requirements on new wells and reasonable operating restrictions on existing wells to minimize well interference;

- Regulate, limit or suspend groundwater extractions from individual wells or on an aggregate basis, authorize construction of new wells, enlarge existing wells, reactivate abandoned wells, or otherwise establish groundwater extraction allocations (consistent with the applicable elements of a city or county general plan);

- Authorize temporary and permanent transfers of groundwater extraction allocations;
• Establish accounting rules to allow unused groundwater extraction allocations to be carried over one year to another and voluntarily transferred;
• Impose fees, including, but not limited to, permit fees and fees on groundwater extraction or other regulated activity, to fund the costs of a GSP;
• Acquire and use real and personal property and construct and operate works and improvements necessary to carry out SGMA;
• Appropriate and acquire surface water or groundwater rights, import surface water or groundwater, and conserve and store such water;
• Purchase, transfer, deliver or exchange water or water rights of any type with any person as necessary for implementing SGMA; and
• Enter into written agreements and funding with a private party to assist in implementing a GSP or any of its elements.

Groundwater Sustainability Agency Boundaries

DWR’s Bulletin 118 is a comprehensive report on groundwater and California’s 515 groundwater basins and sub-basins. It is designed to "help those who must make decisions affecting the protection, additional use, and management of the State's ground water resources." It was first released in 1978 and has been updated several times over the years, the latest in 2003. Bulletin 118 describes groundwater basin boundaries throughout the state. SGMA required DWR to make an initial groundwater basin priority assessment to identify high- and medium-priority basins, which must be regulated by a GSA. DWR concluded that the basin prioritization concluded by the California Statewide Groundwater Elevation Monitoring Program would be the initial prioritization when SGMA took effect Jan. 1, 2015. In all, 127 basins and sub-basins were designated high- and medium-priority.

SGMA requires that groundwater basins are managed in their entirety and thus does not allow unmanaged areas of a basin. Because some basin boundaries in Bulletin 118 may be based on outdated information or data or because there may be other practical justifications, SGMA includes a process for local agencies to periodically request that DWR revise the boundaries of existing basins and sub-basins when appropriate. This change can be considered by DWR based on jurisdictional and/or scientific factors. It is important to note LAFCO does not have authority over the boundaries of GSAs.

Determining the boundaries of GSAs can be a complicated process because of technical scientific issues, as well as competing interests of local agencies. DWR has prepared a Frequently Asked Questions document, which addresses, among other things, GSA formation and boundary issues. Below are several questions and answers from this document that may be of interest to LAFCOs:
• Which local agencies are eligible to be GSAs?

Any local public agency that has water supply, water management, or land use responsibilities in a basin can decide to become a GSA. A single local agency can decide to become a GSA, or a combination of local agencies can decide to form a GSA by using either a joint powers authority (JPA), a memorandum of agreement (MOA), or other legal agreement. As discussed in this document, a local agency that submits a GSA formation notice to DWR will not become an exclusive GSA for the portion of a basin within its service area until the conditions of the Water Code are met. Water Code References: §10721, §10723, §10723.6, §10723.8, §10726.8

• Can a local agency form a GSA for a portion of a basin located outside its service area boundaries?

A local agency may make the decision to become a GSA for an entire basin, but that agency would not be the “exclusive” GSA for any portion of the basin beyond its service area boundaries. Furthermore, a local agency is not authorized to impose fees or regulatory requirements on activities outside the boundaries of the local agency. This regulatory limitation could make implementation of a basin’s groundwater sustainability program problematic and achievement of a basin’s sustainability goal unattainable. Because service area is not defined in SGMA, DWR will rely upon a local agency to define its service area in its GSA formation notice, which is part of Water Code §10723.8(a). Water Code References: §10723 et seq., §10726.8

• If GSA overlap has not been resolved by June 30, 2017, will the county be presumed to be the GSA in the disputed area?

No. Water Code §10724(a) states, in the event that there is an area within a high- or medium-priority basin that is not within the management area of a GSA, the county within which that unmanaged area lies will be presumed to be the GSA for that area. An “unmanaged area” as used in Water Code §10724(a) is an area of a basin that has not yet had (or will not have) a local agency file a GSA formation notice with DWR – or, it is an area of a basin that is not within the service area of another GSA-eligible local agency. Water Code §10724 does not give the county exclusive authority to be the GSA in a basin if other local agencies (possibly including the county) have also declared their intent to sustainably manage groundwater but have not yet resolved their service area overlap.

In the unmanaged areas where the county is presumed to be the GSA because no other local agency has formed a GSA, the county must still follow the same public notification procedures described in §10723(b) and submit to DWR, prior to June 30, 2017, the information listed in §10723.8(a). Alternatively, the county can notify DWR in writing that it will not be the GSA for those unmanaged areas and those unmanaged areas shall be subject to
groundwater extraction reporting on July 1, 2017, in accordance with Part 5.2 of Division 2 of the Water Code, and could be subject to State Board intervention. Water Code References: §1529.5, §5200 et seq., §10723 et seq., §10724 et seq., §10735.2

In summary, the boundaries of GSAs generally are defined by both underlying groundwater basin boundaries and the jurisdictional boundaries of the public agency or agencies that form a GSA. The state can intervene if a portion of a basin is not covered by a GSA (and the county does not accept management responsibility). This means that the state could make regulatory decisions regarding that part of the basin. The boundaries of a GSA are not subject to LAFCO approval or consideration. SGMA gives local agencies overlying a groundwater basin the authority to form GSAs for the purpose of managing the groundwater resources in their jurisdictions.

**LAFCO Role and Impacts**

SMGA does not provide LAFCO with a statutory role in the formation of GSAs. These agencies are formed by local agencies as defined by the Act. DWR has a limited role in reviewing the completeness of GSA formation notices, including ensuring that procedural requirements are met and establishing that GSAs do not attempt to govern overlapping areas of groundwater basins. The notification process involves submitting a notice of the decision to form a GSA to DWR, along with a map and description of the area to be managed. The notice to DWR must include the resolution or legal agreement forming the GSA.

The power and authority provided by SMGA should be considered when local agencies decide to form GSAs. SMGA could provide groundwater management authority to agencies that do not currently have those powers. Also, it is somewhat unclear whether SMGA authorizes a GSA to manage a portion of a basin outside of a local agency’s jurisdictional boundaries. SGMA states that a GSA “shall be presumed to be the exclusive GSA within the area of the basin within the service area of the local agency that the local agency is managing as described in the notice.”

Here are some of the possible ways SGMA might implicate LAFCO:

- **Sphere of Influence Amendments and Annexations to Existing Jurisdiction to Implement SGMA**

SMGA could trigger sphere of influence amendments and/or annexations to comply with the requirements of the Act. Groundwater basins often do not conform to jurisdictional boundaries. This could result in the Sphere of Influence (SOI) of a jurisdiction being expanded to include areas within the groundwater basin. The SOI amendment could allow for the processing of outside user agreements or annexations to provide for groundwater management services. Annexations could include large areas that are currently outside a city or district jurisdictional
boundary. Arguably, LAFCOs can annex areas into a jurisdiction and limit the authority of the jurisdiction to just groundwater management/planning services.

- **Outside User Agreements to Extend Groundwater Management and Planning Services into Other Areas**

Outside user agreements (extraterritorial agreements) can be proposed as a way for a jurisdiction to provide groundwater management/planning services. The Outside User Agreement could conceivably be between the city or district and the county to provide these services to a particular part of the basin. It could also be that because these agreements are between government agencies they are found to be exempt from the requirement to obtain LAFCO approval as provided in Government Code Section 56133. This decision is currently at the discretion of individual LAFCOs based on the provisions found in Government Code Section 56133.

- **Increased Inquiries Regarding the Formation of Water Districts**

SGMA has caused interest in possibly forming new public agencies. LAFCOs are responding to these inquiries around the state. In Bulletin 118, DWR lists twenty (20) different governing structures that may be able to manage a groundwater basin. The full list can be found in Table One. The following governing structures are most likely to be formed in more rural or agricultural areas:

- County Flood Control and Water Conservation District
- County Service Area
- County Water District
- Irrigation District
- Water Conservation District
- California Water District
- Water Replenishment District

In general, the process for forming a special district can be initiated either by petition of registered voters or landowners, or by a Resolution of Application by a government agency. In the event of a formation initiated by petition, the petition needs to be completed and verified by the County Assessor’s or Clerk’s office before LAFCO can evaluate the application.

The procedures for formation are found in the principal act of the particular type of special district to be formed. Principal acts are part of California state law that provide the legal structure for a special district. LAFCO would consider all written and oral testimony at a public hearing. Also, a staff report evaluating any proposal would be prepared for the Commission’s consideration.
• **SGMA Legislatively Creates Groundwater Sustainability Agencies**

GSAs are created for the purpose of managing groundwater basins in California. GSAs have the authority to create a GSP and take actions to actively manage the groundwater basins in California. These are public agencies as defined in SGMA. Under SGMA, mutual and private water companies and Indian tribes may participate in a GSA. Their roles in a GSA may be established by the public agencies that form the GSA. The authority of a GSA under SGMA is outside of the authority of LAFCOs.

**Governing Body:** The governing body, which is established by law to administer the operation of a special district, is initially composed of a multi-member elected board of directors. The number of directors elected is specified in the principal act or in some cases can be modified through the LAFCO process. For some special districts, the governing body is the Board of Supervisors of the County in which it is located. For example, the County Board of Supervisors is the governing body for Flood Control and Water Conservation Districts.
<table>
<thead>
<tr>
<th>Local Agency</th>
<th>Authority</th>
<th>Number of Entities as of 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Services District</td>
<td>Gov. Code § 61000 et seq.</td>
<td>313</td>
</tr>
<tr>
<td>County Sanitation District</td>
<td>Health &amp; Safety Code § 4700 et seq.</td>
<td>91</td>
</tr>
<tr>
<td>County Service Area</td>
<td>Gov. Code § 25210.1 et seq.</td>
<td>897</td>
</tr>
<tr>
<td>County Water Authority</td>
<td>Water Code App. 45</td>
<td>30</td>
</tr>
<tr>
<td>County Water District</td>
<td>Water Code § 30000 et seq.</td>
<td>174</td>
</tr>
<tr>
<td>County Waterworks District</td>
<td>Water Code § 55000 et seq.</td>
<td>34</td>
</tr>
<tr>
<td>Flood Control &amp; Water Conservation District</td>
<td>Water Code App. 38</td>
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</tr>
<tr>
<td>Irrigation District</td>
<td>Water Code § 20500 et seq.</td>
<td>97</td>
</tr>
<tr>
<td>Metropolitan Water District</td>
<td>Water Code App. 109</td>
<td>1</td>
</tr>
<tr>
<td>Municipal Utility District</td>
<td>Pub. Util. Code § 11501 et seq.</td>
<td>5</td>
</tr>
<tr>
<td>Municipal Water District</td>
<td>Water Code § 71000 et seq.</td>
<td>40</td>
</tr>
<tr>
<td>Public Utility District</td>
<td>Pub. Util. Code § 15501 et seq.</td>
<td>54</td>
</tr>
<tr>
<td>Reclamation District</td>
<td>Water Code § 50000 et seq.</td>
<td>152</td>
</tr>
<tr>
<td>Recreation &amp; Park District</td>
<td>Pub. Resources Code § 5780 et seq.</td>
<td>110</td>
</tr>
<tr>
<td>Resort Improvement District</td>
<td>Pub. Resources Code § 13000 et seq.</td>
<td>-</td>
</tr>
<tr>
<td>Resource Conservation District</td>
<td>Pub. Resources Code § 9001 et seq.</td>
<td>99</td>
</tr>
<tr>
<td>Water Conservation District</td>
<td>Water Code App. 34; Wat. Code § 74000 et seq.</td>
<td>13</td>
</tr>
<tr>
<td>California Water District</td>
<td>Water Code § 34000 et seq.</td>
<td>141</td>
</tr>
<tr>
<td>Water Replenishment District</td>
<td>Water Code § 60000 et seq.</td>
<td>1</td>
</tr>
<tr>
<td>Water Storage District</td>
<td>Water Code § 39000 et seq.</td>
<td>8</td>
</tr>
</tbody>
</table>

*Source: Department of Water Resources Bulletin 118*
**Functions**: The principal act of the particular special district identifies its powers and functions. LAFCO can limit or restrict the powers of a special district in two ways: (1) Identifying the active and latent powers of a newly formed special district and/or (2) By conditions of approval that identify the powers a special district may or may not perform. If active and latent powers are identified, the special district could carry out only those certain functions and would need to request activation of other functions from LAFCO at a later date. The process for activating a power requires LAFCO review pursuant to the Cortese-Knox-Hertzberg Act. Please note that the powers given to a GSA by SGMA are not subject to LAFCO approval. SGMA provides a GSA with a number of groundwater management tools.

**Summary**

For the first time, the Sustainable Groundwater Management Act (SGMA) empowers local agencies to adopt groundwater management plans that are designed to consider the resources and needs of their communities. Better groundwater management provides a buffer against drought and climate change, and helps make water supplies more reliable regardless of weather patterns. California depends on groundwater for a major portion of its annual water supply, and sustainable groundwater management is essential to a reliable and resilient water system. The California Department of Water Resources’ Groundwater website offers links and news from state, local and non-governmental agencies.

The role of LAFCOs in implementing SGMA largely involves either annexation of areas to an existing jurisdiction that will provide for SGMA compliance or the formation of a new district to be part of a GSA. Also, LAFCOs are positioned to help facilitate a discussion between agencies should the need arise. It is important to note that as SGMA is implemented, we may see an increase in annexations of areas that are not found in compliance with SGMA. While only a few LAFCOs have been directly impacted by SGMA, it could be that future annexations are proposed to comply with the new law.
Sources

California Department of Water Resources www.water.ca.gov/groundwater/sgm/


The Water Education Foundation: http://www.watereducation.org/

The Water Foundation Website: www.waterfoundation.net/

Acknowledgments

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EXHIBIT A

Groundwater Sustainability Agency - Model A

Groundwater Sustainability Agency

City #1 Mutual Water CSD #2 City #2 County #2

County #1 Water District County Planning CSD #1

Groundwater Sustainability Agency - Model B

Groundwater Sustainability Agency 1

JPA or MOA

Groundwater Sustainability Agency 2

County #2 Water District County Planning CSD #3

City #2 Mutual Water CSD #4 City #3 County #2
CORRESPONDENCE – IN THE NEWS

Newspaper Articles

➢ The Modesto Bee, February 23, 2017, “Neighbors air worries about future freeway west of Modesto.”


➢ The Modesto Bee, February 28, 2017, “Stanislaus County leaders approve a MAC for Wood Colony.”

➢ The Modesto Bee, March 2, 2017, “Modesto begins releasing partially treated wastewater into S.J. River.”

➢ The Modesto Bee, March 4, 2017, “EDITORIAL: What are we supposed to do with all this water?”

➢ The Modesto Bee, March 6, 2017, “MID expects full 42-inch allotments this year for growers.”

➢ The Modesto Bee, March 12, 2017, “Oakdale wants more in return for hidden tax to OID.”
Neighbors air worries about future freeway west of Modesto

By Garth Stapley

This much seems clear: A new freeway is coming west of Modesto.

After six decades of planning a Highway 132 bypass, transportation leaders on Wednesday unveiled environmental studies at a public meeting attended by lots of anxious people with lots of questions about the $214 million new road, for which crews could break ground late next year.

"Oh, they're serious," said Michael Rossini Jr.

"That doesn't make it right," Wayne Lewis said.

Many with concerns — and they seemed in the majority — talked with government scientists and engineers and packed a comment box with written notes, complaints and suggestions. Another 20 took the extra step of talking with a court reporter who recorded input word for word.

Some were fearful or angry at the idea of losing a home or business.

"Nobody told us" about road plans, Raymond Almarez said, when he bought his large-lot home eight years ago with the acre of land he'd always dreamed of. It will be razed, and he learned Wednesday to expect appraisers in July, starting negotiations over what his property is worth.

THERE'S MOVING THE TRAFFIC JAM FROM WHERE EVERYONE CAN SEE IT, BY HIGHWAY 99, TO WHERE IT'S INVISIBLE (AT DAKOTA AVENUE).

Sharon Custer

His is one of 32 homes and 11 businesses in the way of the new freeway, which will parallel Kansas Avenue heading west before tying into Highway 132, also known as Maze Boulevard, at Dakota Avenue. Other property owners won't lose buildings, but part of their land, including Almarez's daughter, Melani Cortes.

"I'm kind of shocked," she said just after learning of the "partial take" at Wednesday's open house, held in the gymnasium at Mark Twain Junior High. She recently married and moved but continues to own the freeway-fronted home, which she leases to renters.

That rental income "was going to take us through our senior years," said her husband, Hector Cortes. "Now there are decisions and choices to make."

Hement Khatri and Suresh Chandra, owners of the 68-room Quality Inn on Kansas for 21 years, find themselves in a much more unsettled state. A recently released 840-page environmental impact report says the hotel will go, but a state design engineer at Wednesday's meeting said that doesn't make sense because drawings show the new road skirting the hotel, possibly sparing it.
“We’re in a very difficult situation,” a frustrated Khatri said, because their hotel franchise agreement is due for renewal in August. “I wish we had a clear answer on whether they’re taking it or not.”

The men lease nearby space to Alejandra Munoz, who established Guayabitos Restaurant 2 1/2 years ago. A transportation representative urged her to attend Wednesday’s meeting, she said, “because they would have answers to my questions,” but answers proved elusive.

The government must pay fair market value for land and help to relocate people and businesses. Value disputes can end up in court.

Richard Arrieta will lose from 50 feet to 100 feet – depending on which road path is chosen later this year – of the yard where he plays baseball with his three sons, ranging in age from 8 to 13. His work commute takes him down Maze every day, so he will appreciate the new road, but would rather not sacrifice property.

“We love where we live,” Arrieta said. “This does affect our family.”

“They’ve talked about this for decades. If they’re going to break ground next (year), why are they not telling us, ‘We’re going to do it this way? Don’t they know?” asked Terhesa Gamboa.

11 businesses, 32 homes, 590 trees, 50 farm acres to be removed.

Talking openly is the whole point of these meetings, say transportation representatives, adding that not all questions can be answered at this point.

“This is a great turnout,” said Grace Magsayo, the California Department of Transportation’s project manager. “This is a good, productive meeting. There were a lot of comments and we’re going to bring them back with us (to answer in a report addendum). The public process is doing its job.”

Leaders look forward, as soon as 2020, to smoother flowing traffic from Highway 99 west toward Interstate 5 and the Bay Area, rather than the snarl from Maze’s 60 private driveways, multiple stop lights and 12 intersections with no signals.

Soliciting input sometimes gives road engineers ideas that they might not come up with themselves, said Terry Withrow, a Stanislaus County supervisor. Such feedback on plans for another expressway – the North County Corridor, skirting Modesto, Riverbank and Oakdale – persuaded leaders to drop plans for a segment paralleling Kiernan Avenue in favor of simply beefing up that road and steered the future route away from two neighborhoods near McHenry Avenue.

“Everyone’s input made a difference there,” Withrow said. “You can affect change.”

If improving Kiernan was acceptable, some wondered Wednesday, why not simply upgrade Maze?

“That would be cheaper,” William Wilhelm said.

He also wants to see a sound wall protecting neighborhoods along Kansas, west of Carpenter Road.
WHEN THEY STARTED (PLANNING), THERE WAS NO POPULATION DENSITY. FIFTY-FOUR YEARS LATER, THE ENVIRONMENT HAS CHANGED AND CITY LIMITS ARE ALL THE WAY OUT TO MORSE (ROAD).

Michael Rossini Jr.

Gamboa said the new freeway, planned to dive under Carpenter Road, should stay below grade heading west all the way to Morse Road, where housing tracts end, instead of rising to the earth’s natural surface near Mercy Avenue, as plans currently show.

"I'm trying to keep an open mind," Gamboa said. "I'm trying to be positive. I'm trying to be neutral. I hope they do the right thing. We want the project to raise our property values, not lower them."

Some attendees were happy with poster displays and maps.

"This looks favorable for our business," said Luis Miranda, a retired vice president of Crystal Creamery, formerly Foster Farms Dairy. The new streets configuration should help the creamery's truck flow, and should take traffic pressure off Kansas in front of the business, he said.

"If I was a resident, I would have different concerns," acknowledged Tiffany Hooser, the creamery's environmental manager.

People for years have worried about danger from barium in dirt piled for a bypass segment rising over Highway 99. Nobody has gotten sick or died from the heavy metal, scientists have said for years, and representatives repeated that to all who approached their table.

Caltrans further will contain any threat by capping the tainted soil with freeway concrete, the study says. Trucking away contaminated dirt would cost an extra $20 million, the document says.

AS IT'S GOING TO BE MANAGED, THERE IS NOT A HEALTH ISSUE.

Randy Adams, state Department of Toxic Substances Control senior geologist

"We were able to respond" to questions Wednesday, said Randy Adams, a senior geologist with the state Department of Toxic Substances Control. "As it's going to be managed, there is not a health issue."

Others, such as Monica Ramos, wondered how much safer the bypass will make things if no improvements are made on Highway 132's long stretch from Dakota to the San Joaquin River. Still others are worried about freeway lights and noise, and the loss of 50 farm acres and 590 trees.

THIS WHOLE PROJECT DOES ABSOLUTELY NOTHING TO IMPROVE (HIGHWAY) 132 WEST OUT BY THE RIVER, WHERE A MAJORITY OF THE FATALITIES ARE OCCURRING.

Monica Ramos
People can see the environmental impact report and associated studies at the third-floor office of the Stanislaus Council of Governments, 1111 I St., or in the public library at 1500 I St., both in downtown Modesto, or online.

Comments can be emailed by March 17 to philip.vallejo@dot.ca.gov, or sent to Caltrans at 855 M St., Suite 200, Fresno, 93721.
So much for drought: TID plans generous water deliveries

By John Holland

Facing a brimming reservoir, the Turlock Irrigation District urged its farmers Tuesday to use as much water as they can this year.

The district expects to provide normal deliveries for the first time since 2011 — and even an extra amount to help recharge groundwater stressed by the five-year drought.

“We can’t get rid of it quickly enough,” said Tou Her, assistant general manager for water resources, at an evening board meeting.

The Tuolumne River watershed was at 204 percent of average for the date and could end up having its wettest year on record, Her said. TID shares the supply with the Modesto Irrigation District, which likely will have similar news for its farmers.

Don Pedro Reservoir filled several months early, forcing the release of huge volumes of water the past few weeks. That brought some flooding to low-lying homes and farmland, but nothing like the disaster of 1997.

TID, which operates Don Pedro under an agreement with MID, opened its spillway last week to boost the flows even more. It aimed to create space in the reservoir for upcoming storm runoff and snowmelt, but the U.S. Army Corps of Engineers ordered the spillway closed as of Monday. The federal agency was concerned about levees on the lower San Joaquin River, which the Tuolumne feeds.

Her proposed a 48-inch allotment for 2017 — 4 vertical feet of water delivered over a season likely running from late March to late October. The allotment got as low as 18 inches during the worst of the drought but recovered to 36 inches last year.

“It will be nice to get a full irrigation,” said Tim Sanders, an almond grower in the Ceres area, after the meeting. During the meeting he said the Corps of Engineers spillway decision “is a little short-sighted.”

The board is to vote on the allotment March 21.

Many farmers have installed drip lines or microsprinklers to guard against water shortages, but TID is asking customers to do flood irrigation where possible. Many environmentalists think this wastes the supply, but advocates say it has long replenished aquifers deep under the cropland.

The recharge water will be sold at TID’s highest rate. It also will be available to farmers who lie east of the district boundary but have access to the Highline Canal.

TID is the largest irrigation district in the Northern San Joaquin Valley, serving about 149,000 acres from southern Modesto to northern Merced County.
Stanislaus County leaders approve a MAC for Wood Colony

By Ken Carlson

Wood Colony will have a municipal advisory council, giving the rural community west of Modesto a voice in land-use proposals and other matters.

The Stanislaus County Board of Supervisors approved formation of the MAC on a 5-0 vote Tuesday, though not everyone who spoke at the hearing wanted to be within the boundary.

Bill Genasci, who lives on Finney Road near Salida, within the northern boundary of the MAC, said his family does not consider itself part of the historic or current Wood Colony community.

Genasci said he and other property owners don’t recall getting notices on the proposed advisory council. “I am a little confused on how it got this far,” he said.

Even county supervisors had questions about the size of the 15,560-acre unincorporated area covered by the council. The area stretches from Highway 99 and Morse Road west to Gates Road, between Highway 132 and Bacon Road.

Lori Wolf, who helped organize the council, said people well outside the historic core of Wood Colony attended a March 2014 meeting and wanted their property included.

Keith Boggs, county assistant executive officer, said the MAC boundary was requested by residents. Notices were sent to Wood Colony residents and property owners for a March 2014 meeting at Hart-Ransom School and a second meeting in September, Boggs said.

Sign posts for Wood Colony say the farming community was founded in 1869 on Beckwith Road; some of the early farmland apparently is covered today by Vintage Faire Mall. Members of the German Baptist Brethren Church were among the early settlers.

Today, the colony is a battleground for residents who’ve opposed Modesto’s plans to put big-box retailers and business parks west of the city. And those sympathetic to Wood Colony say development would pave an area that’s rich in history and productive cropland.

Some speakers with deep roots in the county said it’s not such a stretch to imagine that Wood Colony encompasses the 15,000-plus acres.

David Jones, whose ancestors started a ranch in 1853, the year before the county was founded, said the colony began as an original cluster of farms, and additional farms planted by settlers filled in the area over the decades.

Todd Heinrich, who lives on Shoemake Avenue, said longtime residents including his grandmother, with land out to Hart Road, identified themselves with the colony.

The five-member council will give the county advice on issues affecting Wood Colony, though it has no real authority. The panel can serve as a forum for discussing land use, sheriff’s patrols, roads and other concerns.
Supervisor Terry Withrow said he wants the council to reserve a spot on agendas for dialogue with Modesto and the Modesto Chamber of Commerce. An eastern portion of the colony is within the city’s “sphere of influence” for planning purposes.

Supervisor Jim DeMartini said the South Modesto MAC has created the momentum for park improvements, streetlights and community cleanups. The county also has active municipal advisory councils for Salida, Valley Home, Hickman, Denair, Keyes and Knights Ferry.
Modesto begins releasing partially treated wastewater into S.J. River

By Deke Farrow

To protect pond levees and its water treatment infrastructure, the city of Modesto began releasing partially treated wastewater into the San Joaquin River on Thursday afternoon.

Wastewater that has been treated but not disinfected will be discharged at an estimated average daily flow of 30 to 45 cubic feet per second, the city said in a news release Monday morning. The release will "continue for as long as necessary to prevent pond levee failure. Completion could take weeks."

With the San Joaquin’s current flow downstream of Vernalis higher than 32,000 cfs, the city said, the wastewater is greatly diluted and the potential hazard lessened. Still, because water that’s not been disinfected carries bacteria and viruses, the city warns that the public should avoid direct contact with the river during the discharge.

The water is being released at the city’s Jennings Road treatment plant.

THE CITY IS REQUIRED TO SAMPLE THE RIVER AND REPORT THE DATA TO THE STATE TO ASSESS THE IMPACTS OF THIS DISCHARGE. THE PUBLIC WILL BE NOTIFIED IF OTHER RISKS SHOULD ARISE.

News release on discharge of partially treated wastewater

Early last week, Modesto noticed increased flows of wastewater into its Sutter Avenue treatment plant as the Tuolumne River continued to rise because a spillway gate at Don Pedro Reservoir was opened to reduce the reservoir level and protect the dam. The Tuolumne flows into the San Joaquin.

The city discovered Feb. 23 that a hole in a sewer trunk line that runs along a bank of the Tuolumne was the cause of the increased flow into the plant. But after crews built a temporary barrier around the hole to keep river water out, the city estimated that release of partially treated water could be weeks away.

What changed? As the city was working to secure the sewer line, "it took a lot longer for the flows to go down than initially thought, city Utilities Director Larry Parlin said Thursday. Working with the California Department of Water Resources’ dam-safety division, there was a shared concern that increased elevation in treatment ponds, combined with wind and wave action, could erode levees, he said.

"City staff has contacted the appropriate state agencies and they are fully informed of the actions the city will be taking to prevent pond levee failure and flooding at the Jennings Road facility," the city’s news release said.

On the public health risk from the releases, Parlin said, "Obviously, you don’t want to be drinking floodwater, especially if it contains undisinfected treated wastewater."

MODESTO’S WASTEWATER FIRST IS TREATED AT THE SUTTER AVENUE PLANT ALONG THE TUOLUMNE RIVER AND THEN IS SENT BY PIPELINE TO THE CITY’S JENNINGS
ROAD TREATMENT PLANT ALONG THE SAN JOAQUIN RIVER. THE WASTEWATER THERE RECEIVES ADDITIONAL TREATMENT.

But given the high river flows and "all sorts of nasty stuff" flooding has added to the rivers – animal waste, leaching from septic tanks and much more – he said he believes what the releases add to the mix is "almost insignificant."

The city will be monitoring river water quality upstream and downstream of the discharge, Parlin said, and is not expecting any measurable change in bacteria. "It's probably not going to add to the current health hazard."

Still, the discharge is a violation of the city's permit, Parlin said, "and we're not happy about it." Now that flows into the Sutter Avenue plant have decreased, the city will monitor the situation and end the discharge as soon as possible, he said.

When the weather is clear and warm, there's tremendous evaporation from the holding ponds, Parlin said, which helps. On the other hand, he said, if it gets too warm, the snowpack begins to melt and increases river flows.

Though the city never has had to discharge partially treated wastewater before, Parlin said, it doesn't compare to the flooding of 1997, which submerged parts of Modesto's treatment plant, carrying raw sewage into waterways.
EDITORIAL: What are we supposed to do with all this water?

By The Editorial Board

Danger could be headed our way. Again. Those living near the San Joaquin and Tuolumne rivers west of Modesto have already seen high water, and they’re going to see much more.

A week of higher temperatures in the mountains could turn snow into runoff. That would be nice if we had some place to put the water, but we don’t. The state is dragging out the process of spending the $2.5 billion voters approved in 2014 for more storage.

Our reservoirs are full, or close to it. That’s especially true of Don Pedro on the Tuolumne River. Built to hold 2,030,000 acre-feet, it had 1,980,360 as of Friday — leaving a 2 percent cushion. Knowing there’s 17 feet of snow in Tuolumne Meadows and an estimated 2 million acre-feet of frozen water in the watershed, dam managers would like to increase flows now to avoid an emergency later.

If the snow melts slowly, the Tuolumne River can likely handle it — though it will remain high for months as it flows through Modesto. But if all that water arrives at once, we’ll have the same kind of problems the folks living along the San Joaquin and lower Tuolumne are having already.

The San Joaquin River is already out of its banks in places in western Stanislaus and southern San Joaquin counties. The U.S. Bureau of Reclamation is releasing twice as much water as is flowing into Fresno’s Millerton Reservoir (10,500 cubic feet per second) and another 7,600 cfs is flowing out of the Merced. Add 10,000 from the Tuolumne, and the San Joaquin looks more like the Sacramento on an average day.

What does 28,000 cfs look like? It’s roughly 200,000 gallons a second, or 12.6 million gallons a minute. That’s enough water to cover a football field 36 feet deep. And that’s without any additional snowmelt or rain.

All that water is putting some badly dilapidated levees near Manteca under extreme stress. In the last storm, a large gap opened in one levee; if not for some fast-acting farmers who risked their heavy equipment to close it, it could have been a disaster.

If those levees fail, hundreds of homes in Manteca and Lathrop could be flooded.

That’s why the U.S. Army Corps of Engineers — knowing full well how much water awaits above — won’t allow greater releases from Don Pedro. They’d rather bet on continued cool weather than create “unnecessary risk downstream,” said Corps spokesman Rick Brown.

It’s hard to fault the logic, but we know all that snow eventually will melt. So isn’t keeping Don Pedro so full chancing a greater risk to more people later?

“We are already above danger stage downstream,” Brown said. “That ‘known danger’ is what we have to deal with.” But he admitted, “looking into a Magic 8 Ball is a little precarious.”

We didn’t need a Magic 8 Ball to see this coming. It’s been obvious for years.
In 2015, state Sen. Cathleen Galgiani requested $110 million from a 2006 bond to fix these very same levees. Her legislation died. So Galgiani asked for $5 million to study possible solutions. Before providing even that much, state and federal agencies wanted local officials to identify where the water would go if it topped stronger levees.

"It's unbelievably frustrating," Galgiani said. "The bureaucracy is so strong that we end up fighting to address a crisis after it happens instead of getting in front of it. I was trying to get ahead of it, but I got shot down."

So, we must rely on already-full reservoirs to hold back any deluge.

Manteca and Lathrop aren't blameless. In 1997, Manteca had only the Highway 120 bypass to protect it from flooding if those old levees broke. It threw sandbags onto Union Road, which runs under the bypass, to halt any floodwater. Yet, the city allowed hundreds of homes to be built behind those same century-old levees south of the bypass. The city should have known better.

Perhaps the weather won't warm quickly. Perhaps we won't get another late-winter storm. Perhaps we'll dodge another flood.

We're not the only people dealing with floods; we're just the only ones getting so little help.

The people of the Northern San Joaquin Valley deserve the same kind of concern shown those living closer to Sacramento, the same kind of solutions being considered for those living in San Jose. We need to make our levees stronger before they break. Danger is headed our way; we need help in heading it off.
MID expects full 42-inch allotments this year for growers

By Garth Stapley

WATERFORD

Modesto-area growers could get 42 inches of water this year – an average allotment, at long last – and probably won’t have to worry about higher prices, they learned Monday at a Modesto Irrigation District landowner meeting.

Both points are expected to go before the MID board on March 14, when leaders also could affirm a March 22 start date for this year’s water season.

Staff will recommend that the district continue allowing individuals to move their share of water among parcels that each owns, leases or rents. Other drought-time programs, such as selling portions of one’s water share on the open market to other MID customers, apparently won’t be renewed.

The mood among about 50 people attending Monday’s landowners meeting was positive compared to the past few years, when farmers faced extended drought and paid drought surcharges which won’t be levied this year.

WHEN YOU’VE GOT PLENTY OF WATER, GUYS KNOW THEY WILL GET PLENTY.

Nick Blom, MID board

“It’s all on how much water there is,” board member Nick Blom said after the meeting. “When you’ve got plenty of water, guys know they will get plenty.”

The 42-inch proposal is less than the 48-inch allotment approved for Turlock-area farmers by the Turlock Irrigation District, MID’s partner on the Tuolumne River. Most MID crops don’t need more than 42 vertical inches, Blom said, but those that do will likely get a chance to buy more water. Some may want to flood property just to recharge groundwater, helping their wells.

“We’ve had an incredible amount of rain and snowpack,” said the district’s Gordon Enas. Some parts of California have received twice the normal amount, he said.

Two years ago marked MID’s all-time low, with a mere 18-inch allotment, although last year saw a rebound to 30 inches.

MID growers pay only a fraction of the district’s true cost for delivering water, but likely won’t face an increase this year after several years of rate hikes.

MID electricity customers – more than 100,000 homes and businesses – for decades have subsidized farmers’ water prices. Last year the subsidy came to $17 million, and the district faces a class-action lawsuit seeking to correct the imbalance.

Some growers seemed concerned about the tightrope that TID and MID are walking with their jointly owned Don Pedro Reservoir in foothills to the east. It’s nearly brimming after record highs
this year in mountain rain and snow, and huge releases in recent weeks has brought some flooding to low-lying homes and farmland near Modesto, but nothing like the disaster of 1997.

Fearing that a warm storm could melt snow and overwhelm Don Pedro, resulting in massive flooding, the districts would like now to release even more than already is flowing down the swollen Tuolumne. But federal officials have prevented that because levees downstream toward the Delta are strained.

YOU'VE PROBABLY NOTICED A BIG SLUG OF WATER COMING DOWN THE TUOLUMNE RIVER.

Gordon Enas, MID engineer

"You've probably noticed a big slug of water coming down the Tuolumne River," Enas said. But because of the U.S. Army Corps of Engineers' order, Don Pedro is "still a very full reservoir," he said.

"It doesn't help us in this room," assistant general manager John David said, "but they have to make tough decisions for the whole system."

Staff expects melting snow to provide Don Pedro with about 2 million acre-feet of runoff this year. The near-full reservoir holds about that same amount, so the swollen river's current level is expected to remain that high for about 4 1/2 months, David said – bad news for growers with low-lying farmland, some of which is under water, and will be for a long time.

"We should have a lot of fish a year from now," a man said, with sarcasm, drawing laughter from the audience. It was a reference to the ongoing fight against a state proposal that would send more water down the Tuolumne, Stanislaus and Merced rivers to benefit fish at the expense of farms and cities.

David noted stories from times before people dammed the rivers, when they would slow to a trickle in summer and fall – far less than current amounts that time of year – yet fish somehow survived.
Oakdale wants more in return for hidden tax to OID

By Garth Stapley

OAKDALE

Everyone with property in Oakdale pays taxes to the Oakdale Irrigation District, which delivers no water to any property in the city.

The fact that city dwellers are subsidizing outlying farms – at more than $1 million a year – goes largely unnoticed. It’s rolled into property tax and doesn’t show up as a separate item on tax bills.

$1.07 million OID tax collected in 2016 from Oakdale property owners

Every so often, people question whether the arrangement is fair.

"It really disturbs me that we’re paying something for nothing. That should come to a stop," said Oakdale’s Alice Garcia, widow of a former mayor, in a June interview.

“What are (city folk) getting? Nothing. So they have subsidized the district for years and years,” said then-OID board member Frank Clark in 2005. He represented more city people than others on the board and frequently supported various urban groups, like school organizations, when they approached OID with requests for money, saying that was one way to show appreciation for the mostly hidden tax.

For months, officials with the city and the water district have been talking privately about such questions. A few days ago, both agencies unveiled what they’ve come up with so far, and got unanimous direction from the City Council and the OID board to continue the potentially promising effort.

They’re not talking about canceling the tax. It amounted to nearly 8 percent of OID’s 2015 income.

Instead, they’re exploring ways of bringing city people more return on their investment. And some ideas could bring value to OID as well.

24 Oakdale city parks, some of which could be fed with OID water rather than groundwater

For example, what if part of OID’s share of the Stanislaus River were used to water some or even all of the 143 acres in 24 city parks? That would reduce the groundwater the city currently pumps for that purpose.

If anyone can shop water to outsiders, OID can

Or, what if the city provided its treated sewer water to OID? With its reputation as a wheeler and dealer of surplus water, the district could market the recycled water to high bidders, bringing money to City Hall and OID.

THE CITY HAS A MONEYSAMAKER IN THIS RECLAMATION PROJECT.
Steve Knell, OID general manager, on the idea of selling treated wastewater

“I see it as a funding mechanism,” OID General Manager Steve Knell told his board Tuesday. The city produces about 4,000 acre-feet of wastewater during OID’s water season; treating and selling that at $200 an acre-foot could fetch $800,000 a year, Knell told the City Council last Monday.

Also, the two agencies might find ways to share heavy equipment and their operators in a mutual-aid agreement, a common partnership among neighboring fire departments and law enforcement units.

“I think it’s an awesome plan,” OID board member Herman Doornenbal said. “We should push this thing as soon as we can.”

WHAT DID WE GET FOR THAT?

Chuck Shetron, Oakdale resident, of tax paid to OID

In presenting a draft “cooperative action plan,” both agencies acknowledged a perception that the “return on city tax dollars paid to OID was lagging behind the services and benefits received.” At Tuesday’s council meeting, Oakdale resident Chuck Shetron noted OID’s $1.07 million annual windfall and asked, “What did we get for that?”

It’s not exactly a one-way street, both agencies say.

OID pipe drains and canals, for instance, carry a portion of rain water away from Oakdale neighborhoods, with no compensation.

The value to Modesto from a similar arrangement with the Modesto Irrigation District has been disputed for years, with no resolution. It’s likely to figure in a class-action lawsuit facing MID over its longstanding practice of overcharging electricity customers to subsidize growers’ water prices.

Oakdale City Manager Bryan Whitemeyer on Friday said he’s not sure how much city stormwater OID handles, but engineers expect to get a better idea in an upcoming analysis.

Also, OID every year sets aside, on paper, 10,000 acre-feet of river water in case the city ever wants to buy and treat it for city taps, just like Modesto does with Tuolumne River water bought from MID. The water earmarked for Oakdale is “quite coveted” by other cities with no such nongroundwater source, Whitemeyer said.

Hidden tax, or misperception?

So Job 1 will be “to determine if that condition exists,” an OID report says of the apparent subsidy, followed by “a plan on how best to close that gap.”

People rarely used to question the OID tax, which always has been part of people’s property tax, which of course varies by parcel size and by assessed value. The formula for charging it is complex; it depends on when the property was bought and which of the Oakdale area’s 159 taxing districts the land is in, said Stanislaus County Auditor-Controller Lauren Klein.
In short, everyone pays a different amount, and most don’t know what that is. Part might show up on a tax bill if it’s delinquent, but another portion never will, county Treasurer-Tax Collector Gordon Ford said.

"It seems like a hidden tax," Garcia said in June. She declined a recent request to talk about the issue.

**THIS IS A REAL SPECIAL TIME. WE NEED TO ACKNOWLEDGE EACH OTHER AND WORK TOGETHER TO BETTER UTILIZE OUR RESOURCES.**

Bryan Whitemyer, Oakdale city manager

At Tuesday’s council meeting, Shetron indicated surprise at learning that OID reaps $1.07 million each year from city folk. "In my mind, I said, 'Well, gee whiz, what have they been doing?' Especially since they're raising our water rates."

That's a separate issue. In a nutshell, the city must spend $4.5 million replacing three old wells and an additional $8.1 million replacing 13 miles of aging pipes, so staff proposes raising city water prices about 37 percent for the average family. A public hearing is scheduled for 7 p.m. March 20 at 277 N. Second Ave., Oakdale.

Others over the years may have seen some benefit from OID to a relatively small portion of the city where a handful of lots tapped into an underground pipe to flood yards and gardens.

"My orange trees loved it," said Sid Lieb, 78, who for decades hooked a 4-inch hose to a standpipe in his backyard when water rolled through every other weekend. He and about 500 others with so-called "town water service" from OID comprised about 3 percent of lots in the city.

**Demise of gardenheads**

But 13 years ago, state public health officials warned OID of "potential (for) illness or death" if that untreated water were to contaminate Oakdale's otherwise pristine tap water from wells. That could happen because people with access to both OID water and city water didn't use special equipment to prevent crossflow, which would cost at least $4,000 per home.

So OID canceled that service in Riverbank, which had only a handful of such customers, and in Oakdale.

Meanwhile, owners of several thousand parcels in Oakdale continue paying a tax that few know about. It could be that in olden days, people knew that farming success was crucial to everyone's well being and didn't mind the expense.

"In theory, every landowner in this community is part owner of water rights in OID," Councilman Tom Dunlop said.
TO: LAFCO Commissioners  
FROM: Javier Camarena, Assistant Executive Officer  
SUBJECT: LAFCO APPLICATION 2017-01 – CITY OF PATTERSON DETACHMENT FROM THE DEL PUERTO WATER DISTRICT

PROPOSAL

The City of Patterson has requested to detach approximately 326.34 acres from the Del Puerto Water District. The City and District currently have overlapping boundaries. The proposal is being requested to remove the overlap in compliance with the Sustainable Groundwater Management Act (SGMA).

1. Applicant: City of Patterson.

2. Location: East of the California Aqueduct and Rogers Road along the north and south sides of Sperry Road in the West Patterson area. (See Exhibit “A” Maps and Legal Description)

3. Parcels Involved and Acreage:
   The project includes several Assessors’ Parcel Numbers totaling approximately 326.34 acres. (See Exhibit B – List of Assessor’s Parcel Numbers and Tax Rate Areas)

4. Reason for Request: The City of Patterson is requesting the detachment in order to comply with the Sustainable Groundwater Management Act (SGMA). As part of the SGMA, the State Department of Water Resources requires that the City and District not have overlapping boundaries. The detachment will eliminate the overlap.

ENVIRONMENTAL REVIEW

The proposal is considered exempt under the California Environmental Quality Act (CEQA) Section 15061(b)(3) as there is no possibility that the proposed detachment may have a significant effect on the environment.

FACTORS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires several factors to be considered by a LAFCO when evaluating a proposal. The following discussion pertains to the factors, as set forth in Government Code Section 56668:

a. Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

   The project site is considered inhabited and includes farmland, an RV park, highway commercial uses, and industrial parks. The project site is located within the City of Patterson City Limits. It is currently zoned by the City of Patterson for Highway Service Commercial, General Commercial and Light Industrial uses. The area north and southeast of the project site has been pre-zoned by the City for Low Density Residential uses. The project will detach the area within the City Limits from the Del Puerto Water District.
The subject territory is located in Tax Rate Areas 005-046, 005-047, 005-049, and 005-050. The current total assessed land value of the territory is $20,825,517.

b. **The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

Much of the project site is undeveloped land within the City of Patterson. Any future development will likely require community services. The City of Patterson ensures such improvements and services are included as part of any future development. At this time, the proposed project is to detach the area within the City of Patterson from the Del Puerto Water District. No development plans have been presented at this time.

c. **The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.**

There are no known mutual social and economic interests that would be affected by the proposed detachment. The proposal will not have an effect on the governmental structure of the County.

d. **The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.**

Detachment from the Del Puerto Water District will have no effect on providing a planned, orderly, efficient pattern of development. The project area is already within the City of Patterson city limits. The detachment is being completed in order to comply with the Sustainable Groundwater Management Act.

e. **The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.**

There is one Williamson Act contract within the project site; however, no change in land use will occur as a result of the detachment from the District. As mentioned previously, the project site is within the City of Patterson and although some of the site is undeveloped, the site is zoned for Highway Commercial, General Commercial and Light Industrial uses. In addition, the District has stated that it will continue to supply irrigation water to the detached lands via contract, with landowner concurrence, until such time as the landowner deems service undesirable, or when an application for development is submitted to the City, whichever occurs first.
f. **The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting proposed boundaries.**

The proposed detachment includes all lands within the Del Puerto Water District that are currently overlapped by the city limits of Patterson.

g. **A regional transportation plan adopted pursuant to Section 65080**

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as the strategies for investing in the region’s transportation system. The detachment from the District will not conflict with StanCOG’s currently adopted Regional Transportation Plan or any specific plans.

h. **The proposal’s consistency with city or county general and specific plans**

The proposal is consistent with the City General Plan, which designates the area for Highway Commercial, General Commercial and Light Industrial.

i. **The sphere of influence of any local agency, which may be applicable to the proposal being reviewed.**

The detached area will be simultaneously removed from the District’s Sphere of Influence. No change to the City’s Sphere of Influence will occur as a result of the detachment.

j. **The comments of any affected local agency or other public agency.**

All affected and interested agencies have been notified pursuant to State law requirements and adopted Commission policies. No responses have been received as of the drafting of this report.

k. **The ability of the receiving entity to provide services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.**

The project site is already within the City of Patterson which is a full service provider of municipal services. Any future development will be required to meet City improvement standards. In this case, there is no receiving entity as the project will remove the overlapping of district and city boundaries.

l. **Timely availability of water supplies adequate for projected needs as specified in Government Code Section 65352.5.**

As mentioned previously in factor “e”, the proposed project will detach all parcels that are within the City of Patterson from the Del Puerto Water District. The District will continue to supply irrigation water to the detached lands under contract, with landowner concurrence, until such time as the landowner deems service undesirable, or when an application for
development is submitted to the City, whichever occurs first. This continued provision of water from the District is not subject to LAFCO review or approval.

m. The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.

No land use changes or housing are proposed as part of the detachment nor will the detachment contribute to any jurisdiction’s fair shares of regional housing.

n. Any information or comments from the landowner or owners, voters, or residents of the affected territory.

For the current proposal, no comments have been received from landowners, voters or residents within the affected territory.

o. Any information relating to existing land use designations.

The project site is located within the City of Patterson and is zoned for Highway Commercial, General Commercial, and Light Industrial uses. No change to the existing land use designations will occur as a result of this proposed detachment.

p. The extent to which the proposal will promote environmental justice.

As defined by Government Code §56668, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. There is no documentation or evidence suggesting the proposal will have a measurable effect for or against promoting environmental justice.

DISCUSSION

On October 27, 2004, LAFCO adopted Resolution No. 2004-33 approving a Sphere of Influence Modification and West Patterson Business Park Reorganization to the City of Patterson. The action allowed the subject parcels to remain within the boundaries of the Del Puerto Water District upon annexation to the City of Patterson. The resolution further recognized the intent for future detachment of territory from the Del Puerto Water District to be initiated by the City of Patterson as the area developed.

In September of 2014, the Sustainable Groundwater Management Act (SGMA) was passed. The Del Puerto Water District and City of Patterson were notified by the State Department of Water Resources that the two entities are not allowed to have “overlapping boundaries” for purposes of SGMA and the establishment of Groundwater Sustainability Agencies (GSAs). Therefore, the District and City concluded that the most efficient means of moving forward would be to request a detachment of the affected parcels from the District with continued provision of irrigation water to the detached parcels by contract, if desired by the property owners.
The proposed detachment is consistent with LAFCO policies, including Commission Policy 20 which states that the Commission favors and encourages proposals which are orderly and will either improve or maintain the agency’s logical boundary.

Waiver of Protest Proceedings

Pursuant to Government Code Section 56663, the Commission may waive protest proceedings for the proposal when the following conditions apply:

1. A mailed notice has been given to landowners and registered voters within the affected territory.

2. The mailed notice discloses that unless written opposition to the proposal is received before the conclusion of the commission proceedings on the proposal, the commission intends to waive protest proceedings.

3. Written opposition to the proposal from landowners or registered voters within the affected territory is not received before the conclusion of the commission proceedings on the proposal.

If the above conditions have been met, the Commission may waive the protest proceedings in their entirety.

ALTERNATIVES FOR COMMISSION ACTION

Following consideration of this report and any testimony or additional materials that are submitted at the public hearing for this proposal, the Commission may take one of the following actions:

Option 1  APPROVE the proposal, as submitted by the City of Patterson.

Option 2  APPROVE the proposal, with modification.

Option 3  CONTINUE this proposal to a future meeting (maximum 70 days) for additional information.

Option 4  DENY the proposal.

STAFF RECOMMENDATION

Based on the discussion in this staff report, including the factors set forth in Government Code Section 56668, and following any testimony or evidence presented at the meeting, Staff recommends that the Commission aproove the proposal (Option 1) and adopt Resolution 2017-03 (attached as Exhibit C) which:

a. Determines that the proposed detachment qualifies for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulation Section 15061(b)(3).
b. Finds the proposal to be consistent with State law and the Commission’s adopted Policies and Procedures;

c. Waives the protest proceedings pursuant to Government Code Section 56663; and

d. Approves LAFCO Application 2017-03 - City of Patterson Detachment from the Del Puerto Water District subject to the standard conditions as outlined in the resolution.

Respectfully submitted,

Javier Camarena
Javier Camarena
Assistant Executive Officer

Attachments - Exhibit A: Map(s) and Legal Description
Exhibit B: List of Assessor’s Parcel Numbers and Tax Rate Areas
Exhibit C: Draft LAFCO Resolution No. 2017-03
EXHIBIT A

Map(s) and Legal Description
EXHIBIT “A”
LEGAL DESCRIPTION

All that portion of the Southwest quarter of Section 26, Township 5 South, Range 7 East, Mount Diablo Meridian, lying westerly of the Delta Mendota Canal.

Together with that portion of the Southeast quarter of Section 27, Township 5 South, Range 7 East, Mount Diablo Meridian being Lot “9” as shown the Parcel Map filed for record in Book 49 of Parcel Maps, at page 22, Stanislaus County Records.

Assessors Map Book 021, Page 028

Also:

All that portion of the southwest Quarter of Section 26, Township 5 South, Range 7 East, Mount Diablo Meridian lying easterly of the Delta Mendota Canal.

APN: 021-026-017, 043 & 045

Also:

All that portion of the north half of Section 35, Township 5 South, Range 7 East, Mount Diablo Meridian described as follows:

Parcel A as shown on the Parcel Map filed for record in Book 2 of Parcel Maps, at page 89. Stanislaus County Records.

Together with that portion of the northwest quarter of said Section 35 lying northeasterly of the Delta Mendota Canal.

APN: 021-091-004 & 014

Also, together with that portion of said northwest quarter of Section 35 as described in the Grant Deed filed as Document Number 2015-0085807, Stanislaus County Records, said lands being currently owned by Steven D. Hansen 2008 Trust ET AL.

APN: 021-091-012

The above parcels being subject to easements & rights-of-way of record.
EXHIBIT B

List of Assessor’s Parcel Numbers & Tax Rate Areas
Assessor's Parcel Numbers & Tax Rate Areas
LAFCO Application No. 2017-01
City of Patterson Detachment from the Del Puerto Water District

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EXHIBIT C

Draft LAFCO Resolution
No. 2017-03
STANISLAUS COUNTY LOCAL AGENCY FORMATION COMMISSION

RESOLUTION

DATE: March 22, 2017
NO. 2017-03

SUBJECT: LAFCO Application No. 2017-01 – City of Patterson Detachment from Del Puerto Water District

On the motion of Commissioner __________, seconded by Commissioner __________, and approved by the following vote:

Ayes: Commissioners:
Noes: Commissioners:
Absent: Commissioners:
Ineligible: Commissioners:

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, a request has been submitted by the City of Patterson to detach approximately 326.34 acres from the Del Puerto Water District;

WHEREAS, the Commission has conducted a public hearing to consider the proposal on March 22, 2017, and notice of said hearing was given at the time and in the form and manner provided by law;

WHEREAS, there are more than 12 registered voters within the area and it is considered inhabited;

WHEREAS, the area involved consists of all that portion of the District currently overlapped by the City of Patterson as a result of the West Patterson Business Park Reorganization, recorded on February 8, 2005;

WHEREAS, the subject document is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the State CEQA Guidelines; and,

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, the factors set forth in Government Code Section 56668, and testimony and evidence presented at the meeting held on March 22, 2017.

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Determines that pursuant to CEQA Section 15061(b)(3), the proposal is considered exempt, as there is no possibility that the proposed detachment may have a significant effect on the environment.
2. Determines that: (a) approval of the proposal is consistent with overall Commission policies and local general plans; (b) and there are more than twelve (12) registered voters within the territory and it is considered inhabited;

3. Approves the proposal subject to the following terms and conditions:

   a. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void or annul LAFCO’s action on a proposal or any action relating to or arising out of such approval, and provide for the reimbursement or assumption of all legal costs in connection with that approval.

   b. The applicant shall submit to LAFCO a map and legal description accepted to form by the Executive Officer.

   c. The applicant shall pay any and all outstanding fees owed to LAFCO.

   d. The application has been processed as a change of organization consisting of detachment from the Del Puerto Water District.

   e. The detached territory will be removed from the Del Puerto Water District boundaries and Sphere of Influence.

   f. The effective date of the change of organization (detachment) shall be the date of recordation of the Certificate of Completion.

4. Designates the proposal as the “City of Patterson Detachment from the Del Puerto Water District”.

5. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203 subject to the specified terms and conditions.

6. Designates the Commission as conducting authority pursuant to Government Code Section 56029 for the change of organization.

7. Waives the protest proceedings pursuant to Government Code Section 56663 and orders the reorganization subject to the requirements of Government Code Section 57200 et. seq.

8. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203, subject to the specified terms and conditions of this resolution.

ATTEST: 

Sara Lytle-Pinhey
Executive Officer