



**STANISLAUS LAFCO
LOCAL AGENCY FORMATION COMMISSION**

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Chair Terry Withrow, County Member
Vice Chair Tom Dunlop, City Member
Jim DeMartini, County Member
Bill Berryhill, Public Member
Amy Bublak, City Member
Michael Van Winkle, Alternate City Member
Brad Hawn, Alternate Public Member
Vito Chiesa, Alternate County Member

**AGENDA
Wednesday, March 28, 2018
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 January 24, 2018 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. CALAFCO White Paper – State of the Art on Agricultural Preservation.

- C. "In the News."

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

6. CONSENT ITEMS

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the discussion of the matter.

- A. **MUNICIPAL SERVICE REVIEW NO. 17-05 AND SPHERE OF INFLUENCE UPDATE NO. 17-05 FOR THE NEWMAN DRAINAGE DISTRICT.** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Newman Irrigation District. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to Regulation §15061(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2018-04.)

7. 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 APP. NO. 2018-01 & SOI MODIFICATION NO. 2018-01 - PALM ESTATES AND WENSTRAND RANCH CHANGE OF ORGANIZATION TO COUNTY SERVICE AREA (CSA) 19 (TUOLUMNE-GRATTON).** The Commission will consider a request to modify the Sphere of Influence and annex approximately 16.27 acres to County Service Area (CSA) No. 19 (Tuolumne-Gratton). The CSA will provide a funding mechanism for extended services including parks, streetscape, and storm drain maintenance. The project is located on two County-approved subdivisions located in the southwest Denair area (APNs 024-050-016 & 024-032-023). 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 change of organization may have a significant effect on the environment. (Staff Recommendation: Approve the proposal and adopt Resolution No. 2018-03.)

8. COMMISSIONER COMMENTS

Commission Members may provide comments regarding LAFCO matters.

9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

The Commission Chair may announce additional matters regarding LAFCO matters.

10. EXECUTIVE OFFICER'S REPORT

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

- A. On the Horizon.

11. ADJOURNMENT

- A. Set the next meeting date of the Commission for April 25, 2018.
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.



STANISLAUS LOCAL AGENCY FORMATION COMMISSION

MINUTES

January 24, 2018

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

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

Commissioners Absent: Bill Berryhill, Public Member
Brad Hawn, Alternate Public Member
Vito Chiesa, Alternate County Member
Michael Van Winkle, Alternate City Member

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

- A. Minutes of the December 6, 2017 Meeting.

Motion by Commissioner Dunlop, seconded by Commissioner Withrow and carried with a 4-0 vote to approve the Minutes of the December 6, 2017 meeting by the following vote:

Ayes:	Commissioners: Bublak, DeMartini, Dunlop, and Withrow
Noes:	Commissioners: None
Ineligible:	Commissioners: None
Absent:	Commissioners: Berryhill, Chiesa, Hawn and Van Winkle
Abstention:	Commissioners: None

4. CORRESPONDENCE

- A. Specific Correspondence.
- B. Informational Correspondence.
 - 1. 2018 CALAFCO Events Calendar.
- C. "In the News"

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

6. PUBLIC HEARINGS

- A. **POLICIES AND PROCEDURES UPDATE.** The Commission will consider adopting an update to its Policies and Procedures document. The update affects Sections 4 and 7 of the document and includes several non-substantive changes, removal of outdated language, and minor clarifications to reflect new State laws. The update also includes the addition of Policy 15(a), outlining a recent change to State law that requires the Commission's review of certain fire protection contracts or agreements. The update is not considered a project for the purposes of the California Environmental Quality Act (CEQA) pursuant to Section 15387(b)(2). (Staff Recommendation: Approve the update and adopt Resolution No. 2018-02.)

Sara Lytle-Pinhey, Executive Officer, presented the item with a recommendation of approval.

Chair Bublak opened the Public Hearing at 6:11 p.m.

Melissa DeSousa, Denair Fire Protection District, asked for clarification on Policy 15(a).

Chair Bublak closed the Public Hearing at 6:13 p.m.

Motion by Commissioner Dunlop, seconded by Commissioner DeMartini, and carried with a 4-0 vote approving Resolution No. 2018-02, by the following vote:

Ayes:	Commissioners: Berryhill, Bublak, DeMartini, Dunlop and Withrow
Noes:	Commissioners: None
Ineligible:	Commissioners: Hawn
Absent:	Commissioners: Olsen and Van Winkle
Abstention:	Commissioners: None

7. OTHER BUSINESS

- A. **MID-YEAR BUDGET REPORT FOR FISCAL YEAR 2017-2018.** (Staff Recommendation: Receive and File Report.)

Sara Lytle-Pinhey, Executive Officer, presented the report to the Commission

Chair Bublak opened the Public Hearing at 6:15 p.m.

No comment.

Chair Bublak closed the Public Hearing at 6:15 p.m.

Motion by Commissioner Withrow, seconded by Commissioner Dunlop, and carried with a 4-0 vote to receive and file the Mid-Year Budget Report by the following vote:

Ayes:	Commissioners: Bublak, DeMartini, Dunlop and Withrow
Noes:	Commissioners: None
Ineligible:	Commissioners: None
Absent:	Commissioners: Berryhill, Chiesa, Hawn and Van Winkle
Abstention:	Commissioners: None

- B. **ANNUAL ELECTION OF OFFICERS.** (Staff Recommendation: Appoint a chairperson and vice-chairperson and adopt Resolution No. 2018-01a and 2018-01b.)

Chair Bublak asked for nominations for Chairperson and Vice-Chairperson and requested a separate vote for each.

Motion by Commissioner DeMartini, seconded by Commissioner Dunlop and carried with a 4-0 vote to approve Resolution No. 2018-01a to elect Commissioner Withrow as Chairperson by the following vote:

Ayes:	Commissioners: Bublak, DeMartini, Dunlop and Withrow
Noes:	Commissioners: None
Ineligible:	Commissioners: None
Absent:	Commissioners: Berryhill, Chiesa, Hawn and Van Winkle
Abstention:	Commissioners: None

Motion by Commissioner Bublak, seconded by Commissioner Withrow and carried with a 4-0 vote to approve Resolution No. 2018-01b to elect Commissioner Dunlop as Vice-Chairperson by the following vote:

Ayes:	Commissioners: Bublak, DeMartini, Dunlop and Withrow
Noes:	Commissioners: None
Ineligible:	Commissioners: None
Absent:	Commissioners: Berryhill, Chiesa, Hawn and Van Winkle
Abstention:	Commissioners: None

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:

- Staff recommends canceling the February meeting.
- The Oakdale Rural Fire Protection District annexation application is expected to come before the Commission in March.
- Form 700's are due to the office by March 16.
- Board of Supervisor Vito Chiesa has been assigned as Alternate County member.

11. ADJOURNMENT

A. The meeting was adjourned at 6:21 p.m.

SIGNED COPY ON FILE

Sara Lytle-Pinhey, Executive Officer

MEMORANDUM

DATE: March 28, 2018

TO: LAFCO Commissioners

FROM: Sara Lytle-Pinhey, Executive Officer *SLP*

SUBJECT: CALAFCO White Paper – State of the Art on Agricultural Preservation

Attached for the Commission's information is a recently released white paper from CALAFCO entitled "State of the Art on Agricultural Preservation," co-authored by the American Farmland Trust.

The report provides an overview of recent trends and best practices in agricultural preservation. It also described LAFCO's authority to adopt local policies. Many of the best practices identified are those that Stanislaus LAFCO currently uses, including policies encouraging infill, the requirement for a Plan for Agricultural Preservation, and use of a menu of preservation strategies.

Attachment: CALAFCO White Paper – State of the Art on Agricultural Preservation (February 2018)

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State of the Art on Agricultural Preservation

February 2018



A collaboration of American Farmland Trust and the California Association of Local Agency Formation Commissions



CALAFCO WHITE PAPER

State of the Art on Agricultural Preservation

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Acknowledgments

This white paper was produced as a collaborative effort between CALAFCO and American Farmland Trust (AFT). Thank you to the contributors and reviewers for their invaluable depth of knowledge and expertise: Christine Crawford (Yolo LAFCo), David Fey (Fresno LAFCo), Elliot Mulberg (formerly Solano LAFCo), Neelima Palacherla (Santa Clara LAFCo). We also wish to thank the many people who reviewed and commented on the draft version of this paper. AFT would like to acknowledge and thank the Helen K. Cahill Center for Farmland Conservation Policy Innovation for supporting this white paper. The Cahill Center is the research arm of American Farmland Trust in California.

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Purpose and Objectives

The purpose of this white paper is to inform and inspire Local Agency Formation Commissions (LAFcos) that are seeking to establish or enhance policies that preserve agricultural land, while simultaneously promoting orderly growth and development. The California Association of Local Agency Formation Commissions (CALAFCO) invited American Farmland Trust (AFT) to work collaboratively on this white paper to exchange and share perspectives on their respective experiences in successful policy implementation and development. This paper explores the parameters of agricultural land preservation and provides guidance in the development of agricultural land preservation policies for individual LAFcos to consider.

This white paper discusses the importance of agriculture to our local communities and why the California Legislature has equipped LAFcos with the powers to curtail urban sprawl and discourage expansion onto the state's agricultural lands. The paper examines LAFcos' statutory role in preserving agricultural lands and presents opportunities for how LAFcos can incorporate the preservation of agricultural land into their local policies. Brief case studies are provided throughout to demonstrate how individual LAFcos have interpreted this responsibility locally through their own policies.

White Paper Objectives:

- 1) Provide an understanding of the economic, environmental, and cultural importance of agriculture to local communities and the state at large.
- 2) Explain the components of an effective and comprehensive LAFco agricultural preservation policy, including the role of policies that encourage "Avoiding," "Minimizing," and "Mitigating" the loss of farmland.
- 3) Explain the role of the California Environmental Quality Act (CEQA)¹ in both annexation proposals that impact agriculture and in requirements for adopting agricultural preservation policies.
- 4) Explain the role of LAFco in city and county planning processes and how to encourage continuous communication and collaborative planning and studies between public agencies.
- 5) Demonstrate the circumstances in which LAFco may wish to consider an agricultural preservation policy.

A Unique Perspective from AFT

AFT believes in the importance of protecting farmland while supporting sustainable community growth. AFT promotes LAFCoS as key players in conserving agricultural land since most productive farmland is located around cities. Having actively promoted farmland conservation in California for nearly two decades, AFT offers insight on why it is important to preserve farmland and presents best practices.

A Unique Perspective from CALAFCO

The Legislature intends LAFCoS to be responsive to local challenges as well state priorities. An individual LAFCo's policies can lay out LAFCo's statutory mandate to balance the state interest in the preservation of open space and prime agricultural lands with the need for orderly development. LAFCoS have used their planning authority to anticipate and reduce or avoid the loss of agricultural land. Across the state, LAFCo experiences reflect the variance of practices on agricultural preservation between rural, suburban and urban counties.

Introduction

The Legislature created a LAFCo in each county in 1963 with the intent that they fulfill state policy to encourage orderly growth and development. These objectives were deemed essential to the social, fiscal, and economic well-being of the state. The Legislature recognized that the logical formation and determination of local agency boundaries was an important factor in promoting orderly development and in balancing that development with sometimes competing state interests of discouraging urban sprawl, preserving open-space and prime agricultural lands, and efficiently extending government services.

It was also the intent of the Legislature that each LAFCo “establish written policies and procedures and exercise its powers pursuant to statute [Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act)] in a manner consistent with those policies and procedures and in a manner that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.” (Gov. Code §56300.) These written policies and procedures were required to be adopted by LAFCoS by January 1, 2002.

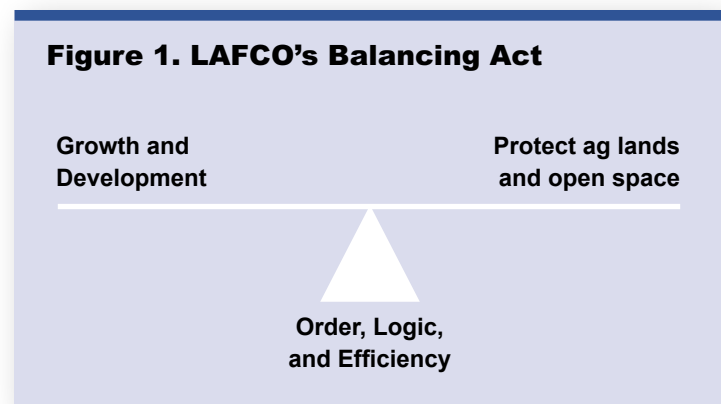
Since 1963, each LAFCo has overseen the growth of its cities and special districts through incorporations, annexations and, since 1973, the establishment of spheres of influence (which were only enforced beginning in 1985). At the time, converting lands once used for agricultural purposes to urban land uses was seen as a necessary part of accommodating the growth of California's cities. It was common for city and county leaders to see agricultural lands around cities as areas for future urbanization, with the assumption that this type of urban development would assure the economic health of the community and provide much needed housing.

Two years after the creation of LAFCoS, the state enacted California Land Conservation Act of 1965 (commonly referred to as the Williamson Act) to address the growing concern that the growth of California cities was coming at the expense of losing agricultural lands. The original purpose of

the Williamson Act was to counteract tax laws that often encouraged the conversion of agricultural land to urban uses (i.e., if you were being taxed at urban rates you might as well sell to urban developers). This act enabled local governments to enter into contracts with private landowners for the purpose of creating agricultural preserves that restrict specific parcels of land to agricultural or related open-space use in exchange for reduced property taxes. Over time, this approach has had mixed success. In an earlier regulatory era, when the subdivision of land far from a city and formation of special districts to provide municipal services was a common practice, creating agricultural preserves under Williamson Act contract was deemed necessary to limit development of those parcels. The likelihood that agricultural land could be converted to urban or rural development was high enough to justify the reduction in property tax revenue in exchange for limiting the land's development potential.

Today, much of the land under Williamson Act contract in many counties is far from a city's sphere of influence, where conversion of the most productive farmland most frequently occurs. Yet, the agricultural lands that are under pressure of being converted to non-agricultural uses are most often located on the urban fringe. Due to development speculation of these lands, they are less likely to be protected under a Williamson Act contract, making the role of LAFCo ever more important.

LAFCOs were created to implement the state's growth management and preservation goals. To achieve these objectives, LAFCOs were given the sole authority to regulate the boundaries and service areas of cities and most special districts. Though they do not have local land use authority, LAFCOs exercise their authority by denying, approving, or conditionally approving expansion proposals by cities and special districts. With this broad authority, each LAFCo uses its own discretion to act in a manner that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns. Figure 1 depicts the balance that LAFCOs are expected to achieve through their actions.



Varying Definitions of “Prime” Agricultural Lands

As discussed further below, preserving prime agricultural land is a key statutory mandate of LAFCo. To measure and understand the importance of California's remaining prime agricultural land, this paper defines what constitutes prime agricultural land. This can be a challenge because federal, state, and local agencies, including LAFCOs, all operate under different laws and requirements each setting out different definitions of prime farmland.

As defined by the United States Department of Agriculture, prime farmland is

Land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops and is also available for these uses. It has the

soil quality, growing season, and moisture supply needed to produce economically sustained high yields of crops when treated and managed according to acceptable farming methods, including water management. In general, prime farmlands have an adequate and dependable water supply from precipitation or irrigation, a favorable temperature and growing season, acceptable acidity or alkalinity, acceptable salt and sodium content, and few or no rocks. They are permeable to water and air. Prime farmlands are not excessively erodible or saturated with water for a long period of time, and they either do not flood frequently or are protected from flooding.”²

AFT relies on the California Department of Conservation’s Farmland Mapping and Monitoring Program (FMMP) definition of prime farmland, which originated from the USDA definition. The FMMP was established by the State of California in 1982 to produce agricultural resource maps, based on soil quality and land use. The FMMP maps are updated every two years using aerial photographs, a computer-based mapping system, public review, and field reconnaissance. The FMMP definition of Prime Farmland is “land which has the best combination of physical and chemical characteristics for the production of crops. It has the soil quality, growing season, and moisture supply needed to produce sustained high yields of crops when treated and managed, including water management, according to current farming methods. Prime Farmland must have been used for the production of irrigated crops at some time during the two update cycles prior to the mapping date. It does not include publicly owned lands for which there is an adopted policy preventing agricultural use.”³ FMMP also maps farmland that is classified as less than prime, such as Unique Farmland, Farmland of Statewide Importance, Farmland of Local Importance (which is defined by local jurisdictions and accepted by FMMP), Urban and Built-up Land, and Other Land.

LAFcos operate according to their own definition,⁴ which identifies prime agricultural land as:

an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

Land that would not qualify as Prime under USDA or FMMP definitions of Prime, may qualify as Prime under the LAFco definition; for example, Unique Farmland, and Farmland of Statewide

Importance, and grazing land can still meet the LAFCo definition of prime agricultural land. Although LAFCos monitor the conversion of Prime Farmland within their own jurisdictions, CALAFCO does not monitor that conversion statewide. Therefore, the following section utilizes the FMMP definition of Prime Farmland to illustrate the trends affecting farmland in California, which, from AFT's perspective, demonstrate the urgency of protecting what remains.

An AFT View: Why It Is Important to Preserve What We Have Left—What's at Risk?

California boasts some of the most productive farmland on the planet, as measured in terms of the ratio of agricultural inputs to outputs. This productivity is largely possible because of California's Mediterranean climate and fertile soils, which require fewer inputs and are less subject to unfavorable climate conditions and pest pressures. This is important for many reasons, including state and national food security, California's prospects for economic growth and competitiveness on the agricultural market, and the efficient utilization of scarce resources such as water.

For nearly four decades, AFT has monitored the conversion of agricultural lands to development, and estimates that nationally, we lose approximately an acre every minute. In California, where the state has been monitoring the conversion of farmland to urban development since the early 1980s, the average rate of loss is 40,000 acres per year. At this rate, California will lose an additional two million acres by 2050, most of which will be prime farmland.

Current Trends

Of California's approximately 100 million acres of land, 31 million acres or one-third, are used for agriculture. Of this agricultural land, 19 million acres are used for grazing land and 12 million acres are used to grow crops. That figure may seem significant, but only about 9 million acres of this cropland are considered to be prime, unique or of statewide importance (as defined by the California Department of Conservation's FMMP).⁵ This resource is diminishing and is likely to continue to do so, mostly due to conversion to urban development, but also from other causes. Considering that not all remaining farmland is ideal for agriculture due to current and future water stress, climate and temperature changes, and other constraints such as strong soil salinity, protecting what is left is paramount.

In the last 30 years, California has lost more than one million acres of farming and grazing land, and about half of that loss was prime farmland. Figure 2 below provides a snapshot from the California Department of Conservation of what has happened to farmland over that period.

Economic and Cultural Benefits

California is the leading agricultural producer in the United States. Its agricultural abundance includes more than 400 commodities. Over a third of the nation's vegetables and two-thirds of the nation's fruits and nuts are grown in California.⁶ California is the sole producer of an array of commodities consumed by people all over the world. Nearly all of the domestically grown grapes, pomegranates, olives, artichokes, and almonds are grown in California, and over three-quarters

of the nation's strawberries and lettuce come from the golden state.⁷ Ensuring the protection of the state's agricultural lands is essential to protecting California's agricultural economy, and supports numerous other social and environmental benefits to our communities.

Agriculture plays a significant role in many of the state's regions, fueling local economies, providing employment, and maintaining over a century of cultural heritage. In 2014, the farm gate value of the state's 76,400 farms and ranches was a record \$54 billion, double the size of any other state's agriculture industry. Of the \$54 billion, over \$21 billion was attributed to California's agricultural exports.⁸ Not only is California the country's largest agricultural producer, it is the largest exporter of agricultural products. Agricultural products are one of California's top five exports.⁹

Agriculture creates significant ripple effects (i.e. multipliers) throughout California's economy. Each dollar earned within agriculture fuels a more vigorous economy by stimulating additional activity in the form of jobs, labor income and value-added processes. Farm production is closely linked to many other industries: the production of farm inputs, the processing of food and beverages, the textile industry, transportation and financial services. According to the University of California Agricultural Issues Center, which is located at UC Davis and studies the multiplier effects of California farm industry and closely related processing industries, the combined sectors generated 6.7 percent of the state's private sector labor force (including part-time workers), 1.3 percent of the Gross State Product (GSP) and 6.1 percent of the state labor income in 2009. The Center calculated that during that year, a \$1 billion increase of the value added from agricultural production and processing results in a total of \$2.63 billion of GSP.¹⁰

Including multiplier effects, each job in agricultural production and processing in 2009 accounted for 2.2 jobs in the California economy as a whole, and each farming job generated 2.2 total jobs. Agricultural production and processing are especially significant to the economy of California's Central Valley where, including ripple effects, they generated 22 percent of the private sector employment and 20.1 percent of the private sector labor income in 2009. Excluding ripple effects, agriculture directly accounted for 10.2 percent of jobs and 9.2 percent of labor income that year.¹¹

When California loses productive agricultural lands, it loses the income and jobs associated with those lands. Despite the economic contribution to the state, agricultural lands are under pressure from a variety of forces that have the potential to significantly affect the food production capacity that contributes to the food security of the state, nation and world. Preserving farmland means preserving not only our food security but regional economic productivity, income levels, and jobs throughout the farming and food sectors.

Figure 2. Quick Facts on California Farmland, 1984–2012

Did you know, over the course of 30 years...

- Over 1.4 million acres of agricultural land in California were removed from farming uses (a rate of nearly one square mile every four days)
- Of converted land, 49 percent was prime farmland
- For every 5 acres leaving agricultural use, 4 acres converted to urban land

Source California Department of Conservation, Farmland Mapping and Monitoring Program Farmland Mapping and Monitoring Program, *California Farmland Conversion Summary 1984–2014 and California Farmland Conversion Report*, 2015

In California, agriculture is an important cultural identity to many communities, ranging from large-scale farming operations to small-scale family farms and geographically spanning many regions throughout the state, from coastal metropolitan regions to the heart of the San Joaquin Valley. The expanse of agricultural products that California farmers offer adds to the uniquely California cultural scenery, abundance of fresh food, and greatly contributes to quality of life.

Environmental Benefits

Although agricultural practices may sometimes have environmental downsides, agricultural use of land also contributes numerous benefits to the environment and communities. Agriculture is both vulnerable to climate change, and can help mitigate the impacts of climate change. Protecting agricultural lands will help communities reduce vehicle miles traveled (VMT) and greenhouse gas emission associated with vehicle travel by avoiding sprawl. Agricultural lands also have huge potential to sequester carbon. These two benefits make the preservation of these lands important strategies in meeting the long-term climate change goals under *California's 2017 Climate Change Scoping Plan*.¹² Additionally, their preservation is vital to maintaining groundwater recharge. The areas where our highest quality farmland is located are the areas that provide for the greatest groundwater recharge. Protecting agriculture keeps land porous and helps rebuild aquifers. One of the most important actions leaders and communities can take to address future water stresses is protecting the prime farmland that is best suited to replenishing groundwater supplies.

Accounting for Natural Resources Using a Multiple Benefit Approach

The Bay Area Greenprint is a new online mapping tool that reveals the multiple benefits of natural and agricultural lands across the region. It was designed to help integrate natural resource and agricultural lands data into policies and planning decisions that will influence the future of San Francisco Bay Area's vibrant environment, economy and regional character.

Intact ecosystems can provide important benefits for the human population in the Bay Area and throughout the state. The Bay Area Greenprint is an opportunity to aid planners from cities, counties, and LAFCOs in understanding and conveying that protecting agricultural land, as a part of intact ecosystems, can provide important benefits for residents in the Bay Area. By conducting multi-benefit assessments (agricultural + habitat + biodiversity + recreation + groundwater + carbon sequestration), the Greenprint provides a more complete understanding of the costs and tradeoffs of developing the region's natural and working lands. It will also assist stakeholders in understanding and communicating both climate change threats and opportunities as well as the multiple values of the Bay Area landscape.

For more information, please visit the tool at www.bayareagreenprint.org

LAFCos' Mandate to Preserve Agricultural Lands

Cortese-Knox-Hertzberg Local Government Reorganization Act 2000 (CKH Act)

Among the purposes of a commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, encouraging the efficient provision of government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances. (Gov. Code §56301, emphasis added.)

Preserving prime agricultural lands and open space is a key statutory mandate of LAFCos and the CKH Act provides direction to LAFCos on certain policies, priorities, and information that LAFCos should, and/or must consider when analyzing boundary change proposals that could potentially impact agricultural lands. The CKH Act includes policies specific to agricultural preservation, including:

- Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing non-prime agricultural lands, unless the action would not promote the planned, orderly, efficient development of an area. (Gov. Code §56377(a).)
- Development of existing vacant or nonprime agricultural lands for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency should be encouraged before any proposal is approved which would allow for or lead to the development of existing open-space lands for non-open-space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency. (Gov. Code §56377(b).)
- Factors to be considered [by the Commission] in the review of a proposal shall include the effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016. (Gov. Code § 56668(e).)

Approaches to LAFCo Agricultural Preservation Policies

Though the CKH Act provides some policies specific to agricultural preservation, these are baseline parameters and guidelines from which individual LAFCos can carry out their mandate. Ultimately, a LAFCo's broad powers will guide and influence annexation decisions and how a LAFCo will respond to the need to balance urban growth and preserving agriculture and open space.

To equip individual LAFCos with the ability to respond to local conditions and circumstances, the CKH Act calls for a LAFCo to:

... establish written policies and procedures and exercise its powers pursuant to this part in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns. (Gov. Code §56300(a).)

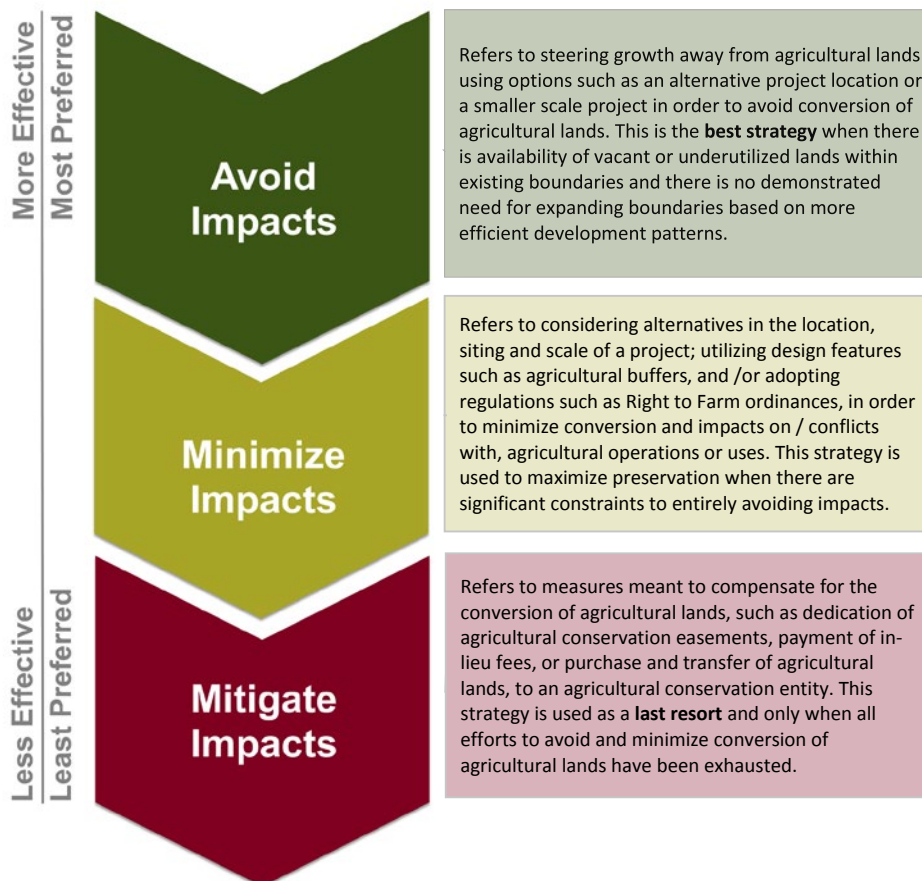
Over the years, LAFCos, on an individual basis, have adopted various local policies and procedures to assist them in their effort to preserve agricultural lands. These policies generally call for the avoidance, minimization, and mitigation of adverse impacts to agricultural lands.

Avoidance consists of anticipating and taking measures to avoid creating adverse impacts to agricultural lands from the outset, such as steering development away from agricultural lands to avoid their conversion to other uses. This most efficiently occurs at the time a city or county is updating its general plan and the issue can be viewed at a regional level and not based on an individual proposal.

Minimization consists of measures to reduce the duration, intensity, and significance of the conversion and/or the extent of adverse impacts to agricultural lands (including direct, indirect and cumulative impacts as appropriate) that cannot be completely avoided.

Mitigation consists of measurable preservation outcomes, resulting from actions applied to geographic areas typically not impacted by the proposed project, that compensate for a project's significant adverse impacts to agricultural lands that cannot be avoided and/or minimized.

Figure 3. Hierarchy for Agricultural Land Preservation Strategies



LAFCo's unique mandates to preserve prime agricultural lands and discourage urban sprawl, and the fact that agricultural lands are a finite and irreplaceable resource, make it essential to avoid adversely impacting agricultural lands in the first place.

Applying These Approaches

These three approaches form an agricultural preservation hierarchy that should, if followed sequentially—avoid, minimize, and then mitigate adverse impacts. These approaches and the recommended applications below may serve as a guide for LAFcos to adopt an agricultural preservation policy, including criteria to guide LAFco’s review of boundary change proposals, thereby possibly streamlining the evaluation of proposals. It may also serve as a guide for proactive participation and collaborative discussion during a city’s general plan update. Collaborative planning may help jurisdictions better understand and prepare for the requirements of LAFco early in the planning process.

Avoidance is preferable because it is the best way to ensure that agricultural lands are not adversely impacted, whereas minimization and mitigation actions include, by definition, some level of residual impact to agricultural lands. Avoidance can also help LAFcos address other important mandates, such as curbing urban sprawl and encouraging the efficient delivery of services by encouraging vacant and underutilized lands within urban areas to be developed before prime agricultural and agricultural land is annexed for non-agricultural purposes. Avoidance is also consistent with the growing recognition at the state level that future development should, when and where possible, be directed into infill areas located within existing urban footprints to limit the amount of transportation related greenhouse gases generated. LAFcos can adopt specific policies and procedures that encourage cities to first utilize their existing vacant and underutilized lands within urban areas for development. What LAFcos can do to **AVOID** conversion of agricultural lands:

- Consider removal of excessive amounts of land from city spheres of influence, (i.e. where SOI is much larger than what is needed over a long-range development horizon).
- Adopt policies that encourage cities to implement more efficient development patterns, adopt stable growth boundaries that exclude agricultural lands, promote infill first, and consider alternative locations within city limits in order to remove development pressure on agricultural lands.
- Encourage continuous communication and collaborative planning and studies between public agencies to ensure that consideration of avoidance begins as early as possible in a jurisdiction’s planning process.
- Participate in city general plan update processes to discourage the premature conversion of agricultural lands and to limit development pressure on agricultural lands.

Case Study: Reducing the Spheres of Influence

In 2007, the Kings County LAFco reduced its spheres of influence through its Comprehensive City and Community District Municipal Service Review (MSR) and SOI Update. The LAFco utilized the MSR requirement from the Cortese-Knox Hertzberg Local Government Reorganization Act of 2000 to coordinate future urban growth considerations in a more streamlined and accountable manner. In developing the MSRs, Kings LAFco rewarded the good planning efforts of its four cities by reaffirming well planned areas with planned services, while areas within existing spheres of influence not currently planned for urban growth would require more extensive MSR updates. This approach allowed Kings LAFco an opportunity to successfully remove almost 11,000 acres from future growth consideration where urban services were not planned and agriculture was the established use.

- Discourage extension of urban services outside city boundaries for new development.
- Request that the Lead Agency CEQA assessment includes analysis of alternatives that do not result in conversion of agricultural lands as defined in the CKH Act.
- Require that the jurisdiction demonstrate that infill or more efficient use of land is not possible *prior* to considering SOI expansion and/or annexation into agricultural lands.

Minimizing adverse impacts to agricultural lands should be considered and applied to the maximum extent practicable if all project alternatives have been considered and avoidance is truly not feasible. Minimization, by definition, means reducing the significance of the conversion and/or reducing the adverse impacts by making changes to a project. In other words, some impacts will be incurred, however, they will be less severe than if changes had not been implemented. Minimization measures must be carefully planned, implemented and monitored to assess and to ensure their long-term effectiveness.

What LAFcos can do to **MINIMIZE** conversion of agricultural lands:

- Encourage continuous communication and collaborative planning and studies between public agencies and LAFCo.
- During a city's general plan update process, encourage jurisdictions to adopt a long-term growth management strategy that provides for more efficient development.
- Encourage jurisdictions to adopt a "Plan for Agricultural Preservation."
- Encourage more efficient use of land to limit development of surrounding farmland. Require that the jurisdiction demonstrate that infill or more efficient use of land is not feasible *prior* to considering SOI expansion and/or annexation into agricultural lands.
- Encourage proposals to show that urban development will be contiguous with existing or proposed development; that a planned, orderly, and compact urban development pattern will result; and that leapfrog, non-contiguous urban development patterns will not occur.
- During a CEQA process, request that jurisdictions demonstrate how a proposal will affect the physical and economic integrity of impacted and surrounding agricultural lands.
- As part of a city's general plan process, encourage jurisdictions to map, analyze, and describe all agricultural lands within or adjacent to land proposed for annexation, including analysis of any multiple land-based values such as

Case Study: Greenbelts and Agreements

Ventura County has established greenbelts around its urban areas. Greenbelts are created through voluntary agreements between the Board of Supervisors and one or more City Councils regarding development of agricultural and/or open space areas beyond city limits. They protect open space and agricultural lands and reassure property owners located within these areas that lands will not be prematurely converted to uses that are incompatible with agriculture.

Cities commit to not annex any property within a greenbelt while the Board agrees to restrict development to uses consistent with existing zoning.

Ventura County LAFCo will not approve a sphere update if the territory is within one of the greenbelt areas unless all parties to the greenbelt agreement are willing to accept an amendment to the agreement.

The Ventura policies generally follow Gov. Code §56377.

agricultural, biodiversity, recreation, groundwater, and carbon sequestration, to identify areas of high natural resource value where development is best avoided.

- Encourage agreements among jurisdictions that outline conditions for expanding boundaries. Agreements can be recognized by LAFCo.
- Recommend project requirements to protect agricultural lands adjoining land covered in applications to LAFCo, both to prevent their premature conversion to non-agricultural uses and to minimize potential conflicts between proposed urban development and adjacent agricultural uses, such as:
 - Agricultural buffers. A buffer is typically an on-site strip of land along the perimeter of a development proposal. These provide a way to minimize conflict by creating spatial separation and other barriers such as walls and landscaping between agricultural operations and urban residents. Buffers may be established through city-county agreements and encouraged under locally adopted LAFCo policies.
 - Encourage the adoption of right-to-farm ordinances. These ordinances are developed to offset the perception that typical farming practices are a “nuisance” by 1) providing dispute resolution mechanisms for neighbors as an alternative to filing nuisance-type lawsuits against farming operations; and 2) notifying prospective buyers about the realities of living near farms before they purchase property.
 - Development of educational and informational programs to promote the continued viability of surrounding agricultural land.
 - Encourage the development of a real estate disclosure ordinance to fully inform all directly affected prospective property owners about the importance of maintaining productive agriculture in the area.

Mitigation of impacts to agricultural lands should be considered and applied to the maximum extent practicable if all project alternatives have been considered and avoidance is truly not feasible and if minimization measures have been applied, but adverse impacts remain significant. Mitigation measures must be carefully planned, implemented and monitored to assess and to ensure their long-term effectiveness. Regardless of the type of mitigation measures pursued, this path will inevitably lead to a net loss of agricultural land if it is converted. Some key agricultural mitigation principles to consider include:

- Is the proposed mitigation a fair exchange for the loss of the agricultural resource?
- Is the proposed mitigation designed, implemented and monitored to achieve

Case Study: Mitigation through Memorandums of Understanding/Agreement

Some LAFCos, including San Luis Obispo and Monterey, have entered into MOUs or MOAs with local land use jurisdictions. Such agreements enable the local jurisdictions to express their intent to jointly pursue orderly city-centered growth and agricultural preservation. In San Luis Obispo, the agreement is with San Luis Obispo County. In Monterey, LAFCo has developed agreements with the County and four of the five cities within the agriculturally rich Salinas Valley (Salinas, Soledad, Greenfield and Gonzales) to encourage development of MOAs and MOUs. Though on one occasion, Monterey LAFCo was a third party to the MOA (with Greenfield), the regular practice has been to encourage each city and the County to enter into the MOA/MOU.

clear, stated and measurable outcomes for agricultural preservation?

- Will the proposed mitigation result in a genuine positive change on the ground, which would not have occurred anyway?
- Will the proposed mitigation result in permanent protection of agricultural land, given that the loss of agricultural land is generally irreversible?

Examples of typical measures include:

- The acquisition and transfer of *ownership* of agricultural land to an agricultural conservation entity for permanent protection of the land.
- The acquisition and transfer of *agricultural conservation* easements to an agricultural conservation entity for permanent protection of the land.
- The payment of in-lieu fees to an agricultural conservation entity that are sufficient to fully fund the cost of acquisition and administration/management of agricultural lands or agricultural conservation easements for permanent protection.

Case Study: A Mitigation Menu

Contra Costa LAFco recently adopted a policy that allows the applicant to choose from a menu of mitigation measures. Those measures can include a 1:1 policy whereby each acre lost is mitigated by an acre preserved for agricultural use. Other options can include fees in lieu of land, conservation easements, agricultural buffers, compliance with an approved habitat conservation plan, and participation in other development programs such as transfer or purchase of development credits. Under this policy, Contra Costa LAFco will consider any reasonable proposal. If the applicant does not suggest a measure, the Commission has the option to impose one or deny the project.

CEQA and Agricultural Preservation

Working proactively with local agencies to avoid or minimize impacts to agricultural land in the first place is preferable to mitigation. Agricultural mitigation requirements (for example, protecting other off-site lands at a certain ratio) are beneficial, but do not prevent agricultural land from being converted.

However, as a last resort, CEQA can be a tool to help LAFcos leverage agricultural preservation in furtherance of LAFcos' state-mandated purpose. Even in the absence of locally adopted agricultural preservation policies, agencies are required to consider project impacts on agricultural resources. Therefore, LAFcos can still promote agricultural preservation even when the local political climate may not allow for strong local policies. CEQA does not require LAFcos to adopt local agricultural conservation or mitigation policies, but some LAFcos may find it useful to adopt clear and transparent expectations via a local policy.

Public Resources Code, Section 21002 states (emphasis added):

*The Legislature finds and declares that it is the policy of the state that public agencies should not approve projects as proposed if there are **feasible alternatives or feasible mitigation measures available which would***

Note

LAFco can suggest, request, or require feasible mitigation measures, even in the absence of local agricultural preservation policies.

substantially lessen the significant environmental effects of such projects, and that the procedures required by this division are intended to assist public agencies in systematically identifying both the significant effects of proposed projects and the feasible alternatives or feasible mitigation measures which will avoid or substantially lessen such significant effects. The Legislature further finds and declares that in the event specific economic, social, or other conditions make infeasible such project alternatives or such mitigation measures, individual projects may be approved in spite of one or more significant effects thereof.

Pursuant to CEQA, public agencies shall not approve projects as proposed if there are feasible alternatives or feasible mitigation measures that would substantially lessen the significant environmental effects of the project.

LAFCo as a Responsible Agency

Typically, a LAFCo will review a CEQA document, such as an Environmental Impact Report (EIR) or Negative Declaration as a “responsible agency”. Under CEQA, the “lead agency” means the public agency which has the principal responsibility for carrying out or approving a project which may have a significant effect upon the environment.¹³ A responsible agency is any public agency, other than the lead agency, which has the responsibility for carrying out or approving the project.¹⁴ Normally, the lead agency is the agency with general governmental powers such as a city or a county. Agencies with limited powers such as LAFCos, or agencies providing a public service or utility service, tend to be a responsible agency. However, LAFCos may be the lead agency and typically serve in this role for certain projects such as approvals of sphere of influences or out-of-agency municipal service extensions.

In the role of responsible agency, LAFCos can apply some leverage because LAFCo approval is necessary to implement the project. As a responsible agency, LAFCo has an obligation to address environmental impacts within its jurisdiction. If a LAFCo has adopted local agricultural preservation policies such as required conservation ratios, buffering setbacks, etc., LAFCo can comfortably assert recommendations on a project while the lead agency is still processing the CEQA document because: (1) the lead agency, in desiring LAFCo approval, likely will be amenable to compliance with LAFCo requirements and policies; and (2) the project proponent presumably would prefer to make any project changes and/or revisions to the CEQA document in compliance with LAFCo policy up front rather than waiting until the matter is before the LAFCo, thereby optimizing the time spent securing approvals. However, a LAFCo does *not* have to have formally adopted local policies in order for LAFCo to recommend that the lead agency require a given mitigation measure such as a conservation easement to mitigate for conversion of agricultural lands. CEQA's mandate requires the lead agency to implement feasible alternatives and mitigation measures whether or not a LAFCo has a locally adopted policy. Further, even if a lead agency or project proponent is not amenable to complying with LAFCo recommendations, if LAFCo believes that a project would have a significant impact to agricultural lands that the lead agency has not identified, the LAFCo, as a responsible agency, could require subsequent environmental review. In the context of that subsequent environmental review, a LAFCo could impose its own mitigation measures to protect agricultural lands if necessary to protect against a true threat to its resource.

Notice of Preparation (For EIRs only, not Negative Declarations)

If a LAFCo is a responsible agency on a project, it should respond in writing to the Notice of Preparation. The response should identify the significant environmental issues and reasonable alternatives and mitigation measures that the responsible agency will need to have explored in the draft EIR.¹⁵ This is LAFCo's opportunity to notify the lead agency of any relevant policies and potential concerns with a project that should be included in the EIR analysis. The LAFCo should be clear and forthright about project issues and LAFCo policies and requirements at the outset in the interest of providing the earliest possible notice to the interested parties. This will enhance the LAFCo's long-term credibility in the community and help keep political and other relationships in a positive state.

The intent is to avoid, minimize, and mitigate project impacts to agricultural land. Questions to consider during the NOP process include: Do options exist to minimize or avoid impacts to agricultural land? Should project alternatives be considered? What mitigation measures should be included?

Here are a few code sections to keep on hand. The following statutes can be cited to provide support when promoting LAFCo agricultural preservation goals:

- CKH Act, California Government Code, Section 56377: In reviewing and approving or disapproving proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of existing open-space lands to uses other than open-space uses, the commission shall consider . . . (a) Development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands, unless that action would not promote the planned, orderly, efficient development of an area.
- CEQA Guidelines, Title 14, California Code Regulations, Section 15041: The responsible agency may require changes in a project to lessen or avoid only the effects, either direct or indirect, of that part of the project which the agency will be called on to carry out or approve.
- CEQA Guidelines, Title 14, California Code Regulations, Section 15096(g)(2): When an EIR has been prepared for a project, the Responsible Agency shall not approve the project as proposed if the agency finds any feasible alternative or feasible mitigation measures within its powers that would substantially lessen or avoid any significant effect the project would have on the environment. With respect to a project which includes housing development, the Responsible Agency shall not reduce the proposed number of housing units as a mitigation measure if it determines that there is another feasible specific mitigation measure available that will provide a comparable level of mitigation.

Draft EIR or Negative Declaration

At the draft EIR or Negative Declaration stage of the process, a LAFCo may comment on the adequacy of the draft environmental document's analysis, mitigation measures and conclusions. The

A Note About Ag Mitigation Ratios

Conservation easements are effective and commonly used mitigation strategies. However, they do not make up for the loss of agricultural land and may not necessarily reduce the impact of agricultural land loss to a less than significant level.

lead agency is required to consult with LAFco if it is a responsible agency. Among questions to think about during either draft EIR or Negative Declaration review: Are the analysis and stated impacts to agricultural land sound, reasonable and acceptable to LAFco? Have all feasible project alternatives and mitigation measures been considered and required?

A LAFco should ordinarily only make substantive comments regarding those activities involved in the project that are within LAFco's scope of authority under

the CKH Act, or aspects of the project required to be approved by LAFco, and should be supported by specific documentation when possible. In a CEQA responsible agency role, LAFcos are required to advise the lead agency on environmental effects, and shall either submit to the lead agency complete and detailed performance objectives for mitigation measures addressing those effects or refer the lead agency to appropriate, readily available guidelines or reference documents concerning mitigation measures. If the responsible agency is not aware of mitigation measures that address identified effects, the responsible agency must so state.¹⁶

Examples of potential project alternatives to reduce impacts to agricultural lands include, among others: reduced footprint, clustered density, setbacks and buffers. Examples of feasible mitigation measures include: right to farm deed restrictions, setbacks and buffers, and conservation easements on a 1:1, 2:1 or 3:1 ratio.

Evaluation of and Response to Comments/Final EIR (For EIRs only, not Negative Declarations)

After the public comment period closes, the lead agency then evaluates and provides a written response to comments received. The written response by the lead agency must describe the disposition of the issues raised, detailing why any specific comments or suggestions were not accepted. There must be a good faith, reasoned analysis in the response. Unsupported conclusory statements will not suffice. The lead agency cannot simply make generalizations stating that requiring conservation easements is not economically feasible, for example. As a responsible agency, LAFco should review the written response provided and determine if it adequately resolves the issues raised in its Draft EIR comment letter. If not, LAFco should reiterate its remaining concerns via letter and/or orally at the public hearing to certify the EIR.

Approval of a Negative Declaration or EIR

When approving a project, the lead agency must find that either (1) the project as approved will not have a significant effect on the environment; or (2) the agency has eliminated or substantially lessened all significant effects where feasible, and determined that any remaining significant effects are found to be unavoidable. Therefore, even if the lead agency is adopting a Statement of Overriding Considerations, it does *not* relieve the agency from the requirement to adopt all feasible mitigation measures. In other words, an EIR Statement of Overriding Considerations is not a "free pass" to avoid mitigation. As a responsible agency, LAFcos should be involved in the CEQA process to ensure, as much as possible, the lead agency has implemented all feasible mitigation measures.

Mitigation Monitoring and Reporting Program

Although mitigation monitoring is the lead agency's responsibility (and LAFcos should ensure mitigation language is written to ensure the responsibility for monitoring and tracking clearly lies with the lead agency and the timing mechanism is clear), as a responsible agency it is good practice to keep tabs on local development timing to follow up and ensure any required mitigation actually occurs.

LAFco as a Lead Agency

At times, LAFcos may act as the lead agency on a CEQA document. Examples include adoption of SOIs or approval of service extensions. However, often times LAFcos choose to not serve as the lead agency on a project where significant impacts may occur. For example, a LAFco may choose not to enlarge a city's SOI until a development project has been proposed (and the land use authority as lead agency has conducted CEQA review instead) so that the LAFco can process the SOI update concurrent with annexation. However, if a LAFco finds itself as the lead agency on a project, the discussion above regarding lead agency requirements now would apply to LAFco.

Caution Regarding Reliance on Habitat Conservation Plans as Agricultural Mitigation

Habitat Conservation Plans (HCPs) often permit developers to pay an in-lieu fee for the purchase of comparable habitat to mitigate for a development's impact to sensitive species. Generally, the priority under HCPs is to mitigate for special status species, not necessarily agricultural land. An HCP would not necessarily address loss of agricultural land as an agricultural resource itself, but would rather address the loss of agricultural land in terms of the associated impacts to special-status species and sensitive habitats. This is a generalization as there is no "one size fits all" answer whether an HCP can or should be used as a mitigation strategy to mitigate for project impacts to agricultural land. Thus, LAFcos cannot automatically assume that HCPs will provide adequate mitigation for the loss of agricultural lands and fact-specific analysis would be required.

If use of an HCP for mitigation is proposed by the lead agency, that HCP needs to be reviewed to determine how the fees will be used and if comparable, compensatory mitigation will be provided. In other words, question how the HCP will use the fee. Does the fee get used just to place the land into a conservation easement that prohibits future development or will it be used for habitat restoration that will eliminate agricultural uses (such as mitigation for wetland or vernal pool mitigation)? The second key question is how the fee relates to the impact. Does it result in an appropriate ratio that compensates for the lands to be developed or is the proposed conservation easement "stacked" with other easements? Many conservation easements used for raptor habitat, for example, will prohibit vineyards and orchards, thereby limiting a raptor's ability to hunt, thus placing constraints on agricultural productivity. If the lead agency cannot demonstrate that the HCP fee would fully mitigate for the loss of agricultural land, other mitigation options should be explored outside of the HCP.

Working with Cities and Counties

City and county planning processes directly influence whether local agriculture is sustainable and viable. LAFcos can play an important role early on in a jurisdiction's planning processes and can encourage continuous communication and collaborative planning between agencies.

In addition to adopting their own local LAFco policies, LAFcos can help cities and counties adopt meaningful agricultural preservation policies in their general plans. By taking the initiative to engage and build relationships with cities and counties, LAFco can influence local agencies in their planning processes and advocate for the protection of farmland and the farming economy. The Governor's Office of Planning and Research considers early consultation and collaboration between local agencies and LAFco on annexations to be a best practice. This includes coordinating on CEQA review, general process and procedures, and fiscal issues.

By providing feedback throughout the general plan adoption process, LAFcos are able to coordinate with and encourage local agencies to adopt strong farmland protection policies in their general plans, specific plans, plans for development in unincorporated areas, and even within city limits. By engaging in a dialogue over plan development with cities and counties long before those agencies submit formal applications, LAFco can help ensure that applications will be successful.

LAFcos can formalize this kind of proactive participation in local planning processes by tracking city and county agendas and planning cycles, anticipating when such jurisdictions will pursue plan updates or make amendments, and including general plan participation in LAFco annual work plans. Formalizing this participation through the LAFco annual work plan provides structure for ongoing engagement, and over time, normalizes the interaction so that cities and counties will come to expect LAFco to be actively engaged.

Not only can LAFcos engage in early, informal discussions about what kinds of policies would be useful and compatible with LAFco policies and mandates, but they can also submit formal comments as part of the public planning process. The executive officer can submit these formal comments on behalf of the commission.

To help local agencies assess the impacts of their plans on agricultural resources, LAFcos can draw information from many sources. The California Department of Conservation's Farmland Mapping and Monitoring Program can provide information about valuable farmland, including statistical trend data that can be used for analyzing impacts on agricultural resources. Storie index maps can help LAFcos understand the location of the best soils, so that urban growth can be directed away from those areas. LAFcos should also track the location of agricultural conservation easements, and properties under Williamson Act contracts. The county agricultural commissioner's office can help other local agencies understand local agriculture and how planning decisions will have an effect.

LAFcos can help cities make good decisions with regard to annexations, following the avoid-minimize-mitigate protocol mentioned earlier in this white paper. LAFcos have the power to review and approve annexations with or without amendment, wholly, partially, or conditionally, or disapprove proposed annexations, reorganizations, and incorporations, consistent with written policies, procedures, and guidelines adopted by the commission. By working with a city early on in

the process, LAFCo can provide ongoing guidance in the development of an annexation proposal, encouraging attributes that will lead to its success.

LAFCo can also influence county planning processes via the formation or expansion of special districts.

Best Practices for LAFCos

When considering an agricultural preservation policy, the following actions provide background operational context:

1. *An appropriately-scaled policy framework is necessary.*

A policy framework implements a goal, which ideally describes the end-state desired by a LAFCo. Each policy implemented over time, and as applicable, incrementally fulfills a LAFCo's goal. The end-state should reflect the LAFCo's values and by extension the values of the greater community of local agencies that it serves.

A policy adopted without a corresponding over-arching goal is less effective.

2. *The agricultural preservation policy must be consistent with the authority and limitations of a LAFCo.*

LAFCos have broad statutory authority to approve, approve with conditions, or deny proposals for a change of organization or reorganization initiated by a petition or by resolution of application.¹⁷ However, LAFCos shall not impose any conditions that would directly regulate land use density or intensity, property development, or subdivision requirements.¹⁸

3. *LAFCos should have commitment from the local agencies involved in the implementation of the policy.*

LAFCo policies should be developed in consultation with the affected local agencies and stakeholders in the county. Also, policies should be developed so that they work in coordination with the local agencies' approval process. Preferably, LAFCo policies are consistent and complementary with cities' general plans and the master plans of special districts under LAFCo's jurisdiction.

4. *The policy should be simple, uncomplicated, and easy for the local agency staff to administer and the public to understand.*

Over 78 percent of LAFCos are staffed with four or fewer employees.¹⁹ This means that most LAFCos have very limited resources with which to implement and monitor complicated policies, implementation or mitigation measures.

5. *The policy should include a programmatic incentive for proposal applicants to either agree with the effect of the policy or not protest implementation.*

Once adopted, the policy should influence how local agencies implement their growth plans.

6. Importantly, local agencies, stakeholders and the public must know about and understand the agricultural preservation policy and its potential use. In other words, a public education program is essential.

Community involvement in the development of the goal and its supporting policy is critical. Such input should be requested, synthesized, and reflected in the goal to represent the community's interest. LAFCo interests are best served when the community's understanding is clear about how that goal is achieved, how long it should take to reach, and how one or more policies is used to reach it.

7. There should be flexibility in the specific details of how a given proposal can implement overarching policy goals.

Individual LAFCo policies can lay out a LAFCo's statutory mandate to balance the state interest in the preservation of open space and prime agricultural lands against the need for orderly development. A policy can state that a proposal provide for planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns. But the policy does not have to prescribe a specific course of action that an applicant should take in order to be considered satisfactory in addressing this overarching policy goal. The policy places the onus on the applicant to explain or justify how the proposal balances the state interest in the preservation of open space and prime agricultural lands against the need for orderly development. The policy can be explicit in asserting a LAFCo's authority to deem incomplete and/or deny proposals that do not adequately put forth a rationale for a LAFCo to weigh against the policy goals.

Endnotes

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8. California Department of Food and Agriculture, 2015.
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10. *The Measure of California Agriculture*, 2012 update. University of California Agricultural Issues Center. Accessed on December 13, 2017: <http://aic.ucdavis.edu/publications/moca/MOCABrochure2013.pdf>.
11. Ibid.
12. California Air Resources Board. *California's 2017 Climate Change Scoping Plan*. Accessed on December 15, 2017: <https://www.arb.ca.gov/cc/scopingplan/scopingplan.htm>.
13. California Public Resources Code, Section 21067.
14. California Public Resources Code, Section 21069.
15. CEQA Guidelines Section 15082 (b).
16. CEQA Guidelines Section 15086 (c) and (d).
17. California Government Code Section 56375 (a)(1): The commission shall have the powers and duties to review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures, and guidelines adopted by the commission.
California Government Code Section 56021: "Change of organization" means any of the following:
 - (a) A city incorporation.
 - (b) A district formation.
 - (c) An annexation to a city.
 - (d) An annexation to a district.
 - (e) A detachment from a city.
 - (f) A detachment from a district.
 - (g) A disincorporation of a city.
 - (h) A district dissolution.
 - (i) A consolidation of cities.
 - (j) A consolidation of special districts.
 - (k) A merger of a city and a district.
 - (l) Establishment of a subsidiary district.
 - (m) The exercise of new or different functions or classes of services, or divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of a special district.
18. California Government Code Section 56375 (a)(6).
19. CALAFCO survey, CaLAFCO.org, 2015.

CORRESPONDENCE – IN THE NEWS

Newspaper Articles

- Patterson Irrigator, January 18, 2018, "City Council back to regular business."
- West Side Index, January 18, 2018, "City buying land for future sewer plant expansion."
- West Side Index, January 18, 2018, "Mosquito agencies gear up for new challenges."
- The Modesto Bee, January 30, 2018, "West Modesto residents getting sewer service at last. But it could cost them dearly."
- Patterson Irrigator, February 1, 2018, "County releases Crows Landing Draft EIR."
- The Modesto Bee, February 7, 2018, "Modesto will pursue annexing North McHenry and its auto dealers."
- Ceres Courier, February 7, 2018, "City receives first plans for Supercenter."
- West Side Index, February 8, 2018, "County rolls out EIR, specific plan for air base."
- The Turlock Journal, February 8, 2018, "Irrigation season to begin in March."
- The Modesto Bee, February 13, 2018, "County hires a fire warden and also appoints a new Stanislaus Consolidated board member."
- Ceres Courier, February 28, 2018, "Statewide drought restrictions could be permanent."
- West Side Index, March 1, 2018, "Water for federal districts again in short supply."
- Riverbank News, March 6, 2018, "City Council updated on Crossroads West."
- West Side Index, March 8, 2018, "Water project moving forward."
- West Side Index, March 8, 2018, "Out-of-District ambulance dispatches debated."
- West Side Index, March 8, 2018, "Ambulance contract talks continue."
-

City Council back to regular business

The City Council worked its way through a full regular agenda Tuesday night, approving the addition of several areas for a future annexation, shelving an ordinance that would have put restrictions on groups and organizations hosting "food sharing events" on city property, and naming appointees to the Senior Center Board of Directors, the Parks, Recreation and Beautification Commission. The body also named a new Mayor Pro Tem.

The adjustments to the city budget was postponed to the February 6 meeting, as Finance Director Saadiah Ryan was out ill, although City Manager Ken Irwin hinted that the report contains "some good news."

Annexation

In preparation for anticipated development, the council approved a resolution to include sections of several areas in and around town in the City of Patterson Community Facilities District No. 2003-1 (Public Safety/Fire Protection Services). Irwin said this step has been taken to "streamline" the process so that individual properties in those areas can be annexed.

This, in turn, will allow the CFD to begin collecting taxes to pay for police and fire protection services as the various properties are developed. Such taxes are collected with the annual property tax.

Food sharing

Irwin said the city was "not ready to continue" moving forward with the proposed ordinance, and requested that this item be pulled from the agenda, alluding to progress being made in resolving the issue that had inspired the ordinance. Mayor Novelli said she wants "to make sure everyone involved is taken care of." The council agreed to bring the proposed ordinance back at an unspecified future date, if necessary.

Appointments

Senior Board of Directors

Catherine Ferreira, who is currently president of the 50 Plus Club, and Harris Ginyard were both appointed to the Senior Center Board of Directors. Both will serve two-year terms.

Patterson Parks, Recreation and Beautification Commission

A total of five commission members were appointed for the newly combined commission. Emily Pack and Kelvin Love will serve out the remainder of vacancies that have existed since May of 2016; their terms will end in May, 2018. Lucie Field, Jacqueline Sudduth and Alexandria Tyler will fill vacancies that have existed since May, 2017, and will serve until May, 2019.

Mayor Pro Tem

Councilmember Joshua Naranjo was selected by his fellow council members to serve as Mayor Pro Tem. The Mayor Pro Tem serves a one-year term, and attends meetings and other functions on behalf of the mayor when he or she is unable to be present. Councilmember Dennis McCord had served as Mayor Pro Tem for 2017.

Community Development Director

New Community Development Director David James was officially introduced to the council at Tuesday's meeting. James, who has been on the job for about a month, said he was "very honored" to be joining the

IN THE NEWS – Patterson Irrigator, January 18, 2018 (Continued)

staff. Acknowledging the council's interest in downtown revitalization, James mentioned his experience with the concept in Tehachapi, where he worked for 20 years.

Consent calendar

On the consent calendar, the council approved minutes from special City Council meetings, and commission and city department reports. The council also approved: a resolution for the city manager to execute a claim for the Local Transportation Fund; the landscape and storm water treatment control measures for Pacific Distribution Center and accepting the Country Hollow storm water lift station rehabilitation project as complete.

Also approved was a consultant agreement with Lee and Ro for the 2018 North Activated Sludge Treatment Systems (NASTS) Upgrade Project and related budget amendment for \$209,500 to cover the cost of the agreement. Public Works staff indicated the upgrade project is needed because of aging equipment, at least part of which has outlasted its expected useful life.

Over the past 25 years, a combination of regulatory restrictions and drought have dramatically reduced the amount of water available to the Del Puerto Water District.

Over the past five years, the district has averaged less than 13 percent of its full contract supply.

In 2014 and 2015, the district received no water at all.

"(The pipeline) is really going to change the future of the district," Hansen said in an earlier interview.

Referring to the combined impact of increasing restrictions on pumping and drought conditions, Hansen said the project, when completed, is expected to provide enough water to ease the water shortage the district, and area farmers, has faced.

Reliable supply

Once the pipelines from both cities are operational, the project is expected to produce just over 30,000 acre feet per year initially.

That amount is expected to increase as the participating cities grow.

Assuming current housing and population trends continue, the project could provide as much as 59,000 acre feet per by the year 2045.

The current phase of the project is expected to be completed in December.

City buying land for future sewer plant expansion

NEWMAN - The city is spending upward of \$3 million to purchase land which someday will be needed for expansion of its wastewater treatment plant.

The City Council, in a meeting that also saw prescription drug disposal and sewer rates addressed, authorized the purchase of 102 acres of property for \$2.8 million.

The property, located along Hills Ferry Road adjacent to the Swamp Rats trap shooting club, is being purchased from Dunkley/Lucas Holdings.

City Manager Michael Holland said a financing plan will be brought to the council next week.

He said he anticipates the transaction closing in February.

"We have always been interested in that property, and it recently became available to us," Holland told Mattos Newspapers. "There was a possibility of (acquisition through) eminent domain, but that was avoided through mutual agreement."

The city may not need that property for operational purposes for several years, he acknowledged, but a more pressing need also played into the purchase.

"We need to show the state that we have adequate land in reserves for our new wastewater treatment plant permit," Holland explained. "That need is near immediate. The actual use of it is hard to anticipate because we don't know the rate of (the city's) growth. At this point, we are anticipating that 15-20 years from now we may need that land."

The city disposes of treated wastewater by using it to irrigate cropland at the plant. As the city grows and flow at the plant increases, more farmland will be required to accommodate the water.

The site is planted in almonds, according to a staff report, and has an existing lease which will continue until 2033. The lease is expected to generate up to \$85,000 a year, Holland said, which will help defray the debt payment on the purchase.

The city is working with the state to expand its plant permit to a capacity which would serve Newman's entire sphere of influence.

"The state wants to see that we have control (of enough property) to handle the discharge that would come from that. We will actually increase the treatment capacity in increments," Holland explained.

The city does not currently have a sufficient permit allocation to serve a significant amount of growth beyond the existing city limits, he said.

"For any significant growth, we need to have the new permit," Holland concluded.

Sewer rates

The council also gave its final approval to a series of sewer rate increases which begin in February for non-residential customers and in July for residential users.

At that time, the monthly sewer charge for single family residential customers will climb from \$37.31 to \$39.43. A series of annual increases would push the monthly charge to \$46.96 effective July 2021.

Commercial and industrial users will bear the majority of the increases, Holland said, as the new rates were calculated to more effectively reflect the demands each category of user places on the system.

Prescription drug

disposal

The council last week also introduced an ordinance allowing the Newman Police Department to participate in a prescription drug disposal program.

Holland said that, when the program is finalized, a disposal box will be placed in the lobby of the Newman Police Department. Residents will be able to drop off prescription medications at no charge.

A third party will collect and properly dispose of the medications.

"The problem is that there are a lot of outdated medications. What do you do with those? There needs to be a way to dispose of them so that they are not finding their way out onto the street or into our sewer system," Holland commented. "This is just another program that we think will help us."

Mosquito agencies gear up for new challenges

Emerging trends in the ongoing campaign against mosquitoes and the viruses they transmit have area abatement experts gearing up for new challenges.

In the dead of winter - months ahead of peak mosquito season - officials with the Turlock and Merced County mosquito abatement districts are laying out their strategies for 2018.

New developments which surfaced last year are helping shape that planning.

The West Side saw substantial virus activity in 2017, according to David Heft, general manager of the Turlock district, and Rhiannon Jones, his counterpart with the Merced County district.

In addition to West Nile Virus activity, they told Mattos Newspapers, Saint Louis Encephalitis Virus (WELV) was detected in the Newman-Gustine area for the first time in several years.

That is not the only concern facing the mosquito-fighters.

Last summer, the Merced County Mosquito Abatement discovered the presence of the invasive *Aedes aegypti* mosquito - which can transmit Zika, dengue, chikungunya and yellow fever viruses - in the city of Merced.

Those developments leave the abatement agencies facing a dual challenge as they prepare for 2018 - particularly since the *Aedes aegypti* mosquito requires a far different eradication approach than that applied in the war against those which carry West Nile and SLEV.

"The mosquitoes that we typically spray for now are active at dawn and dusk. We can time our applications in the late evening and early morning when people are not out and about," Heft explained. "These invasive mosquitoes are active when we are active. They are out when we are. It is very difficult to time the applications."

Furthermore, Jones and Heft explained, the invasive mosquitoes can breed in tiny amounts of water and live in very close quarters with humans.

"They can live their entire life cycle indoors," Heft noted. "They are very closely associated with humans."

When the invasive mosquitoes were discovered in Merced, Jones explained, the agency created a response team which literally went door to door in an effort to eradicate the insects.

The concern with the presence of the invasive mosquitoes, she said, is that they could transmit viruses such as Zika which may be introduced locally by those who have traveled to a region where the virus is present and become infected.

The Merced agency conducted extensive monitoring throughout the county for the invasive mosquitoes after they were discovered last year, Jones told Mattos Newspapers, and will do so again this year.

Heft said the Turlock district will also be closely monitoring for the invasive mosquitoes as well. Both agencies are developing contingency plans to respond accordingly if the mosquitoes are detected.

The districts must also continue their campaign against the mosquitoes which carry West Nile and, more recently, SLEV as well.

The viruses are similar in nature and carried by the same type of mosquito, Heft noted. He said both viruses were detected in some mosquito samples collected last year.

"Before West Nile showed up around 2004, SLEV was the predominant virus that we were most concerned about. When West Nile showed up, it tended to kind of stomp out SLEV activity. SLEV just kind of disappeared. In the last two years we have seen it start to pop up, and last year we saw it in Stanislaus County," Heft explained. "SLEV has tended to not be as virulent in humans. West Nile tends to be much more powerful in terms of symptoms, but that is not to say that does not happen with SLEV."

Because a new strain of SLEV is emerging, he acknowledged, the virus remains somewhat of an unknown.

As part of its overall efforts this year, the Turlock district is taking a more aggressive approach in identifying and abating properties which are an ongoing source of mosquitoes.

In some cases, financial recourse is sought against recalcitrant property owners.

"We do provide a free service," Heft commented, "but when we are doing more work on the property than the owner it becomes a problem. We want to be a partner, not the individual out doing the work."

Both agencies plan on conducting extensive outreach campaigns this year to raise public awareness about mosquitoes in general and specifically regarding the invasive variety.

"We want to make sure that people have access to information and that they know what to look for....and that our services are free," Jones said.

The landscape is changing for those in the mosquito abatement profession, Heft reflected.

"For the entire 20th Century you had your local mosquitoes and your local viruses transmitted, and things didn't really change too much," he said. "In the 21st Century, with climate change and people continuing to travel and move goods from around the world, we are definitely seeing mosquitoes and diseases that we didn't have to worry about in the past."

Heft said that trends toward warmer temperatures - regardless of cause - is a significant factor.

"We have had introductions of invasive mosquitoes and disease in the past, but they never stuck around because the environment was not conducive," he remarked. "We are experiencing warmer weather than we have in the past. That has been opening the door to some of the more tropical mosquitoes and diseases to enter California and stick around."

West Modesto residents getting sewer service at last. But it could cost them dearly

Stanislaus County is moving ahead with bringing wastewater service to three unincorporated neighborhoods in west Modesto, but it is not going to happen overnight.

The three areas were chosen because they are disadvantaged economically and have trouble with septic tank failures. By showing the improvements are cost-effective, the county hopes to position the West Modesto Sewer Project for millions of dollars in state funding.

More than 140 lots on Spencer and Marshall avenues, off California Avenue near Mellis Park, are first in line for the improvements. County Public Works Director Matt Machado said construction could begin in spring 2019.

The two other priority areas include: 465 lots along Beverly Drive and Waverly Drive, on both sides of Carpenter Road, bordered by Chicago Avenue on the north of Paradise Road on the south; and 333 parcels in the Rouse-Colorado neighborhood east of John Thurman Field.

County officials roughly estimate a total cost of \$14.7 million for bringing wastewater service to the three neighborhoods. Those neighborhoods were assigned a higher priority last March over seven other unincorporated pockets in west and south Modesto and north Ceres.

Tuesday, county supervisors approved a \$1.3 million contract with Modesto-based O'Dell Engineering for design and engineering services.

Sewer lines will be constructed to connect the neighborhoods with the Modesto wastewater system. Completing the entire west Modesto project could take from three to five years or almost 10 years, various staff members said.

"We will be holding community meetings once we have something to show to people," Machado said.

Machado said the county has some community development grant funds to start with the Spencer-Marshall area and will apply to the state for construction money. The county will need millions of dollars in additional funding to bring wastewater service to the Beverly-Waverly and Rouse-Colorado unincorporated pockets.

The county was encouraged in getting Clean Water State Revolving Fund support for wastewater projects in the Airport and Parklawn neighborhoods.

With these kind of projects, public funds pay for the major improvements, while homeowners are responsible for a service line to the home and septic tank removal, Machado said. Those items may cost a homeowner around \$3,000.

Miguel Galvez, deputy director of planning and community development, said the county may work with the nonprofit Self-Help Enterprises to seek funding for a feasibility study, planning and assistance to help eligible property owners with connection costs.

"If there is no assistance, it can be difficult to pay for that connection," Galvez noted.

County releases Crows Landing Draft EIR

More than 10 years after initial discussions regarding what should become of the former Crows Landing Air Force Base, the first draft of the first major document required for its development has been released.

A draft Environmental Impact Report (EIR) for the former Crows Landing Air Force base, now known as the Crows Landing Industrial Business Park (CLIBP), is available for public comment, Stanislaus County officials announced on January 22.

Public comments are due no later than Monday, March 12.

Potential uses for the 1,528-acre base have been hotly debated.

Long history

The base has long been part of the West Side: Commissioned during World War II, it was first put into use in 1943, and was in use until the 1990s.

The site was then used by NASA until 1999, at which time the federal government turned it over to Stanislaus County.

Stockton-based real estate developer Gerry Kamilos tied up the property for about five years, with a vision to develop nearly 3,000 acres, including the air base and surrounding area.

That effort fell through when Kamilos and his group of investors failed to make a payment of \$2.75 million to the county in 2012.

At one point, a lawsuit brought by the City of Patterson also held up development plans.

The site has long been a target of vandals, and various agencies have, at different times, held responsibility for patrolling it.

Now, however, the county is preparing the way for the development of the site.

Allowable uses for the development include everything from agriculture and open space (including parks and a bike path), some aviation-related (air cargo, and aircraft services and facilities), light industry and manufacturing, to professional offices.

The draft EIR can be viewed at <http://www.stancounty.com/planning/pl/act-projects.shtm>

Modesto will pursue annexing north McHenry and its auto dealers

Modesto will move forward with trying to annex about 300 acres along north McHenry Avenue, which is home to auto dealerships and other businesses as well as two mobile home parks.

The City Council voted 4-3 Tuesday night to proceed, with council members Jenny Kenoyer, Doug Ridenour and Bill Zoslocki voting "no." But the city could face difficulties over what is called the mill tax.

American Chevrolet owner and president Dave Halvorson told council members the tax is not equitable. He said an auto dealership could pay \$40,000 to \$60,000 in annual mill taxes, while a manufacturer or wholesaler could pay \$300 in business taxes. He said he wants to pay his fair share, but "let's be fair to all the businesses in the community."

While all businesses pay for an annual business license, which typically is \$50, the city only charges retail and service businesses the mill tax. The tax is \$1 for every \$1,000 in gross receipts for a retailer and \$2 for every \$1,000 in gross receipts for a service business. Wholesalers and manufacturers don't pay the tax because they sell goods to retailers and service businesses so charging them would amount to double taxation, according to the city.

Business licenses and mill taxes bring in nearly \$12 million annually to Modesto's general fund, according to the city, with about \$11 million of that coming from mill taxes. These taxes make up about 10 percent of the general fund, which primarily pays for public safety.

Ridenour said Modesto needs to address the mill tax before it considers the annexation. Kenoyer was concerned about adding to staff's heavy workload. It should take about a year of work before the city can bring the annexation request to the Local Agency Formation Commission, which rules on annexation requests.

Zoslocki questioned the economic benefit of annexation. The city expects to net nearly \$500,000 annually from the annexation but is looking at \$8.5 million in costs for sewer and other infrastructure, according to the city's cost benefit analysis.

But acting Utilities Director Will Wong said Modesto recoups its water and sewer costs through connection fees customers pay. About \$6.3 million of the infrastructure costs are for extending a major sewer line from Carver Road along Bangs Avenue to the annexation area. Wong said the line would serve other development in north Modesto.

The annexation area's rough boundaries are the east and west sides of McHenry from the city limits to Kiernan Avenue-Claribel Road. And it includes the area from the city limits north to Bangs Avenue and bordered on the west by the former Tidewater Southern railroad line. A city official has estimated the area is about 300 acres.

The cost benefit analysis estimates the annexation would bring in about \$1.2 million in revenue annually against about \$714,000 in expenses, netting the city the nearly \$500,000.

The revenue would come from Modesto receiving a larger share of the taxes it now splits with Stanislaus County through a 1998 tax sharing agreement and from new business and utility users taxes. Those new taxes are expected to be about \$800,000 annually, though more than a third would go to the county under the tax sharing agreement.

City staff will meet with registered voters and property and business owners in the annexation area to gauge their interest. If support is low, the council could decide to stop pursuing annexation.



IN THE NEWS – The Ceres Courier, February 7, 2018

CITY RECEIVES FIRST PLANS FOR SUPERCENTER

By Jeff Benziger

The Walmart Supercenter project has officially advanced for the first time since a legal challenge of the project was dropped in late 2016 and cleared path for development.

Last week the city happily accepted the on-site and off-site improvement plans for the Mitchell Ranch Shopping Center at the northwest corner of Service and Mitchell roads. The actual building plans have not been submitted and according to the project engineer, won't be until sometime next month, noted Tom Westbrook, director of Community Development for the city of Ceres.

"We are encouraged to receive the improvements plans and are eagerly awaiting the building plans so that they can be checked, building permit issued and construction started," said Westbrook.

Normally building plans are submitted along with on-site and off-site improvement plans, he said, but the engineer found it easier to submit them separately because of the size of the project.

Westbrook anticipates actual construction plans to be submitted in three to four week.

The off-site plans outline new street widths and the way the project interacts with the existing streets, such as turn lanes. On-site improvements delineate placement of parking lots, driveways, sidewalks, utilities, delivery facilities, landscaping, irrigation systems and lighting.

Westbrook said the engineer of the project had to coordinate with the city's future plans with the Service-Mitchell Interchange. One consideration was allowing enough room for a widened Service Road at the project to accommodate two left turn lanes from northbound Mitchell Road onto westbound Service Road.

City Engineer Daryl Jordan said the project will include transition lanes to turn in and out of the project along the eastern and southern sides. A new traffic signal light will be installed midblock on Mitchell Road between Don Pedro and Service roads, he said, allowing entry into the center.

"We wanted to make sure those projects are harmonious so that we don't put in a curb and gutter and sidewalk somewhere that ultimately has to be removed and replaced somewhere else," said Westbrook. "I think that that's where a lot of time was spent on the coordination between those projects."

While the submitted on-site improvement plans show multiple other buildings scattered on the perimeter of the shopping center, Westbrook believes only plans for the Supercenter will be submitted soon.

"They're a driver of vehicles and traffic and customers and so hopefully those other businesses will see the opportunity to be in the same shopping center as them and we'll get some more movement," said Westbrook.

Applebee's was still interested in the center as of a year ago, said Westbrook, and was just waiting for the Supercenter to start before seeking a green light from their corporate office to locate in Ceres.

"I had put Applebee's in touch with the Walmart corporate so they could be doing stuff behind the scenes that I'm not even aware of yet."

Mitchell Ranch was stalled for nearly a decade by an opposition group that frequently imposed frivolous legal arguments through the environmental review process. The group named itself "Citizens for Ceres" in the template of other anti-Walmart groups formed in other California communities. The Ceres City Council approved the shopping center in 2011 but the project immediately was challenged in court by Citizens.

IN THE NEWS – The Ceres Courier, February 7, 2018 (continued)

The group, led by Sheri Jacobson and aided by the legal counsel of Brett Jolley, lost its second and final court fight to block construction of the center and its anchor tenant, Walmart Supercenter. When the California Supreme Court failed to hear the appeal of a lower court decision, the group exhausted legal options.

The Walmart Supercenter building itself is planned to be 185,682 square feet but the shopping center total nearly 300,000 square feet and includes:

- Major retailer #2 - 28,000 square feet;
- Major retailer #3 - 13,500 square feet;
- Major retailer #4 - 14,000 square feet;
- Four smaller retail shop spaces at 7,000, 8,500, 11,700 and 12,200 square feet;
- A stand-alone retail pad of 3,250 square feet;
- Three restaurant pads ranging from 3,000 to 4,000 sq. ft.

County rolls out EIR, specific plan for air base

CROWS LANDING - An ambitious plan to transform a decommissioned military airfield near Crows Landing into a job-generating complex over the next 30 years was unveiled in documents recently released by Stanislaus County officials.

A draft Environmental Impact Report (EIR) and specific plan for future development of the county-owned air facility was made public Monday, Jan. 22, opening a 45-day public comment period on the environmental document.

"This has been a long time coming, but we have crossed every 't' and dotted every 'i,'" commented Keith Boggs, an assistant executive officer for Stanislaus County.

"This step is huge," Boggs said of completion of the draft EIR. "We're excited about it. I think it is good work."

The documents spell out a blueprint for creating thousands of jobs over a 30-year period through creation of a complex which includes land set aside for logistics/distribution, light industrial and business park uses. The project also sets aside 370 acres for development of a general aviation airport which would use one of the existing runways on the property.

At build-out, according to a document summary, the project could provide about 14,500 much-needed jobs.

The initial phase, Boggs noted, will be on the south side of the 1,528-acre air base property in order to capitalize on the proximity to the Interstate 5 interchange at Fink Road.

That phase would encompass 103 acres and could provide more than 1,300 jobs, according to the summary.

Boggs had previously said the vision for the air base would remain flexible to accommodate a variety of uses as the development market dictated.

The project, he reflected, has the potential to further transform the West Side and positively impact the region as a whole. The success of logistics and business park centers in the Patterson area illustrates the demand for such developments and the willingness of employers to locate on the West Side, Boggs noted.

"It is not the blank canvas that it might have been a decade ago. There has been so much success on the West Side....it has put you on the map (in regard to) job creation," Boggs commented. "No longer is it just a pipe dream. It is consistent with the proximity to that (I-5) corridor, and where we are in the state with goods movement. I think there is a wonderful synergy out there."

Boggs said county leaders have taken the lessons learned from the controversial West Park project to heart, and tailored the new vision for the air facility accordingly.

The proposed project is entirely on the footprint of the air base, and does not include a rail component or residential element.

The county took over the environmental planning process after the West Park proposal failed and no other master developers stepped forward to pick up the project.

A project which has completed the environmental certification process will be much more attractive to potential developers than one which must navigate that complex process.

IN THE NEWS – West Side Index, February 8, 2018 (Continued Page 2)

Boggs said the county must respond to each comment received during the 45-day public comment period.

Once those comments have been incorporated into the EIR, a final version will go before the county Planning Commission and later the Board of Supervisors for public hearings.

Once the project is environmentally certified, Boggs explained, the Board of Supervisors will consider several avenues moving forward - including the potential selection of a master developer.

The county is also expected to explore alternatives for investing in the initial infrastructure needed to create a shovel-ready site.

Boggs said some infrastructure improvements along the Fink Road corridor could start by the spring of 2019.

"We are going to press hard. It has been a long time coming," he said of the project.

Job creation remains the focus of the county, Boggs reiterated.

"There are not seven or nine property owners involved. It is the county Board of Supervisors," Boggs commented. "Their motivation is to create jobs. I think there is a wonderful opportunity to have serious conversations with the development community about long-term leases that will bring people and jobs."

The Crows Landing draft EIR and related documents can be viewed on the Stanislaus County website. Click on the Planning and Community Development tab to access those documents.

Written public comments may be submitted through March 12.

Comments may be directed to: Stanislaus County Planning and Community Development, c/o Rachel Wyse, Senior Planner, 1010 10th St., Ste 3400, Modesto 95354, or emailed to: planning@stancounty.com.

Irrigation season to begin in March

By Angelina Martin

After an unexpected influx of wet weather put a stop to what would have been an early irrigation period for Turlock Irrigation District water customers in January, dry conditions as of late have growers wondering when the water will come.

TID had been prepared to enter into an early irrigation period starting on or around Jan. 18, but a welcomed rush of rain – two inches over the course of five days – quickly put a stop to the plan. Water Distribution Department Manager Mike Kavarian said that, at the time of the Jan. 9 Board of Directors meeting, "all of the conditions were right" for an early irrigation period, since the Tuolumne River Watershed has accumulated just 7.76 inches of precipitation since September and .72 inches total in the month of January.

The future forecast for the next 10 to 12 days shows no sign of rain, said Kavarian at Tuesday's meeting, but it's now too close to the start of the regular irrigation season, which he anticipates to begin the first week of March if dry conditions continue, to implement an early irrigation season.

"We're getting to a point where it's really too late to have an early irrigation season," said Kavarian. "What we will do is what we did back in '14, '15, '16 – make the canals available to customers like we've done in the past."

In lieu of an early irrigation period, TID crews are working hard to prepare area canals for service beginning as early as Monday, when Kavarian anticipates growers to begin calling in for water.

"We haven't had too many phone calls or too many wanting to irrigate right now, but we have received some phone calls – about half a dozen – wondering when we're going to start, so we've just told people that if they'd like to use the canals they can."

In previous dry years, like 2014 and 2015, the regular irrigation seasons began around March 7 or 8, said Kavarian. He anticipates the same this year, and gave a tentative start date of Thursday, March 7 for the 2018 irrigation season.

"We'll make the canals available and work with people the best we can, but right now is not a good time to have an early irrigation," said Kavarian. "It's been relatively quiet, but I expect people to start getting antsy this week."

County hires a fire warden and also appoints a new Stanislaus Consolidated board member

Stanislaus County leaders have hired a regional emergency services agency director as the new county fire warden.

Richard Murdock, executive director of Mountain-Valley Emergency Medical Services Agency, was among 13 people who applied for the position overseeing county emergency services, fire service and rescue operations and security.

The county Board of Supervisors gave approval Tuesday to hire Murdock at a starting annual salary of about \$135,000. He will begin work for the county March 5 and also will hold the title of assistant director of the Office of Emergency Services.

Dale Skiles was the county fire warden for nearly five years before retiring Dec. 31. County human resources director Tamara Thomas said a fire warden recruitment drew applications from outside the state, as well as from California and the county. A screening determined that 10 candidates had the minimum qualifications and they were chosen for interviews, Thomas said.

Murdock, 54, has been executive director of Mountain-Valley EMS since 2009. The agency with an office on Standiford Avenue in Modesto regulates ground and air ambulance services and emergency medical dispatch in a region including Stanislaus, Calaveras, Mariposa, Amador and Alpine counties. It manages contracts with ambulance services, works to improve fire agency emergency medical response and regulates the stroke and heart-attack receiving centers at hospitals.

Murdock was previously with Sacramento Metro Fire Department for 12 years, serving as a firefighter and paramedic. His 35 years of experience also includes serving as a paramedic for Turlock Ambulance and Riggs Ambulance Service.

"I have been working with Stanislaus County for the past seven to 10 years on the emergency medical side," Murdock said. "The county has been great at collaboration and coordination of all aspects of emergency management and fire service. They have a great team and I have been wanting to be part of that team for some time."

Thomas said Murdock demonstrated his skills and abilities throughout the recruitment process. "He is a great fit for our leadership team," she said.

Fire district seat

County leaders also filled a vacancy Tuesday on the Stanislaus Consolidated Fire Protection District board of directors. Gregory Bernardi of Riverbank was appointed to an at-large seat on the district board to complete an unexpired term ending June 30, 2019.

In October, controversy swirled around Stanislaus Consolidated when the shorthanded board terminated Fire Chief Rick Weigele after only five months on the job. Weigele, the third chief to exit the district in two years, had quickly become popular with local officials and residents, who wondered if the district could keep a fire chief.

Bernardi, who attended Modesto Junior College and has lived in Riverbank since 2002, has been an emergency services dispatcher for Alameda County since 1996. He has received multiple commendations from the Alameda County Sheriff's Office.

Riverbank and Waterford each appoint a member of the Stanislaus Consolidated board, while the county appoints three members, including one from Empire and two members at-large who are district residents. Board members are paid \$100 per meeting.

IN THE NEWS – The Modesto Bee, February 13, 2018 (Continued Page 2)

County Supervisor Kristin Olsen, who represents Oakdale and Riverbank, said she recommended Bernardi because of his emergency services experience. "His experience is out of the county, so it won't cause any conflicts," Olsen said in an email. "I also liked that his family has a small business in Riverbank. He is a well rounded and likeable person who will serve our community well."

IN THE NEWS – The Ceres Courier, February 28, 2018

STATEWIDE DROUGHT RESTRICTIONS COULD BE PERMANENT

By Kristina Hacker

The Water Resources Control Board is considering making California's drought-era water restrictions permanent, a concern for many water districts and other users across the state.

Members of the state Water Resources Control Board delayed a decision on Tuesday about whether to bring back what had been temporary water bans from California's drought, spanning 2013 to 2017. It comes after U.S. officials declared that nearly half the state, all of it in the south, is back in drought just months after emerging from it.

Officials from several irrigation and water agencies said the restrictions are reasonable, but not the plan to impose them under the state Constitution's prohibition on the "waste or unreasonable use" of water. That would create a slippery slope of allowing the board to repeatedly chip away at California's historic protection of water rights for landowners, they said.

Water Board member Dorene D'Adamo, from Turlock, also voiced concerns with the "waste or unreasonable use" prohibition being the legal standing for the regulations.

"I am fully in support of taking the action that we're taking in terms of the policy, but I'm a little uncomfortable about the tool that we're using," she said.

Daniella Green, who was representing the Patterson Irrigation District and West Stanislaus Irrigation District, among others, had three main concerns with the proposal. Her first concern was that the California constitution prevents "unreasonable use of water" and the courts have stated determination of unreasonable use is on a case by case basis allowing for due process of law. According to Green, the regulation would take away due process. She said the proposal exceeds the water board's scope of authority; and thirdly that the ban targets the wrong person, with regulations aimed at the end user and not the water right holder.

"While the proposed regulations are packaged in a veil of water conservation, they do little themselves to further this overall goal My clients feel that these regulations are merely the beginning of the erosion of California's well-established water law policy," said Green.

David Bolland, representing the Association of California Water Agencies, told the water board that many of the measures are best regulated at the local level.

"A statewide prohibition, even during a drought, is not necessarily the right measure. We believe that local authorities are being used and can be used to implement that and meet other measures as well," he said about the mandate that restaurants serve water only on request.

The restrictions, punishable by a \$500 fine, include prohibitions on watering lawns so much that the water flows into the street, using a hose to wash down sidewalks or using a hose without an automatic shut-off nozzle to wash cars. A final decision is now expected by April 17.

No matter what the state Water Resources Control Board decides, the city of Ceres will continue with water restrictions.

Ceres never lifted its drought restrictions when the governor declared an end to the drought last April. The governor's declaration stated that the drought was over on a statewide level, but he authorized local water

IN THE NEWS – The Ceres Courier, February 28, 2018 (continued)

agencies to maintain whatever level of restrictions they deemed necessary based on local water conditions.

The city of Ceres is dependent on groundwater and saw no recovery in the aquifer last year and the city continues to lose well production due to diminishing water quality and increasingly stringent state regulations, therefore, the City Council continues to require drought restrictions and mandatory water conservation. Currently, Ceres businesses and residences are restricted to two day per week for landscape irrigation.

Water for federal districts again in short supply

Farmers in a West Side water district once again face a curtailed water supply in 2018.

The respite of 2017, when growers in federal agencies such as the Del Puerto Water District enjoyed a full water allocation after several years of receiving little to no deliveries through the Central Valley Project, was short-lived.

The federal Bureau of Reclamation announced last week that south-of-the-delta users such as Del Puerto will receive 20 percent of their full contract allocation this year. That allocation could be revised upward if conditions improve.

Not all agencies are in similar straits.

The Central California Irrigation District, which includes ag land surrounding Newman and Gustine, is still anticipating a 100 percent water allocation, its growers were advised last week.

However, the update posted on the CCID website also cautioned growers that continuing dry conditions could lead the bureau to declare a "critical" water year, which would reduce the 2018 water supply by 25 percent.

The CCID position is a credit to the district's strong water rights.

Others - including Del Puerto - have lesser water rights.

Nonetheless, Del Puerto General Manager Anthea Hansen said, she had anticipated a more generous initial allocation.

"I was a little surprised," Hansen told Mattos Newspapers. "We had been hoping for, and continue to hope for, a 30-35 percent allocation."

A 20 percent allocation equates to six inches of water for each of the district's approximately 44,000 irrigable acres, she noted.

In addition, a new recycled water program is expected to bring in another three inches per acre this year, Hansen said.

But, she added, "clearly that is not enough."

Almonds, a popular crop in the district, require three and a half to four acre-feet of water each year, Hansen said by way of example.

The district has reached agreements with various parties to purchase supplemental water on the open market, she explained, and in that regard is better-positioned to deal with the shortfall than in 2014 and 2015, when water at any price was in short supply.

"The district is confident that we will be able to provide enough water to meet everybody's needs. The issue will be the cost of that water. It will result in increased costs," Hansen stated.

She expects that some row crop land will be fallowed as a result.

"I don't think that some of the field crop commodity prices can support the higher water costs," Hansen explained.

February saw an increased demand for water. Hansen said that was due in part to the dry conditions, but said growers were also drawing down carryover water supplies that they risk losing in the water year ahead.

"We have been advised that our carryover is capped," she commented.

The Bureau of Reclamation said a number of factors were involved in calculating the initial allocation.

As of Feb. 20, a bureau news release stated, the statewide average snow water equivalent in the Sierra Nevada was 20 percent of the historical average, while rainfall was at approximately 60 percent of the historical average for the northern Central Valley.

"Despite the historic rainfall last year, California's lack of sufficient water storage forces us to operate on a year-to-year basis. The amount we can store in our reservoirs is not enough to get us through these very dry years," said David Murillo, Reclamation's Mid-Pacific regional director. "Given what we know today, and what we see in the forecast, we must be very conservative with our allocation. If this lack of rain and snow continues, we could very well be right back in drought operations. A situation like this underscores the need for more storage in California."

The experiences of previous water-short year years, and steps taken in preparation for that scenario to repeat itself, have positioned Del Puerto to deal with the shortfall.

"We have been able to plan for this," Hansen reflected. "We know how to do this."

CITY COUNCIL UPDATED ON CROSSROADS WEST

By Virginia Still

During the Riverbank City Council meeting on Feb. 27, City Contract Planner John B. Anderson presented an update on the Crossroads West Project regarding elements of the specific plan, draft of the environmental impact report (EIR), and the next steps of the process.

The project has been in process for over five years and will have a Land Use Mix of single family residential, medium density residential, high density residential, open space for parks, and mixed use development including commercial.

The orientation of uses of the development will be agriculture, urban, multi-family residential, single family residential, and commercial.

There will be design guidelines for Crossroads West and a number of architectural themes presented and not with only one style, officials said.

"Whenever you build a project this size, 390 acres, you need to be concerned about how infrastructure will be funded and financed and how ultimately each property owner will have their obligation in share in these facilities," stated Anderson. "It is definitely a work in progress, we are about 90 percent finished with it and we are hopeful we will have some kind of a joint city council/planning commission workshop on the plan itself either in March or the first part of April."

The draft of the Specific Plan is not available to the public at this time.

There was a map shown of the land use and how it is projected to be completed with parks that would be an expansion of the regional sports complex north of Morrill Road, single family residential and mixed use that would be primarily commercial that Anderson explained would mirror the current Crossroads Shopping Center.

Anderson discussed water, sewer and storm drain details as well.

The next steps will be the release of the Administration draft EIR, then the release of the draft EIR to the public, and then the finalized Specific plan within the next 30 days. There will also be a public workshop for the planning commission and the city council to go over the details of the project. The final EIR will then be published that will include comments that were received on the draft and the responses to those comments.

"I am glad we are at this point," said Riverbank Mayor Richard O'Brien.

"It was exciting to see all the things come together," added Councilmember Leanne Jones Cruz.

Water project moving forward

Council okays \$8 million funding application

NEWMAN - The City Council recently authorized staff to apply for \$8 million in funding for a significant upgrade to the municipal water system.

The project, which has been in the works for several years, includes development of a new well and a million-gallon storage tank at a location off Jensen Road northwest of the existing city.

City Manager Michael Holland said the project will leave the city well-positioned to meet its water needs for years to come.

The well and tank are sized to accommodate future growth as well as the city's current needs, Holland said, adding that new development coming onto line will pay its fair share for the improvements.

"This will cover the city for a significant amount of time," he commented. "The only thing we may look at in the foreseeable future would be whether we wanted to add another storage facility at some point."

Officials have said that, based on the results of test wells, they expect the new well to improve overall water quality by reducing salinity and mineral content (commonly referred to as water hardness). The new facilities will also increase fire flow capability, Holland noted.

The city is applying for up to \$8 million in funding for the project, and hopes to be granted favorable terms as a disadvantaged community. Holland said he expects the city to qualify for either a 30-year, no-interest loan or a 20-year term at 1.8 percent.

A \$38,000 water rate study approved by the City Council will incorporate both scenarios, Holland said, and the new rates will not be approved until the funding package is known.

He estimated that residents could see a \$3 to \$5 monthly increase to meet that debt obligation.

The rate study will also factor in additional projects such as the rehabilitation of existing wells, according to Holland. "Some of our wells are 20-plus years old, so we are going to have to take that into account," he commented.

He emphasized that the city is pursuing all potential grants to minimize the financial impacts on ratepayers.

A \$500,000 grant was secured for engineering and design of the new well/storage project, and the city has applied for another \$400,000 in grant funding to drill the new well. In addition, the city has received grant funding to test three existing wells to see what can be done to improve production and quality, the city manager said.

"We are chasing every grant dollar that we can," the city manager stated.

The cost of the new well and storage tank is expected to be \$6.8 million to \$7.8 million.

"They asked us to put the maximum amount on the funding application. We are hoping to be nowhere near \$8 million, but you don't know what the bid number is going to come in at. The economy is picking up, and contractors are busy," Holland noted. "It is not just about building the well and tank. We have to install water lines and connect them to the existing system at two locations (on Fig Lane and Hardin Road)."

He anticipates completion of the water rate study in the 2018/19 fiscal year. Holland said he hopes to award a bid on the project this fall. Construction could very well take 12-18 months, he estimated.

The planning was initiated as a Chromium-6 compliance project after the state drastically reduced the maximum allowable level for that mineral from 50 parts per billion to 10 parts per billion, Holland noted.

One water well was taken out of service after it was found to average 17 ppb of Chromium-6, city officials said in 2015, and another was testing at levels which approached the allowable limit.

IN THE NEWS – West Side Index, March 8, 2018 (Continued Page 2)

But, Holland said, courts have since ruled that the lower limit was arbitrary and reinstated the 50 ppb standard as the maximum allowable Chromium-6 level in California, pending further research. That is well below the national maximum contaminant level of 100 ppd for total chromium.

"We applied for a grant that allowed us to go out and look for water that was below the Chromium-6 numbers to help us offset some of the experiences we had with our older wells," Holland said. "We have continued (using) that title."

Out-of-district ambulance dispatches debated

The use of West Side Community Ambulance units to run calls well out of the taxpayer-supported district the agency serves once again flared as a topic of debate last week.

The issue, broached by ambulance board member Dennis Brazil, is by no means new as officials with the West Side Community Healthcare District, which operates the ambulance, have in the past challenged the frequency with which local units are dispatched into Los Banos and other areas of Merced County.

Brazil suggested that agreements on procedures to minimize the use of West Side resources out of the district were not being followed.

"These ambulances are to stay in this area the majority of the time. They are not," he stated. "We are back to where we started. If Riggs had a fleet of ambulances sufficient to serve the county, why are we pulling West Side (units)?"

An official with the Sierra Medical Services Alliance (SEMSA), which operates Riggs Ambulance Service, acknowledged that the EMS system had been taxed in recent months by the heavy flu outbreak and defended the use of West Side units as part of the overall Merced County response system.

Rob Smith, regional director for SEMSA, said demands on the system - and delays in ambulance crews being able to turn patients over to overloaded emergency rooms - at times left West Side the closest unit available to respond to calls well out of the local district.

"West Side is our last resort to pull into the system," Smith emphasized, adding that when local resources are in short supply Riggs attempts to move a unit into place to cover the West Side area.

"It goes both ways," he stated.

The matter reached the attention of the administrator of the Merced County EMS Agency, James Clark.

In a Feb. 14 email to Brazil, Clark stated that he had met with the SEMSA operations team and that SEMSA had agreed to no longer dispatch West Side units to Priority 3 (the lowest priority 911 call) responses outside the district other than into Los Banos.

Clark, who was in attendance at the ambulance board meeting, said he recalled the discussion focusing on the frequency of West Side dispatches into Merced.

"I did talk to the (SEMSA) operations manager and asked if there was any way that we could work with the contracts in place to lessen the demands on the West Side units," Clark said. "She did offer up that Priority 3 calls (would not be handed to West Side). That was a start. I saw that as a positive step."

But Smith, who said he was not involved in that initial decision, acknowledged that he subsequently rescinded the directive.

He said that the policy change was premature, and did not fully reflect all the requirements incumbent on the EMS system to meet.

Priority 3 calls can quickly be upgraded as patient conditions deteriorate or additional information becomes available, Smith said, and the responsibility of the EMS system is to have resources rolling to 911 calls as quickly as possible - and in some cases West Side will have the closest available unit.

"The reality of it is that the mission is to do what is right for the patient. When somebody is calling 911, somebody had better respond, and I don't care whose ambulance it is," he stated. "(A Priority 3) call is still a 911 request for help. There is an obligation to provide that service and get those units on scene. That is why we are in this business. If we don't send West Side, there is no ambulance going."

The same principle works in reverse, Smith reiterated, as a unit from Riggs or another provider may be the closest available unit to run a call into West Side when both local ambulances are on calls.

IN THE NEWS – West Side Index, March 8, 2018 (Continued Page 2)

One complication, Smith added, is that the district straddles two counties and is overseen by two different EMS agencies. He said Mountain Valley EMS, which oversees Stanislaus County, has adopted a "bright line" policy under which resources are not automatically dispatched across the county line for lower priority calls.

Hospital delays bogged down the system during the peak of the flu season, Smith added.

While Riggs has up to 16 units in the field in Merced County at any given time, he said, at any given time this winter a majority of units may be tied up at hospitals waiting for beds to become available.

When that occurs, he said, it is more likely that West Side will be started to a call in Merced, Atwater, Livingston or Hilmar.

"When they get tied up, sometimes in excess of hours on end, there is going to be a compounding effect on the system," Smith told the board. "There is still somebody who picked up the phone to call 911. West Side is a system ambulance. You don't get to pick and choose when you are part of the system."

Riggs is adequately staffed to handle the 60-90 911 transport calls it receives on any given day, he added, but because of hospital delays has been falling below its response standards.

"Does Riggs have enough units to run 110 calls a day? Absolutely," he stated. "Does Riggs have enough to have 10 sitting at an ER for hours on end? Nobody does."

With all that said, Smith still acknowledged, that steps can be taken to minimize the overall system reliance on West Side.

"The goal is to keep West Side here," he asserted. "Can we take measures to reduce the Priority 3 calls so far out of the district, absolutely."

Board President Rick Daniel said he believes demands on West Side units will be reduced going forward. The system, he said, is far from perfect but "the majority of the time it works.

"It would be nice if we only went to calls in our zone, but it doesn't work that way. The way the system is set up, if we're out then somebody will come in and cover us," Daniel told Mattos Newspapers. "When our cars go out, we expect somebody to come in and back us up, just like we do for Patterson."

The prospect of adding a third, part-time West Side unit was broached - but Daniel pointed out that a third unit would also be subject to being dispatched or posted to cover other areas outside West Side, just as the agency's two current units are.

Ambulance contract talks continue

Management contract negotiations between West Side Community Ambulance and American Medical Response (AMR) are being broken down into two phases.

West Side officials reported at last week's ambulance board meeting that they hope to secure a contract with AMR to provide on-site operations management in the very near future.

A contract under which AMR would provide a host of support services to the local ambulance - including billing, accounting and payroll, among others - will follow, and is not expected to be effective until the July 1 start of a new fiscal year.

The West Side Community Healthcare District, which operates the local ambulance, is in the process of switching from its current management services provider, Sierra Emergency Medical Services Alliance (SEMSA) to AMR. "SEMSA has indicated that they have no problem carrying us through the end of this fiscal year (with those services), so we will go to June 30 on that," said Rick Daniel, ambulance board president.

The on-site operations manager was the immediate priority, he suggested.

In late January, SEMSA reassigned the operations manager it had placed at West Side.

While SEMSA continued to provide supervisory services, Daniel said, having an on-site operations manager is essential.

Parceling out the contract will expedite that process, he indicated.

"As soon as we get (the partial contract) agreed to AMR will start providing on-site management. The rest of it, we will have a little bit more time to work out the specifics," he stated.

Daniel said the ambulance board is "trying to get this moving as fast as we can without missing things."

The board may hold a special meeting to ratify a management contract if a tentative agreement is negotiated prior to its next regular meeting date, which falls on March 27.

While reiterating the need for an on-site operations manager, Daniel also praised the crew members who have handled a variety of responsibilities in the interim.

"The crews have stepped up," he told Mattos Newspapers. "There has been a lot of cooperation between the crew members to make sure that everything gets done, and it is getting done."

**EXECUTIVE OFFICER'S AGENDA REPORT
MARCH 28, 2018**

TO: LAFCO Commissioners

FROM: Javier Camarena, Assistant Executive Officer

SUBJECT: MSR No. 2017-05 & SOI Update 2017-05: Municipal Service Review and Sphere of Influence Update for the Newman Drainage District

INTRODUCTION

This proposal was initiated by the Local Agency Formation Commission in response to State mandates, which require the Commission to conduct Municipal Service Reviews and Sphere of Influence Updates for all cities and special districts every five years, as needed. This current review is a routine update to the previous document, adopted by the Commission in 2011 for the Newman Drainage District. The District was formed in 1970, pursuant to the Drainage District Act of 1903, to operate and maintain an agricultural sub-surface drain. The District's boundaries are located west of the San Joaquin River and include 3,200 acres, a portion of which overlaps the city limits of Newman.

DISCUSSION

The Municipal Service Review and Sphere of Influence Update process provides an opportunity for districts to share accurate and current data, accomplishments and information regarding the services they provide. A copy of the draft update is then provided to the District for their review and comments.

For the current update, Staff did some additional research regarding the District's original formation in 1970 and their assessments. The District's own records with regards to its history are limited. The District is currently in the process of contracting with a firm to prepare a new engineer's report and revised assessment. Any new assessment must comply with Proposition 218.

The proposed Municipal Service Review and Sphere of Influence Update is attached to this report as Exhibit 1. The relevant factors and determinations as put forth by the Cortese-Knox-Hertzberg Act are discussed for the District. No changes are being proposed for the District's Sphere of Influence.

ENVIRONMENTAL REVIEW RECOMMENDATIONS

Pursuant to the California Environmental Quality Act (CEQA), the adoption of a municipal service review is considered to be categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 – Regulation §15306). Further, LAFCO's concurrent reaffirmation of an existing sphere of influence qualifies for a General Exemption as outlined in CEQA Regulation §15061(b)(3), which states:

The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

As there are no land use changes, boundary changes, or environmental impacts associated with the Municipal Service Review and Sphere of Influence Update, an exemption from further environmental review is appropriate.

ALTERNATIVES FOR COMMISSION ACTION

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

- Option 1:** APPROVE the Municipal Service Review and Sphere of Influence Update for the Newman Drainage District.
- Option 2:** DENY the update.
- Option 3:** If the Commission needs more information, it should CONTINUE this matter to a future meeting (maximum 70 days).

RECOMMENDED ACTION

Approve Option 1. Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the Newman Drainage District. Therefore, Staff recommends that the Commission adopt Resolution No. 2018-04 which:

1. Determines that the Municipal Service Review and Sphere of Influence Update qualify for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulations §15306 and §15061(b)(3);
2. Makes determinations related to the Municipal Service Review, as required by Government Code Sections §56425 and §56430; and,
3. Determines that the Sphere of Influence for the Newman Drainage District should be affirmed as it currently exists.

Attachments:

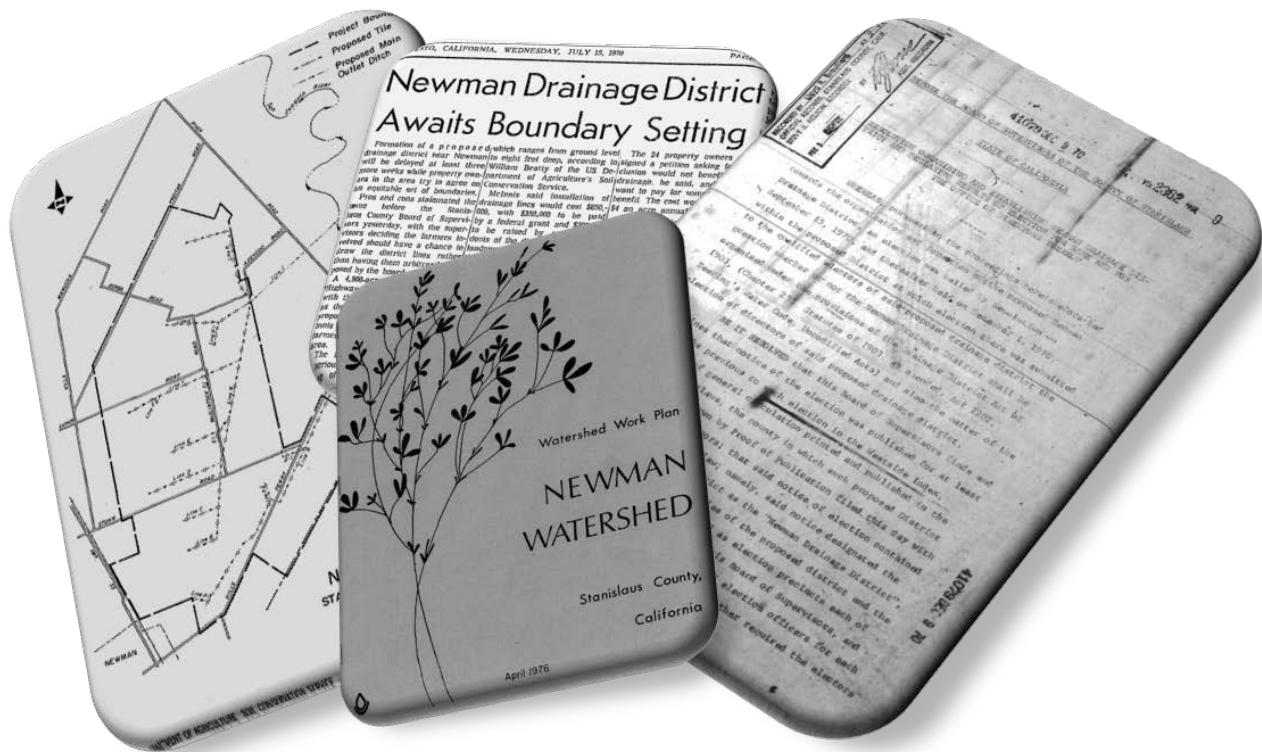
Exhibit A - Municipal Service Review and Sphere of Influence Update for the Newman Drainage District
Exhibit B - Resolution No. 2018-04

EXHIBIT A

Draft MSR & SOI Update for Newman Drainage District

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MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE:



NEWMAN DRAINAGE DISTRICT

Prepared By:

**Stanislaus Local Agency Formation Commission
1010 Tenth Street, Third Floor
Modesto, CA 95354
Phone: (209) 525-7660**

Adopted: TBD

STANISLAUS

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Municipal Service Review and Sphere of Influence Update For the Newman Drainage District

Introduction

The Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 Act (CKH Act) requires the Local Agency Formation Commission (LAFCO) to update the Spheres of Influence (SOI) for all applicable jurisdictions in the County. A Sphere of Influence is defined by Government Code 56076 as "...a plan for the probable physical boundary and service area of a local agency, as determined by the Commission." The Act further requires that a Municipal Service Review (MSR) be conducted prior to or, in conjunction with, the update of a Sphere of Influence (SOI).

The legislative authority for conducting Service Reviews is provided in Government Code Section 56430 of the CKH Act. The Act states, that "in order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area..." A Service Review must have written determinations that address the following factors:

Service Review Factors to be Addressed

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
3. Present and planned capacity of public facilities and adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

State Guidelines and Commission policies encourage cooperation among a variety of stakeholders involved in the preparation of a Service Review. This Service Review will analyze the existing and future services for the Newman Drainage District. The Service Review will also provide a basis for the District and LAFCO to evaluate, and if appropriate, make changes to the Sphere of Influence.

Sphere of Influence Update Process

A special district is a government agency that is required to have an adopted and updated Sphere of Influence. Section 56425(g) of the CKH Act calls for Spheres of Influence to be reviewed and updated every five years, as necessary. Stanislaus LAFCO processes the Service Review and Sphere of Influence Updates concurrently to ensure efficient use of resources. For rural special districts, which do not have the typical municipal level services to review, this Service Review will be used to determine what type of services each district is expected to provide and the extent to which they are actually able to do so. The Sphere of Influence will delineate the service capability and expansion capacity of the agency, if applicable.

Service Review – Newman Drainage District

Authority

The Newman Drainage District was organized under the Drainage District Act of 1903 and is considered a landowner-voter district, as owners of the land within the District's boundaries elect the board members.

The Drainage District Act of 1903 provides for the organization and governmental structure of special districts whose sole purpose is to drain agricultural lands. The Act does not grant authority to perform other services, including urban service functions. The Act provides for the districts to issue bonds for capital improvements and to use eminent domain as necessary for public purposes. The Act also provides for the districts to levy taxes, but this ability was limited by the passage of Proposition 13 and Proposition 218.

An unusual restriction in the Drainage District Act of 1903 is that only lands that are susceptible to one general mode of drainage by the same system of works may be included within a district. The districts are formed along topographic lines that allow the drainage of agricultural lands within a common system of drainage. Lands that cannot be served by the common system of drainage may not be included within the district.

Background

Special districts are local governments that are separate from cities and counties, yet provide public services such as fire protection, sewers, water, and street lighting. California has over 3,300 special districts, which provide over 30 different types of services. There are 50 major types of special districts ranging from airports to fire protection to mosquito abatement to water conservation.

Purpose

Special Districts may be formed to provide water, sewer, garbage services, fire protection, public recreation, street lighting, mosquito abatement, police services, library services, street improvements, conversion of overhead electric and communication facilities to underground locations, ambulance services, airport facilities, flood control and transportation services.

The Newman Drainage District is a single-purpose, independent special district, which was formed to install and operate sub-surface drains to lower the water table so the surface lands could be tilled for agricultural purposes.

The majority of the territory within the District suffers from a high water table. This high water table can result in a decline in agricultural productivity and an increase in public health hazards (e.g. mosquitos). The high water table limits the choice of crops, shortens the longevity of perennial crops and reduces yields. Damage to structures can also result from the high water table, as wetting and drying of the soil causes it to swell and shrink, leading to the cracking of building foundations. The water table also fluctuates, which increases the problem.

Governance

A six-member Board of Directors governs the District and is elected by landowners within the District. Three members are elected by Divisions and three members are elected at-large. One annual meeting is held and other meetings are scheduled on an as-needed basis.

Formation

The Newman Drainage District was formed on December 8, 1970, pursuant to the Drainage District Act of 1903. At the time of formation of the District, the water table within the area was sufficiently high to prevent agricultural development in many areas.

Location and Size

The District is located along the southern boundary of Stanislaus County, west of the San Joaquin River, and encompasses approximately 3,200 acres. In addition, portions of the City of Newman, which have been annexed since the formation of the District, are located within the District boundaries.

Sphere of Influence

The District's original Sphere of Influence was adopted in 2005 and is coterminous with the existing District boundary. This Sphere of Influence was recommended in recognition of the current boundary's relationship to the planned uses in the area and the continued need for the services provided by the District. The District has also stated that they are not interested in annexing additional lands beyond their current boundaries.

Personnel

The District has no staff and District operations are performed by contract.

Classification of Services

As part of this service review, the District has provided a listing of the services provided within its boundary. The District is authorized to provide the functions or classes of services (e.g. operation and maintenance of an agricultural sub-surface drainage system) as identified in this report. Due to recent changes in the Cortese-Knox-Hertzberg Act, the District would have to seek LAFCO approval to exercise other latent powers not currently provided.

Services

The District was formed to operate and maintain an agricultural sub-surface drain. In order to solve the high water table problem, the District installed land treatment and structural measures to lower the water table. The drainage collection system allows individual farmers to install on-farm tile drains and lower the water table to a minimum of seven feet below the ground surface. The system also minimizes soil compaction, promotes better soil aeration, and improves water intake into the soil, thus providing a better environment for crops.

The current activities for the District consist primarily of conducting the day-to-day business, including maintenance of the facilities. Little maintenance is required for the underground drains, but on-going maintenance is required for open ditches. The Board of Directors performs largely caretaker functions.

Support Agencies

The District maintains collaborative relationships with other agencies, including the City of Newman, Stanislaus County, West Stanislaus Resource Conservation District, and the United States Department of Agriculture (USDA).

Funding Sources

The Drainage District is funded through special assessments on individual landowners within the District boundaries.

Service Review Determinations:

The following provides an analysis of the seven categories or components required by Section 56430 for a Service Review for the Newman Drainage District:

1. Growth and Population Projections for the Affected Area

When the District was originally formed, the area within its boundaries was used primarily for agricultural purposes. Since this time, a portion of the District's territory (approximately 340 acres) has been annexed to the City of Newman. The City's Sphere of Influence overlaps additional acreage in the District's boundaries, which may impact the services of the District as land is annexed for urban uses. In the past, proposed development has created concerns for the District, as new homes would be built within close proximity of the subsurface drains.

In order to mitigate these concerns, the City of Newman has adopted policies in its General Plan in order to ensure urban runoff does not enter the tile drain systems. The City also has a policy stating that parks and greenbelts will be developed above those portions of the tile drain system that are within developed areas or areas to be developed and that no buildings shall be placed on top of the tile drain system. Urban development within the boundaries of the District is required to relocate existing District pipelines or provide replacement pipelines to ensure the continued operation of the District's drainage system.

2. The Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence.

Based on annual median household income and as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000, no DUCs have been identified within or contiguous to the District's sphere of influence.

3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, and Infrastructure Needs or Deficiencies Including Needs or Deficiencies Related to Sewers, Municipal and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence.

Shortly after the formation of the District, bonds were issued to construct the necessary drainage facilities. The bonds were issued in 1978 and are due in 2018. The District has installed approximately 10.5 miles of subsurface drain lines and 0.9 miles of channel, to collect and dispose of the surface and subsurface water from on-farm drains. A permanent, 30-feet wide easement has been acquired for all subsurface lines, totaling 38 acres of permanent easements. The high water table within the District's boundaries is not expected to decrease, thereby necessitating the continued demand for the subsurface drainage system.

Operation and maintenance of the land treatment measures are the responsibility of the individual landowners on whose properties the measures have been installed. The District is responsible for the maintenance of all structural measures.

There are no known disadvantaged unincorporated communities within or contiguous to the District's Sphere of Influence. Additional services, such as sewer, domestic water and

structural fire protection, are provided through other special districts or by way of private systems.

4. Financial Ability of Agencies to Provide Services

At the present time, the District appears to have adequate financial resources to fund the necessary levels of service within the District's boundaries. Special assessments for the District are levied on an annual basis. Cost avoidance opportunities are maximized by board members and/or landowners within the District performing some of the maintenance work themselves and/or by using independent contractors rather than hiring staff.

5. Status of, and Opportunities for, Shared Facilities

The District does not share any facilities with any other District or agency.

6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

The District's governing body consists of a six-member Board of Directors elected by the landowners within the District. The District conforms to the provisions of the Brown Act requiring open meetings. The current management structure of the District is adequate to serve the present and future needs of the agency. It is reasonable to conclude that the District can adequately serve the areas under its jurisdiction.

7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

The District is currently in the process of contracting with a firm to prepare a new engineer's report and revised assessment. Any new assessment must comply with Proposition 218.

Sphere of Influence Update for the Newman Drainage District

In determining the Sphere of Influence (SOI) of each local agency, the Commission shall consider and prepare determinations with respect to each of the following factors pursuant to Government Code Section 56425:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides, or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines they are relevant.
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

This document proposes no changes to the District's existing Sphere of Influence. Rather, it serves to reaffirm the existing SOI boundary. As part of this process, Staff researched the history of the establishment of the District's SOI. A map of the current District boundary and Sphere of Influence is attached in Appendix "B".

The following determinations for the Newman Drainage District's Sphere of Influence update are made in conformance with Government Code §56425 and Commission policy.

Determinations:

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

Territory within the District boundaries consists predominately of agricultural uses, with the exception of those areas located within the City of Newman, which are designated as low-density residential. The District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions in the District's boundaries is retained by Stanislaus County and the City of Newman.

A portion of the City's Sphere of Influence overlaps District boundaries in the vicinity of Stuhr and Hills Ferry Roads. Mitigation measures need to be in place to protect the underground facilities if future development by the City of Newman is to occur, unless the District determines the abandonment of the facilities can occur without affecting the remaining drainage systems and the territory can be detached.

2. The present and probable need for public facilities and services in the area

The District was formed to operate and maintain an agricultural sub-surface drainage system within its boundary. The present and probable need for this service is not expected to change. In addition, the District's ability to provide public facilities and services in the area is affected by the fact that a portion of the City of Newman's Sphere of Influence overlaps the District.

Ideally, when territory to be developed is annexed to the City of Newman, it would be simultaneously detached from the District (i.e. a LAFCO reorganization action), if the services provided by the district are no longer required. However, if a district's services are still required, detachment would not take place. Recent annexations to the City of Newman have not included detachment from the Newman Drainage District, resulting in urbanized development in the proximity of the District's infrastructure. The City of Newman has adopted General Plan policies in order to ensure that use of the tile drains can continue as the city grows. In areas where the City limits currently overlaps the District, the use of greenbelts and easements over the tile drain system have been used to protect the facilities

3. The present capacity of public facilities and adequacy of public services that the agency provides, or is authorized to provide.

Over time, portions of the territory within the boundaries of the Drainage District have been developed for urban uses. The transition of properties from agricultural use to urban use has a continuing impact on the operations of the District. As lands are developed for urban uses, agricultural drainage facilities could be compromised and the installation of more sophisticated systems of surface drainage may be required. As development occurs, it is necessary for the City of Newman, Stanislaus County, and other agencies to ensure that urban development does not negatively impact the existing facilities of the District.

4. The existence of any social or economic communities of interest in the area if the Commission determines they are relevant.

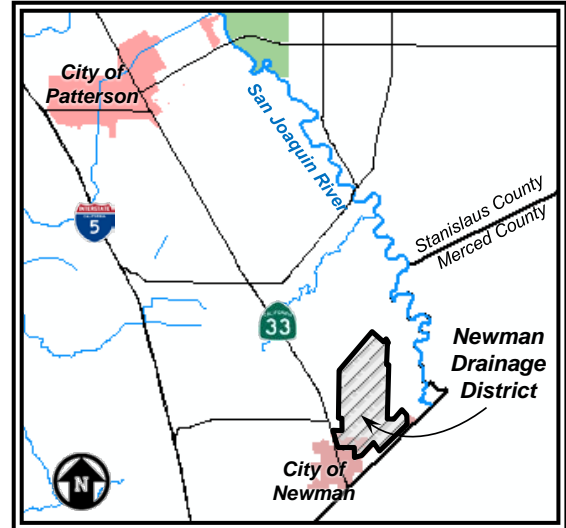
The City of Newman is considered to be a community of interest in the area, as a portion of the City's Sphere of Influence and City limits overlap with the Newman Drainage District.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

No Disadvantaged Unincorporated Communities (DUCs) have been identified within or contiguous to the District's Sphere of Influence as defined in Section 56033.5 of the CKH Act. Additional services, such as sewer, domestic water and structural fire protection, are provided through other special districts or by way of private systems.

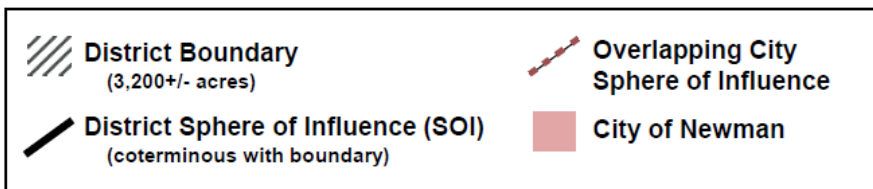
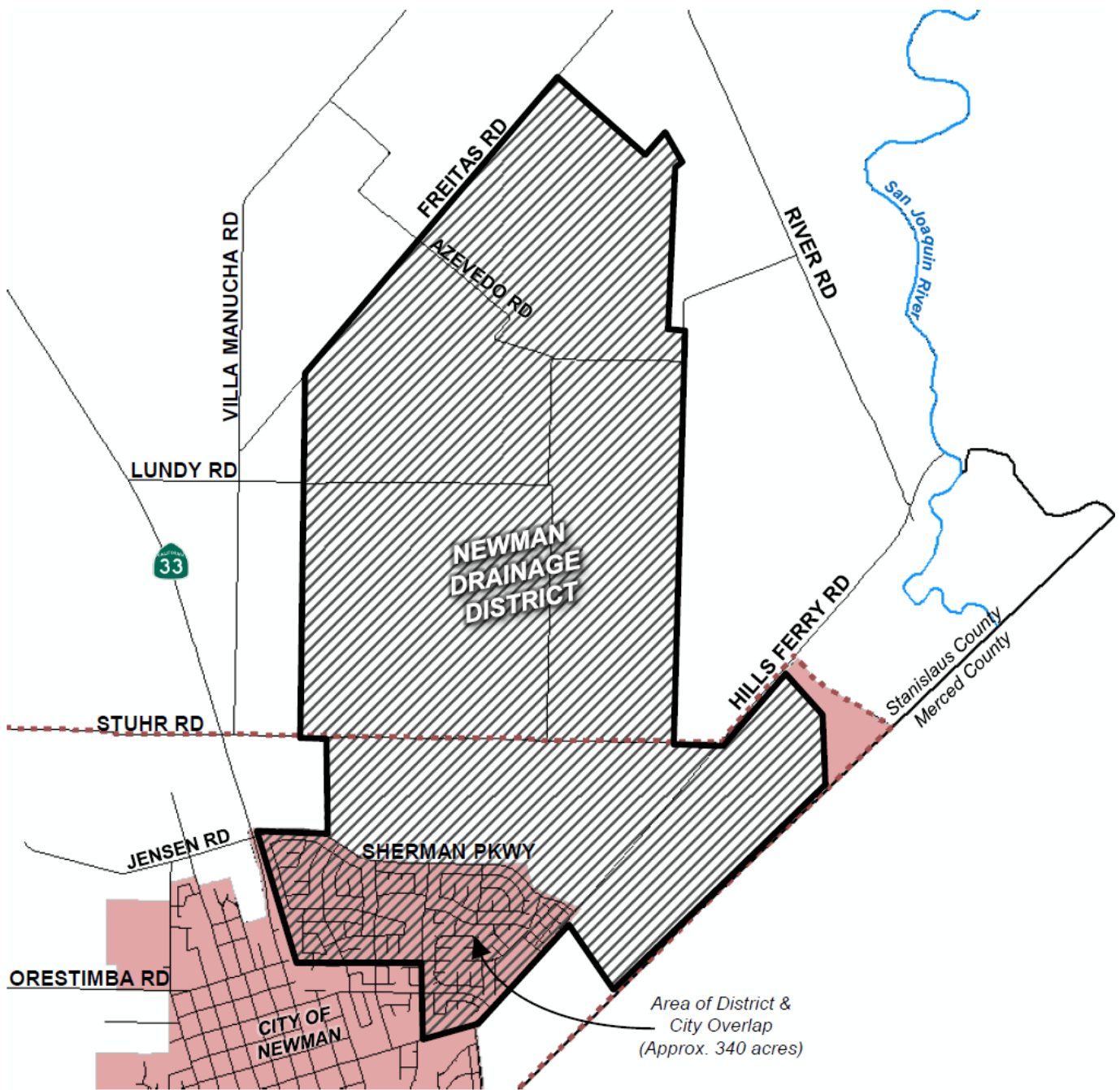
APPENDIX “A” DISTRICT SUMMARY PROFILE

District:	NEWMAN DRAINAGE DISTRICT
Formation:	December 8, 1970
Location:	In rural Stanislaus County, west of the San Joaquin River and north of the Merced County Line
District Services:	Operation and maintenance of an agricultural sub-surface drainage system
Service Area:	Approximately 3,200 acres
Population:	Approximately 3,185 persons (2010 Census)
Land Use:	Predominately agriculture, with the exception of urbanized areas within the City of Newman.
Enabling Act:	Drainage District Act of 1903
Governing Body:	Six-member Board of Directors, elected by landowners within the District
Budget*:	<u>Fiscal Year 2016-2017</u> Income: \$ 44,000 Expenditures: \$ 51,000
Revenue Sources:	Special assessments



**Source: Newman Drainage District FY 16/17 Budget*

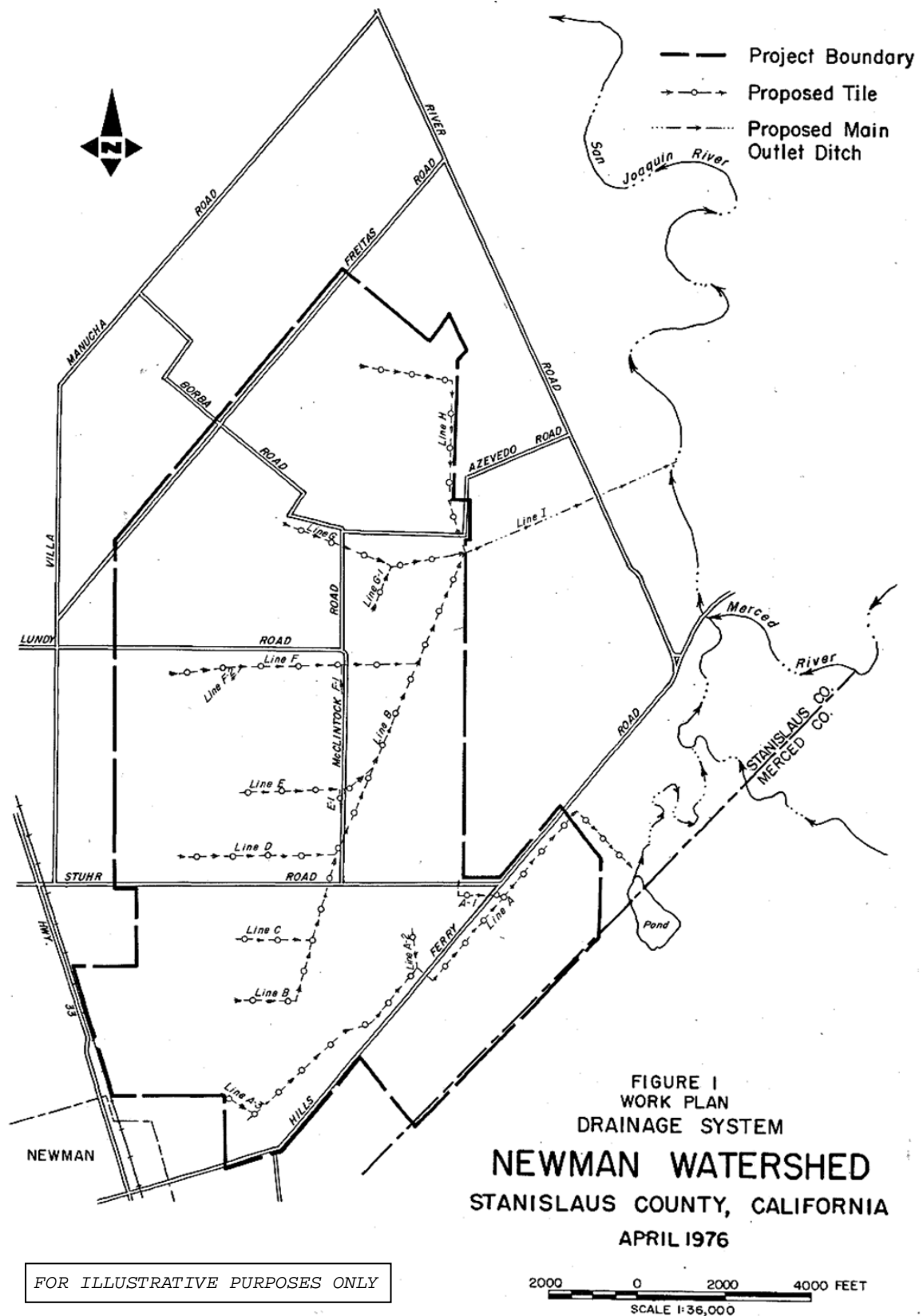
**MAP 1:
NEWMAN DRAINAGE DISTRICT
BOUNDARIES AND SPHERE OF INFLUENCE**



Source -- LAFCO files
Date: May 2011



MAP 2: DISTRICT DRAINAGE SYSTEM



APPENDIX “B”

REFERENCES

1. California State Controllers Office, “Special Districts Annual Report, Fiscal Year 2008-09”, April 26, 2011.
2. City of Newman, “Municipal Service Review”, Adopted by LAFCO on January 28, 2009.
3. City of Newman, “Newman 2030 General Plan”, April 10, 2007.
4. City of Newman, “Newman 2030 General Plan Environmental Impact Report”, April 10, 2007.
5. Newman Watershed Work Plan, April 1976.
6. Newman Drainage District FY 15/16 Audited Financial Statements
7. Newman Drainage District FY 16/17 Budget
8. National Resource Conservation Service, United States Department of Agriculture (USDA).
9. Previous Municipal Service Review for the Newman Drainage District, Adopted by LAFCO on July 27, 2011.

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EXHIBIT B

Draft Resolution No. 2018-04 Newman Drainage District

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: March 28, 2018

NO. 2018-04

SUBJECT: MSR No. 2017-05 & SOI Update 2017-05: Municipal Service Review and Sphere of Influence Update for the Newman Drainage 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 Municipal Service Review mandated by California Government Code Section 56430 and a Sphere of Influence Update mandated by California Government Code Section 56425, has been conducted for the Newman Drainage District, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

WHEREAS, at the time and in the form and manner provided by law, the Executive Officer has given notice of the March 28, 2018 public hearing by this Commission on this matter;

WHEREAS, the subject document is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines;

WHEREAS, Staff has reviewed all existing and available information from the District and has prepared a report including recommendations thereon, and related information as presented to and considered by this Commission;

WHEREAS, the Commission has duly considered the draft Municipal Service Review and Sphere of Influence Update on the Newman Drainage District and the determinations contained therein;

WHEREAS, the Newman Drainage District was formed to operate and maintain an agricultural sub-surface drain;

WHEREAS, pursuant to Government Code Section 56425(h), the range of services provided by the Newman Drainage District are limited to those as identified above, and such range of services shall not be changed unless approved by this Commission; and,

WHEREAS, no changes to the District's Sphere of Influence are proposed or contemplated through this review.

WHEREAS, at the hearing, all persons present were given an opportunity to hear and be heard in respect to any matter in relation to the review, in evidence presented at the hearing;

NOW, THEREFORE, BE IT RESOLVED by the Commission:

1. Certifies that the project is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines.
2. Approves the Municipal Service Review prepared in compliance with State law for the review and update of the Newman Drainage District Sphere of Influence, and written determinations prepared by the Staff and contained herein.
3. Determines that except as otherwise stated, no new or different function or class of services shall be provided by the District, unless approved by the Commission.
4. Determines, based on presently existing evidence, facts, and circumstances filed and considered by the Commission, that the Sphere of Influence for the Newman Drainage District should be affirmed as it currently exists, as more specifically described on the map contained within the Municipal Service Review document.

ATTEST: _____
Sara Lytle-Pinhey
Executive Officer

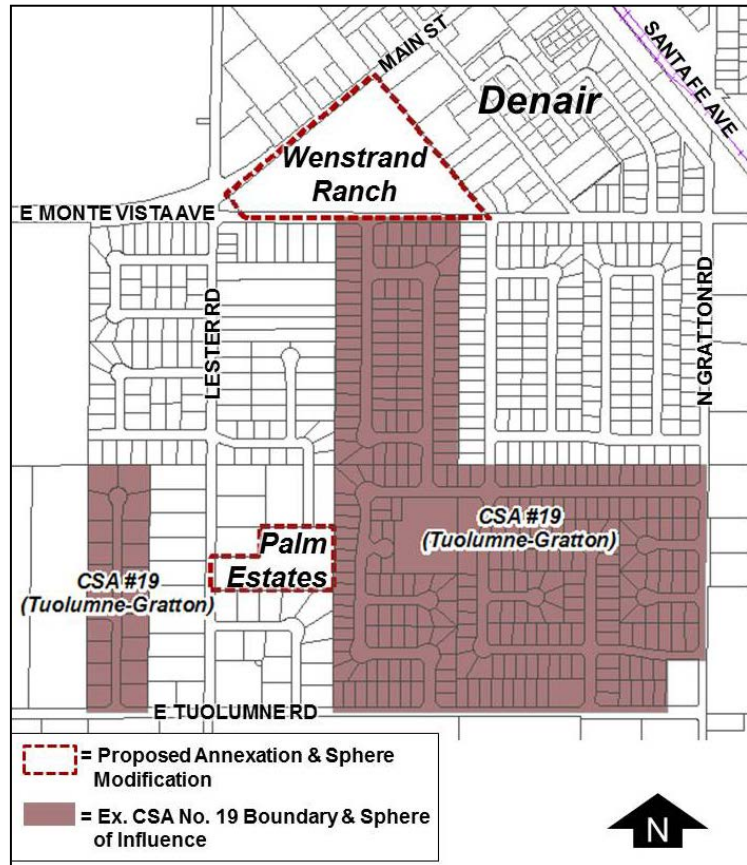
**EXECUTIVE OFFICER'S AGENDA REPORT
MARCH 28, 2018**

**LAFCO APPLICATION NO. 2018-01 & SOI MODIFICATION NO. 2018-01
PALM ESTATES & WENSTRAND RANCH
CHANGE OF ORGANIZATION TO
COUNTY SERVICE AREA (CSA) NO. 19 (TUOLUMNE-GRATTON)**

PROPOSAL

This is a request to modify the Sphere of Influence and annex approximately 16.27 acres to County Service Area (CSA) No. 19 (Tuolumne-Gratton) in Denair.

1. Applicant: Stanislaus County, through a Resolution of Application by the Board of Supervisors.
2. Location: The proposed annexation consists of two properties that were approved by the County for subdivisions in central and southwest Denair. (See Map Inset)
3. Parcels Involved and Acreage: There are two whole assessor's parcels involved, totaling 16.27 acres (APNs 024-050-016 and 024-032-023).
4. Reason for Request: The proposed annexation to County Service Area (CSA) No. 19 is intended to fulfill the County's conditions of approval requiring that a funding mechanism be established for storm drainage, landscaping, and associated maintenance.



DISCUSSION

County Service Areas are formed to provide extended levels of service to unincorporated areas, and the governing board is the Board of Supervisors. CSA No. 19 was originally formed in 2003 to provide operation and maintenance of storm drainage and parks for residential development in the Denair area.

Two tentative subdivision maps known as "Wenstrand Ranch" and "Palm Estates" were approved by the County in 2005 and 2006. Conditions for the tentative subdivision maps require that the project area be annexed into CSA No. 19, for the purpose of receiving extended County services for the development.

On February 13, 2018, the Stanislaus County Board of Supervisors adopted a resolution requesting that the Commission consider approving the annexation of the Palm Estates and Wenstrand Ranch subdivisions to CSA No. 19 (attached as Exhibit "C").

Annexation, if approved, also requires expansion of CSA No. 19's Sphere of Influence to be conterminous with the District boundaries, consistent with Commission policies.

SPHERE OF INFLUENCE MODIFICATION

When a County Service Area is formed, the sphere of influence established for the CSA is typically coterminous with its boundaries. However, where appropriate, expansion of an existing CSA and its sphere of influence is preferred rather than the formation of a new CSA.

Pursuant to LAFCO Policies, a minor amendment to the sphere of influence of an agency may be processed and acted upon by the Commission without triggering a new or revised Municipal Service Review (MSR) where a previous MSR has been conducted. The Commission recently adopted a MSR for all of the CSAs in the County on February 24, 2016. Therefore, consistent with Commission policies, the proposal is being processed as a minor sphere amendment with no new Municipal Service Review required.

Sphere of Influence Determinations

Government Code Section 56425 gives purpose to the determination of a sphere of influence by charging the Commission with the responsibility of "planning and shaping the logical and orderly development of local governmental agencies." In approving a sphere of influence amendment, the Commission is required to make written determinations regarding the following factors:

1. *The present and planned land uses in the area, including agriculture and open-space lands.*

The County retains the responsibility for land use decisions within the County Service Area (CSA) boundaries and sphere of influence. The present land uses in the area include residential uses, which are consistent with the planned land uses contemplated under the Denair Community Plan and County General Plan.

2. *The present and probable need for public facilities and services in the area.*

When the County approves development within an unincorporated area, it may require annexation to or formation of a County Service Area in order to provide extended services necessary to serve the land uses within the development boundaries. The present and probable need for public facilities and services in the area has been considered, as reflected in County-approved Engineer's Report for CSA No. 19 (included in Exhibit "C"). The extended services to be provided by CSA No. 19 include parks, streetscape, and storm drain maintenance to support the residential development.

3. *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

Stanislaus County is requiring, as part of the Subdivision Maps (Palm Estates and Wenstrand Ranch) that the subject territory be annexed to CSA No. 19 prior to recordation of the final maps. The project developers will be required to install the necessary storm drainage facilities to serve the development. Stanislaus County will maintain these facilities with the funding provided through the CSA.

Only those residents who benefit from the extended services provided by the CSA pay for them, which are funded through an assessment levied on parcels within the CSA boundaries. Based on the information provided by the County, it can be determined that, County Service Area No. 19 will have adequate controls and funding streams to provide the appropriate level of extended County services in order to serve the existing and future residents within the boundaries of the CSA.

4. *The existence of any social or economic community of interest in the area if the commission determines that they are relevant to the agency.*

There are no known social or economic communities of interest within the proposed Sphere of Influence.

5. *The present and probable need for sewer, municipal and industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence.*

There are no disadvantaged unincorporated communities in the area. The properties are currently within the boundaries of the Denair Community Services District, the provider of sewer and water services in the area, and the Denair Fire Protection District.

FACTORS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires several factors to be considered by a LAFCO when evaluating a proposal. Factors to be considered in the review of a proposal shall include, but not be limited to the following (Government Code Sections 56668 and 56668.3):

- a. Population and Land Use: The properties are considered to be uninhabited by State law, as they contain less than 12 registered voters. Both are zoned for residential uses, consistent with the surrounding area.
- b. Governmental Services and Controls: County Service Area (CSA) No. 19 will provide park, streetscape, and storm drainage maintenance services to the annexed territory. Upon annexation, the territory will be subject to the approved formula for calculation and levy of annual assessments to pay for services provided by CSA No. 19.
- c. Effect of Proposal: Annexation of the territory included in the proposal will be subject to the approved formula for calculation and levy of annual assessments to pay for services provided within CSA No. 19. Adopted Commission policies prefer annexation to an existing district rather than the formation of a new district.
- d. Conformity with Plans: The proposal is consistent with adopted Commission policies to encourage efficient and effective delivery of government services and Commission policies for providing planned, orderly and efficient patterns of urban development.
- e. Impact on Agricultural Lands: The proposal would not result in the loss of agricultural land, as it currently zoned for residential uses. The sites are considered infill development, surrounded by other residential uses in Denair.

- f. Definiteness of Boundaries: The proposed boundary includes two whole Tax Assessor parcels and adjacent road right of way, consistent with adopted Commission policies. The sites are contiguous to the existing CSA No. 19 boundary.
- g. Regional Transportation Plan: The proposal is infill in nature and does not appear to conflict with the County's Regional Transportation Plan.
- h. Consistency with General Plan(s): The territory is within an area planned for residential development within the Denair Community Plan and the County's General Plan. The territory is compatible with the surrounding area land uses. In 2005 and 2006, the properties involved were approved by the County for residential subdivisions.
- i. Conformance with Spheres of Influence: Approval of this proposal includes a simultaneous amendment to the Sphere of Influence for CSA No. 19, to be coterminous with the annexation area. The proposed territory is also within boundaries and Spheres of Influence of the Denair Fire Protection District, Turlock Mosquito Abatement, and Denair Community Services District.
- j. Comments from Affected Agencies and Jurisdictions: All affected agencies and jurisdictions have been notified pursuant to State law requirements and adopted Commission policies. To date, no comments have been received regarding this proposal.
- k. Ability to Serve Proposed Area: The services provided by the proposed CSA will be funded by existing and future landowners of the parcels within the territory. The CSA is a dependent district, with the Stanislaus County Board of Supervisors serving as the district's governing body. Operations and maintenance of the CSA will be provided by the County Public Works Department.
- l. Water Supplies: The properties are currently within the Denair Community Services District, the provider of domestic water in the area.
- m. Regional Housing Needs: The territory will be developed with 59 single family homes approved by the County. These units will contribute to the County's overall Regional Housing Needs Assessment.
- n. Landowner or Resident Comments: Pursuant to State law, a public hearing notice was provided for affected landowners and residents in the area. The proposal has 100% consent from the property owners. No information or comments, other than what was provided in the application has been submitted.
- o. Other Land Use Information: There is no other land use information related to this project.
- p. Environmental Justice: As defined in 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. Staff has determined that approval of the proposal would not result in the unfair treatment of any person based on race, culture or income with respect to the provision of services within the proposal area.

ENVIRONMENTAL REVIEW

The CSA will serve the Palm Estates and Wenstrand Ranch subdivisions. As part of the approved subdivisions, Stanislaus County adopted a Mitigation Negative Declaration pursuant to the California Environmental Quality Act (CEQA).

Annexation of the subject properties to CSA No. 19 is considered exempt under Section 15061(b)(3) of the CEQA Guidelines, as this proposal does not have the potential for causing a significant effect on the environment. "Significant effect on the environment" means a substantial, or potentially substantial, adverse change in any of the *physical conditions* within the area affected by the proposal.

Further, an economic or social change by itself shall not be considered a significant effect on the environment (CEQA Guidelines Section 15382). Since the annexation to CSA No. 19 is to provide funding for the maintenance of various facilities and does not affect the physical conditions within the area, there is no potential for causing a significant effect on the environment.

WAIVER OF PROTEST PROCEEDINGS

The Commission's approval of a change of organization is typically proceeded by a protest hearing, where property owners and landowners are given the opportunity to protest the decision.

Pursuant to Government Code Section 56662(d), the Commission may waive protest proceedings entirely when the following criteria are met:

1. The territory is uninhabited (having less than 12 registered voters).
2. All the owners of the land within the affected territory have given their written consent.
3. A subject agency has not submitted written opposition to the waiver of protest proceedings.

As the above criteria have been met, the Commission may waive the protest proceedings in their entirety.

ALTERNATIVES FOR LAFCO ACTION

After consideration of this report and any testimony or additional materials that are submitted, the Commission may consider selecting one of the following options:

- Option 1:** Approve the proposal, as submitted.
- Option 2:** Deny the proposal, without prejudice.
- Option 3:** Continue the request to a future meeting (maximum 70 days).

RECOMMENDED ACTION

Approve Option 1. Based on the information and discussion contained in this staff report, and the evidence presented, it is recommended that the Commission adopt the attached Resolution No. 2018-03 approving the proposal as submitted.

Respectfully submitted,

Javier Camarena

Javier Camarena
Assistant Executive Officer

Attachments:	Exhibit A:	Draft LAFCO Resolution No. 2018-03
	Exhibit B:	Project Map
	Exhibit C:	Board of Supervisors Resolution No. 2018-0086 & Engineer's Report

EXHIBIT A

Draft LAFCO Resolution 2018-03

**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: March 28, 2018

NO. 2018-03

SUBJECT: LAFCO Application No. 2018-01 & SOI Modification No. 2018-01 - Palm Estates & Wenstrand Ranch Change of Organization to County Service Area No. 19 (Tuolumne-Gratton)

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, a request has been submitted to modify the Sphere of Influence and simultaneously annex approximately 16.27 acres to County Service Area (CSA) No. 19 (Tuolumne-Gratton);

WHEREAS, there are less than 12 registered voters within the area and it is thus considered uninhabited;

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Stanislaus Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code);

WHEREAS, the proposal was initiated by a Resolution of Application from the Stanislaus County Board of Supervisors as a Condition of Approval for a County approved subdivision and all of the owners of land within the affected territory have consented in writing to the sphere of influence modification and change of organization (annexation) into CSA No. 19 (Tuolumne-Gratton);

WHEREAS, the purpose of the proposal is to allow the subject territory to receive the extended county services offered by County Service Area No. 19 (Tuolumne-Gratton), including park and streetscape maintenance and storm drainage services;

WHEREAS, proceedings for adoption and amendment of a Sphere of Influence are governed by the Cortese-Knox-Hertzberg local Government Reorganization Act, Section 56000 et seq. of the Government Code;

WHEREAS, Commission policies allow a minor amendment to a sphere of influence of any agency without triggering a new or revised Municipal Service Review (MSR) when a previous MSR has been conducted;

WHEREAS, on February 13, 2018, the Stanislaus County Board of Supervisors adopted Resolution No. 2018-0086 supporting the annexation to County Service Area No. 19 (Tuolumne-Gratton);

WHEREAS, Stanislaus County has prepared an Engineer's Study identifying the assessment formula to be applied to the territory and its compliance with Proposition 218;

WHEREAS, in the form and manner provided by law pursuant to Government Code Sections 56153 and 56157, the Executive Officer has given notice of the public hearing by the Commission on this matter; and

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, which included determinations and factors set forth in Government Code Sections 56425 and 56668, and any testimony and evidence presented at the meeting held on March 28, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Finds this proposal to be categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines.
2. Adopts the written determinations pursuant to Government Code Section 56425, as described and put forth in the staff report dated March 28, 2018, and determines that the sphere of influence for CSA No. 19 (Tuolumne-Gratton) will include the territory and be coterminous with its approved boundaries, as shown in Attachment 1.
3. Approves the proposal subject to the following terms and conditions:
 - (a) The Applicant shall pay the required State Board of Equalization fees and submit a map and legal description prepared to the requirements of the State Board of Equalization and accepted to form by the Executive Officer.
 - (b) The Applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval, and provide for reimbursement or assumption of all legal costs in connection with that approval.
 - (c) In accordance with Government Code Sections 56886(t) and 57330, the subject territory shall be subject to the levying and collection of all previously authorized charges, fees, assessments and taxes of County Service Area No. 19 (Tuolumne-Gratton).
 - (d) The effective date shall be the date of recordation of the Certificate of Completion.
4. Designates the proposal as the "Palm Estates & Wenstrand Ranch Change of Organization to County Service Area No. 19 (Tuolumne-Gratton)".
5. Pursuant to Government Code Section 56662(d), waives protest proceedings and orders the change of organization subject to the requirements of Government Code Section 57000 et seq.

6. Authorizes the Executive Officer to prepare and execute Certificate of Completion upon receipt of a map and legal description prepared to the requirements of the State Board of Equalization and accepted to form by the Executive Officer and payment of any outstanding fees, subject to the specified terms and conditions.

ATTEST:

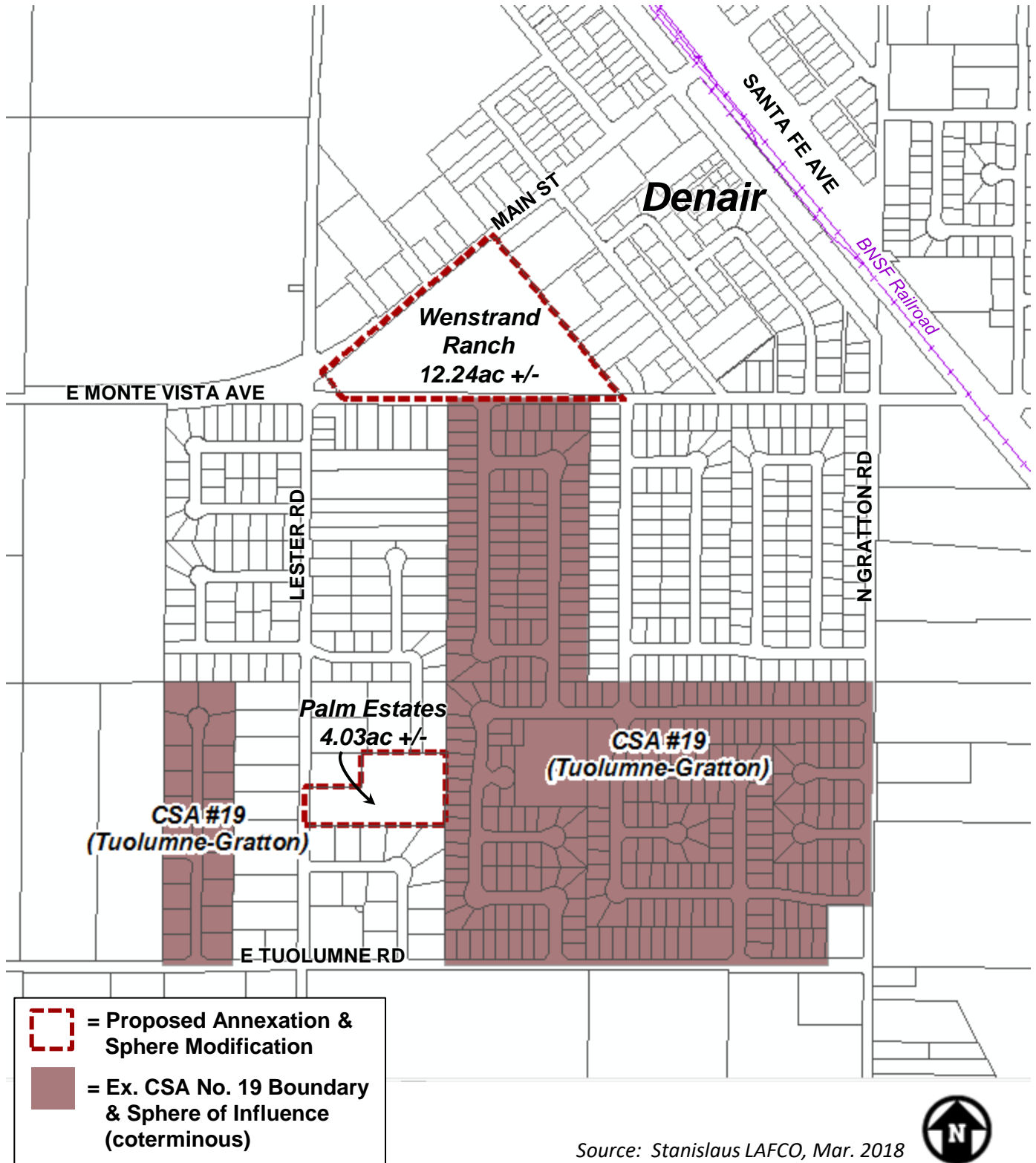
Sara Lytle-Pinhey
Executive Officer

EXHIBIT B

Project Map

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PALM ESTATES & WENSTRAND RANCH CHANGE OF ORGANIZATION TO COUNTY SERVICE AREA (CSA) NO. 19



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EXHIBIT C

**Board of Supervisor's Resolution No. 2018-0086
& Engineer's Report**

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**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA**

2018-0086

Date: February 13, 2018

On motion of Supervisor Monteith Seconded by Supervisor Olsen
and approved by the following vote,

Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

THE FOLLOWING RESOLUTION WAS ADOPTED:

Item # 4.C.1

**RESOLUTION OF APPLICATION FOR THE ANNEXATION OF PALM ESTATES AND
WENSTRAND RANCH TO COUNTY SERVICE AREA NO. 19 - TUOLUMNE-GRATTON**

BE IT RESOLVED, that the Board of Supervisors, of the County of Stanislaus, State of California, hereby finds and determines as follows:

WHEREAS, the proposal for the annexation of two future subdivisions known as Palm Estates and Wenstrand Ranch to County Service Area No. 19 – Tuloumne Gratton (CSA No. 19) is being made pursuant to Government Code sections 56654 and 25217; and

WHEREAS, the County of Stanislaus desires to initiate proceedings pursuant to Part 3 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.) for the annexation of territory to County Service Area No.); and

WHEREAS, the purpose of the proposal is to allow the subject territories to receive the extended county services offered by CSA No. 19, including streetscape maintenance, parks maintenance, and storm drainage services; and

WHEREAS, the proposed annexation consists of 16.27 acres in Denair, as shown on the attached legal description and map; and

WHEREAS, upon annexation, the territory will be identified as a newly established zone of benefit within CSA No. 19, known as Zone 3; and

WHEREAS, there is a need to provide ongoing funding through the assessments, to support the provision of the special benefit of a storm drain system, streetscape, and parks maintenance in the proposed Zone 3 and doing so will promote health, safety and welfare of the residential area; and

WHEREAS, the proposed annexation of territory to CSA No. 19 has the consent of all the property owners within the annexation as shown in Consent #1 and #2 attachments; and

WHEREAS, improvement plans for all facilities to be operated and maintained for the County Service Area are being prepared; and


WHEREAS, the proposed annexation will include a simultaneous expansion of the CSA No. 19 sphere of influence in order to maintain consistency; and

WHEREAS, this proposal includes an Engineer's Report, satisfying the plan for service requirement pursuant to Section 56653; and

WHEREAS, the Board has reviewed the Engineer's Report and approves the method and the amount of the assessment.

NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of Stanislaus County shall hereby be requested to commence proceedings for the annexation of territory as described in attached legal description and map into County Service Area No. 19 (Tuolumne-Gratton) as authorized in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

ATTEST: ELIZABETH A. KING, Clerk
Stanislaus County Board of Supervisors,
State of California



**COUNTY SERVICE AREA NO. 19
ANNUAL ENGINEER'S REPORT**

TUOLUMNE-GRATTON SUBDIVISIONS, DENAIR

FISCAL YEAR 2018-2019

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ENGINEER'S REPORT AFFIDAVIT

County of Stanislaus, State of California

CSA NO. 19 – TUOLUMNE-GRATTON SUBDIVISIONS

This report describes the CSA and all relevant zones therein including the budget(s), parcels and assessments to be levied for the Fiscal Year 2018-2019. Reference is hereby made to the Stanislaus County Assessor's maps for a detailed description of the lines and dimensions of parcels within the County Service Area (CSA).

The undersigned respectfully submits the enclosed report as directed by the Board of Supervisors.

Dated this 5TH day of FEBRUARY, 2018


MATT MACHADO, DIRECTOR, PE, LS
Stanislaus County Department of Public Works



**COUNTY SERVICE AREA NO. 19
ANNUAL ENGINEER'S REPORT
FISCAL YEAR 2018-2019**

INTRODUCTION:

County Service Area No. 19 (CSA 19) was established December 2002, to provide extended maintenance services for the storm drain system, landscaped storm drain basin, and park within a planned development which, as approved with tentative maps, includes six (6) residential subdivisions. These subdivisions include: Sterling Ranch Unit No. 1 (formerly known as Monte Vista Meadows), Sterling Ranch Unit No. 2, 3, and 4 (formerly known as Tuolumne Meadows), Sterling Ranch Unit No. 5 (formerly known as Najanjo Estates), and Runyan Country Estates.

Government Code Section 25210.77a(a) requires that a written report containing a description of each parcel of real property receiving the particular extended service and the amount of the assessment for each parcel be prepared once a year and filed with the Clerk of the Board of Supervisors.

PART I – PLANS AND SPECIFICATIONS

A. Description of the service area

There are 329 parcels within CSA 19 consisting of: Sterling Ranch Unit No. 1 (81 lots), Sterling Ranch Unit No. 2 (71 lots), and a landscaped storm drain basin and park lot, Sterling Ranch Unit No. 3 (53 lots), and a landscaped storm drain basin and park lot, Sterling Ranch Unit No. 4 (50 lots), Sterling Ranch Unit No. 5 (50 lots) (all unified in Zone 2), Runyan Country Estates (20 lots) (Zone 1), and Palm Estates (1 lot) and Wenstrand Ranch (1 lot) (unified in Zone 3). Palm Estates and Wenstrand Ranch lots are potential subdivisions, which eventually will be sub-divided into total of 57 residential lots and 2 landscape open space drainage basins. Assessor map attached hereto as Exhibit "B". This residential development encompasses an area of land totaling approximately 105.69 acres. The boundary of CSA 19 is shown on Exhibit "A" that is attached hereto and made a part of this Engineer's Report. The Development is generally located:

- North of Tuolumne Road
- East of Lester Road
- South of Main Street
- West of North Gratton Road

B. Description of Improvements and Services

The purpose of this CSA is to insure the ongoing maintenance, operation and servicing of the storm drain basin, storm drain system, and park. The special benefit assessments to be levied for this CSA are intended to provide a revenue source for all the maintenance and servicing of the service area's improvements including, but not limited to materials, equipment, labor and administrative expenses. However, the assessments are not intended to fund reconstruction or major renovations of the improvements and facilities. The maintenance, operation, and servicing of the storm drain system are funded entirely or partially through the service area assessments and generally described as:

- Periodic cleaning and maintenance (as needed) on 4,145 linear feet 18 inch pipe,

3,472 linear feet of 24 inch pipe, 1,191 linear feet of 30 inch pipe, 274 linear feet of 36 inch pipe, 181 linear feet of 42 inch pipe, 212 linear feet of 48 inch pipe;

- Two (2) 25 HP pumps;
- Periodic cleaning and maintenance of 34 catch basins and 36 manholes;
- Repair curb and gutter as needed to maintain the storm drain system (26,913 linear feet of curb and gutter; 107,333 square feet of sidewalk);
- Periodic streets sweeping to prevent buildup of silt and other damaging materials to the storm drain system. All debris is contained and hauled offsite with containment bins;
- Annual repairs and general maintenance to storm drain basin and 5 rock wells (erosion control, weed spraying, grading/excavation as needed).
- The Parks and Recreation Department provides continual maintenance of all park/basin public use area and parks within the Sterling Ranch Service Area (i.e. irrigation, playground areas, mowing and weed abatement).

CSA 19 maintains a drainage system used exclusively by the parcels within the Sterling Ranch units (Zone 2). Palm Estates and Wenstrand Ranch subdivisions have its own drainage system, separate from other storm drain systems in CSA 19. It will also continue to provide the same level of service and be identified as a separate zone (Zone 1).

The assessment method used for the Sterling Ranch units is based on total budget divided by total Equivalent Benefit Units (EBU). As the budget did not change this past year and there was no change in parcels in the units, the Sterling Ranch assessment remains the same as the last year.

The parcels within Zone 3 subdivisions are assessed using the existing formulas and methodology approved by the district's property owners in 2002, but they have the different budget and assessment rate that does not affect the budget and the assessment for the parcels within the existing CSA 19 (Zones 1 and 2). The differences in the budget and the assessment are due to higher costs of the surge drain of the storm water under the sidewalks and the landscape basin and the landscape strips that Parks will maintain. The higher budget and assessment for Zone 3 is also due to Parks' budget increase as a result of the increase of labor costs over the past several years and cutoff in the Alternative Work Program (AWP) labor.

Runyan Country Estates (Zone 1) does not receive any special services from the storm drain basin within the boundary of CSA 19, and consequently, the residential lots within Runyan Country Estates (Zone 1) will not be assessed for any costs associated with the extended maintenance services for the storm drain system and the landscaped storm drain basin. The residential lots within Runyan Country Estates (Zone 1) receive equal benefit as with all the lots within CSA 19, from the extended maintenance service being provided for the landscaped park. Initially, and throughout the development of all subdivision phases, as more lots are created, all parcels receive equal benefit from the extended maintenance of the park, landscaping, and storm drain system unless noted otherwise. The extended maintenance of the storm drain system, and the landscaped storm drain basin and park only provides a special benefit to the parcels within CSA 19; therefore, no general benefit has been assigned.

The annual assessment is levied without regard to property valuation.

PART II - METHOD OF APPORTIONMENT

A. Benefit Analysis

The method of apportionment described in this report for allocation of special benefit assessments utilizes commonly accepted engineering practices. The formula used for calculating assessments for the CSA reflects the composition of the parcels and improvements provided to fairly apportion the costs based on special benefits to each parcel. Furthermore, pursuant to the Constitution Article XIID Section 4, a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel and a parcel may only be assessed for special benefits received.

All the improvements and services associated with the CSA have been identified as necessary, required and/or desired for the orderly development of the properties within the CSA to their full potential and consistent with the proposed development plans. As such, these improvements would be necessary and required of individual property owners for the development of such properties and the ongoing operation, servicing and maintenance of the improvements and facilities would be the financial obligation of those properties. Therefore, the storm drain facilities and the infrastructure, and the annual costs of ensuring the maintenance and operation of these improvements provide special benefits to the properties within the CSA.

Runyan Country Estates (Zone 1) does not receive any special services from the storm drain basin within the boundary of CSA 19, and consequently, the residential lots within Runyan Country Estates will not be assessed for any costs associated with the extended maintenance services for the storm drain system and the landscaped storm drain basin of Sterling Ranch. Runyan Country Estates has its own storm drain system and basin apart from the storm drain system and basin that are in CSA 19. The residential lots within Runyan Country Estates receive equal benefit as with all the lots within CSA 19, from the extended maintenance service being provided for the landscaped park. Initially, and throughout the development of all subdivision phases, as more lots are created, all parcels receive equal benefit from the extended maintenance of the park, landscaping, and storm drain system unless noted otherwise. The extended maintenance of the storm drain system, and the landscaped storm drain basin and park only provides a special benefit to the parcels within CSA 19; therefore, no general benefit has been assigned.

B. Assessment Methodology

The method of apportionment for the CSA calculates the receipt of special benefits from the respective improvements based on the actual or the proposed land use of the parcels within the CSA. The special benefit received by each lot or parcel is equated to the overall land use of the parcels within the CSA based on the parcel's actual land use or proposed development.

Upon review of the proposed improvements it has been determined that each of the residential parcels within the CSA receives special benefits from all the improvements to be funded by annual assessments. Based on the planned property development a single zone of benefits is appropriate for the allocation of the assessments and proportional benefit. The parcels within the CSA may be identified by one of the following land use classifications and is assigned a weighting factor known as Equivalent Benefit Unit (EBU). The EBU calculated for a specific parcel defines the parcel's proportional special benefits from the CSA's improvements,

facilities and services.

Equivalent Benefit units (EBU):

To assess benefits equitably it is necessary to relate each property's proportional special benefits to the special benefits of all other property in the CSA. The EBU method of apportioning assessments uses the single family home site as the basic unit of assessment. A single family home site equals one EBU. All other land uses are converted to EBU's based on an assessment formula that equates the property's specific development status, type of development (land use) and size of property, as compared to a single family home site.

The EBU method of apportioning special benefits is typically seen as the most appropriate and equitable assessment methodology, as the benefits to each parcel from the improvements are apportioned as a function of land use type, size and development. Not all land use types described in the following are necessarily applicable to the development of properties within the CSA, but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the CSA.

EBU Application by Land Use:

Single Family Residential- This land use is defined as a fully subdivided residential home site with or without structure. This land use is assessed 1.00 EBU per parcel or lot. This is the base value that all other properties are compared and weighted against.

Multi-family Residential- This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property typically includes apartments, duplexes, triplex etc. (It does not typically include condominiums, town-homes, or mobile home parks). Based on average population densities and the size of the structure as compared to a typical single family residential unit, multi-family residential parcels shall be proportionally assessed for the parcel's total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single family residence (sample sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Addition). These various studies indicate the most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases; the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by the CSA, it has been determined that an appropriate allocation of special benefit for multifamily residential properties as compared to a single family residential is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 5 units; 0.50 EBU per unit for units 6 through 50; and 0.25 EBU per unit for all remaining units

Condominium/Town-Home Units- Condominiums and town-homes tend to share attributes of both a single family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single family residential properties, these properties are not usually considered rental property and generally the County assigns each unit a separate APN or assessment number. However, condominiums and town homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors it has been determined that an appropriate allocation of special

benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to the APN. There is not an adjustment factor for parcels with more than five units.

Planned-Residential Development- This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the CSA. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionally for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is assigned an appropriate number of benefit units that reflects the development of that property at build-out (the EBU assigned to each parcel shall represent the combination of single family, condominium, multifamily units to be developed).

Exempt Parcels- This land use identifies properties that are not assessed and are assigned 0.00 EBU. This land use classification may include but is not limited to:

- Lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County);
- Dedicated public easements including open space areas, utility rights-of-way, greenbelts or other publicly owned properties that are part of the CSA improvements or that have little or no improvement value;
- Private properties that cannot be developed independently for an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

Special Cases- in many CSA's where multiple land use classifications are involved there are usually one or more properties that the standard land use classifications or usual calculation of benefit will not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a vacant residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel. The following table provides a summary of land use types, the EBU factors used to calculate each parcels individual EBU as outlined above:

Land use and Equivalent benefit units

Property type	EBU	Multiplier
Single Family Residential	1.00	Per unit/lot (parcel)
Multi-Family Residential	0.75	Per unit for the first 5 units
	0.50	Per unit for units 6 thru 50
	0.25	Per units > 50
Condominium/Town- Home Units	0.75	Per Unit
Planned Residential Development	1.00	Per planned Residential lot
	0.75	Per planned Condominium
	0.75	Per unit for the first 5 units

	0.50	Per unit for units 6-50
	0.25	Per unit >50
Vacant Residential Land	1.00	Per Acre
Public park	0.40	Per Acre
Public Storm Drain Basin)	0.40	Per Acre
Public School	0.40	Per Acre
Industrial Parcel	3.50	Per Acre
Exempt Parcels	0.00	Per parcel

The following formula is used to calculate each parcel's EBU (proportional benefit):

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of EBU's is the sum of all individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (assessment rate) for the improvements is established by taking the total cost of the improvements and dividing the amount by the total number of EBU's of all benefiting parcels from the improvements. The rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

$$\text{Total Balance to Levy} / \text{Total EBU's} = \text{Levy per EBU}$$

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

PART III – BUDGET ANALYSIS

A. Fund Balance

It is estimated there will be a fund balance on June 30, 2018, of \$173,708 for Sterling Ranch (Zone 2) and \$11,319 for Runyan Estates (Zone 1), and \$11,643 for Palm Estates and Wenstrand Ranch (Zone 3) for a total of \$ 196,670 for the CSA. This amount has been generated in order to have funds available for future capital improvements in the storm drain system, landscaped park, and streetscapes. It is estimated that replacement pumps will cost approximately \$27,000 each for labor and materials for a total of \$54,000. This fiscal approach is aimed at accumulating a sufficient reserve by the time the pumps are replaced, so that no increase in the annual assessment will be necessary to cover these costs.

The threat to stormwater quality comes from the urbanized areas within the County, which the CSA's encompass. The County is mandated by the State Water Resources Control Board, Water Quality Order No. 2013-0001-DWQ to regulate stormwater within these urbanized areas. The CSA's receive additional services above the General Benefit for the following permit areas: Education and Outreach (E.7), Public Involvement and Participation Program (E.8), Illicit Discharge Detection and Elimination Program (E.9), Post-Construction Stormwater Management Program (E.12), Water Quality Monitoring (E.13), Program Effectiveness Assessment and Improvement (E.14), Total Maximum Daily Loads Compliance Requirements (E.15) and the Annual Reporting Program (E.16).

The fee structure to implement the state requirements has not been determined for Fiscal Year 2018-2019. An estimated annual fee of \$5 per parcel is included in this year's budget. Any surplus or shortfall will be adjusted in future calculations.

The fiscal year is the 12-month period from July 1st through June 30th of the following year. The annual assessment is received with property taxes collected in December and April. This means the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December, creating a 6-month lag in receiving the money necessary to maintain the various services provided. Therefore, \$31,202 (\$21,860 for Sterling Ranch (Zone 2), \$1,435 for Runyan Estates (Zone 1), and \$7,907 for Palm Estates and Wenstrand Ranch (Zone 3)) of available fund balance will be carried forward to cover costs from July 1st to December 31st.

The fiscal year 2018-2019 assessment for Sterling Ranch Units 1-5 (Zone 2) is \$110.24 per EBU, for Runyan Country Estates (Zone 1) is \$45.60 per EBU, and for Palm Estates and Wenstrand Ranch (Zone 3) is \$247.08. The Fiscal Year 2018-2019 assessments for Zone 1 and 2 are the same as the previous year, which is in compliance with Proposition 218. The proposed budget includes the use of \$9,948 of existing fund balance for Sterling Ranch (Zone 2), \$1,887 for Runyan County Estate (Zone 1), and \$7,000 for Palm Estates and Wenstrand Ranch (Zone 3) to offset operating costs thereby keeping the annual assessment in the same level.

A capital reserve of \$6,000 has been set aside from fund balance for costs associated with a catastrophic event with regards to vandalized irrigation, turf, trees or playground equipment.

B. Budget Formula

Proposition 218, a statewide initiative approved by the voters in November 1996, requires property owners approve any change in the method of calculating assessment and any increase in the assessment rate through a ballot procedure. An assessment ballot procedure occurred during the formation of CSA 19. A majority protest was not filed regarding the formula for calculating the annual assessment and the levy of the annual assessment to pay for services provided by CSA 19. Therefore, a formula for calculating the annual assessment has been approved and is in place. The formula that is being used to calculate the assessments is as follows:

The amount of annual assessment equals the total operation and maintenance cost minus any fund balance from previous year divided equally by the number of EBUs within the CSA 19. A residential parcel with a recorded final map receives the same equal benefit as the number of approved residential properties on or for the parcel annual assessment and the levy of the annual assessment to pay for services provided by CSA 19.

$$\frac{(\text{Total Cost of Operations \& Maintenance-Use of Fund Balance})}{\text{Total EBUs}} = \text{Assessment per EBU}$$

PART IV - SERVICE AREA BUDGET CSA 19

CSA 19

EXPENSE DESCRIPTION	RUNYAN (Zone 1)	STERLING (Zone 2)	Palm Estates and Wenstrand Ranch (Zone 3)
Tuolumne/Runyan	6.08%	93.31%	0.61%
<u>ADMINISTRATION</u>			
County Administration	\$ 48	\$ 737	\$ 5
Miscellaneous/Other Admin Fees	\$ -	\$ -	\$ -
Total	\$ 48	\$ 737	\$ 5
<u>PARKS & RECREATION</u>			
Parks Labor	\$ 1,199	\$ 18,301	\$ 6,450
Parks Vandalism/Graffiti	\$ 18	\$ 251	\$ 47
Parks Utilities	\$ 702	\$ 9,798	\$ 4,400
Parks Other Supplies	\$ 134	\$ 1,874	\$ 1,250
Total	\$ 2,054	\$ 30,223	\$ 12,147
<u>PUBLIC WORKS</u>			
Pond Excavation	\$ -	\$ -	
SWRCB Permit Requirement	\$ 100	\$ 1,535	\$ 10
Pump Replacement	\$ -	\$ -	
Cleaning Drainage System (storm and/or catch basins)	\$ 304	\$ 3,646	\$ 1,260
Street Sweeping	\$ 430	\$ 6,570	\$ 2,350
Curb & Gutter Repair	\$ -	\$ -	
Weed Spraying	\$ -	\$ 1,200	\$ 362
Erosion Control	\$ -	\$ -	
Separator Cleaning	\$ -	\$ -	
Utilities	\$ -	\$ 820	\$ 41
Total	\$ 834	\$ 13,771	\$ 4,023
Capital Improvement Reserve-Parks			
Capital Improvement Reserve -Public Works	\$ -		
General Benefit	\$ (66)	\$ (1,011)	\$ (362)
Total Administration, Parks & Rec, Public Works Budget	\$ 2,870	\$ 43,721	\$ 15,813
<u>Fund Balance Information</u>			
Beginning Fund Balance (Estimated for 2018-19)	\$ 11,319	\$ 173,708	\$ 11,643
Capital Improvement Reserve Parks (-)	\$ (600)	\$ (5,400)	\$ -
Capital Improvement Reserve Public Works (-)	\$ -	\$ (54,000)	\$ -
Available Fund Balance	\$ 10,719	\$ 114,308	\$ 11,643
<u>Adjustments to Available Fund Balance</u>			
General Fund (or PW) Loan Repayment/Advance (+)	\$ -	\$ -	\$ -
Capital Improvement Expenditure -Parks (-)	\$ -	\$ -	\$ -
Capital Improvement Expenditure (pumps etc.) (-)	\$ -	\$ -	\$ -
6 Months Operating Reserve (-)	\$ (1,435)	\$ (21,860)	\$ (7,907)
Use of Fund Balance for FY17/18 (-)	\$ (1,958)	\$ (9,913)	\$ (7,907)
Total Adjustments	\$ (3,392)	\$ (31,773)	\$ (15,813)
Remaining Available Fund Balance	\$ 7,326	\$ 82,534	\$ (4,170)
Total Administration, Parks & Rec, Public Works Budget	\$ 2,870	\$ 43,721	\$ 15,813
Use of Fund Balance (-)	\$ (1,958)	\$ (9,913)	\$ (7,907)
Balance to Levy	\$ 912	\$ 33,808	\$ 7,907
<u>District Statistics</u>			
Total Parcels	20	307	2
Parcels Levied	20	307	2
Total EBU	20.00	306.68	32
Levy per EBU	\$ 45.60	\$ 110.24	\$ 247.08
Capital Reserve Target	\$ 600	\$ 59,400	0

*Runyan receives no benefit from Sterling storm drain system and equal benefit from parks.

PART V - ASSESSMENTS

2018-2019 Assessment (Sterling Ranch Units 1-5 (Zone 2)) = \$33,808 / 306.68 EBU = \$110.24 per EBU

2018-2019 Assessment (Runyan Country Estates (Zone 1)) = \$912 / 20 EBU = \$45.60 per EBU

2018-2019 Assessment (Palm Estates/Wenstrand Ranch (Zone 3)) = \$7,907 / 32 EBU = \$247.08 per EBU

2017-2018 Assessment (Sterling Ranch Units 1-5 (Zone 2)) = \$33,843 / 307 EBU = \$110.24 per EBU

2017-2018 Assessment (Runyan Country Estates (Zone 1)) = \$912 / 20 EBU = \$45.60 per EBU

A method for calculating the annual assessment has been approved per Proposition 218, therefore no ballot procedure is necessary to approve any change in assessment. The Fiscal Year 2018-2019 assessment is in compliance with Proposition 218.

The parcels subject to the assessment are listed on Exhibit "D" that is attached hereto and made a part of this Engineer's Report.

EXHIBIT "D"
PARCEL COUNT FOR
COUNTY SERVICE AREA NO. 19
TOULUMNE - GRATTON SUBDIVISION, DENAIR
FISCAL YEAR 2018-2019

The Assessor's parcels listed below are subject to the annual assessment:

A.P.N.	ASSESSMENT	EBU	A.P.N.	ASSESSMENT	EBU
024-049-014	\$45.60	1	024-057-011	\$110.24	1
024-049-015	\$45.60	1	024-057-012	\$110.24	1
024-049-016	\$45.60	1	024-057-013	\$110.24	1
024-049-017	\$45.60	1	024-057-014	\$110.24	1
024-049-018	\$45.60	1	024-057-015	\$110.24	1
024-049-019	\$45.60	1	024-057-016	\$110.24	1
024-049-020	\$45.60	1	024-057-017	\$110.24	1
024-049-021	\$45.60	1	024-057-018	\$110.24	1
024-049-022	\$45.60	1	024-057-019	\$110.24	1
024-049-023	\$45.60	1	024-057-020	\$110.24	1
024-049-024	\$45.60	1	024-057-021	\$110.24	1
024-049-025	\$45.60	1	024-057-022	\$110.24	1
024-049-026	\$45.60	1	024-057-023	\$110.24	1
024-049-027	\$45.60	1	024-057-024	\$110.24	1
024-049-028	\$45.60	1	024-057-025	\$110.24	1
024-049-029	\$45.60	1	024-057-026	\$110.24	1
024-049-030	\$45.60	1	024-057-027	\$110.24	1
024-049-031	\$45.60	1	024-057-028	\$110.24	1
024-049-032	\$45.60	1	024-057-029	\$110.24	1
024-049-033	\$45.60	1	024-057-030	\$110.24	1
TOTAL		20	024-057-031	\$110.24	1
024-057-001	\$110.24	1	024-057-032	\$110.24	1
024-057-002	\$110.24	1	024-057-033	\$110.24	1
024-057-003	\$110.24	1	024-057-034	\$110.24	1
024-057-004	\$110.24	1	024-057-035	\$110.24	1
024-057-005	\$110.24	1	024-057-036	\$110.24	1
024-057-006	\$110.24	1	024-057-037	\$110.24	1
024-057-007	\$110.24	1	024-057-038	\$110.24	1
024-057-008	\$110.24	1	024-057-039	\$110.24	1
024-057-009	\$110.24	1	024-057-040	\$110.24	1
024-057-010	\$110.24	1	024-057-041	\$110.24	1
			024-057-042	\$110.24	1

EXHIBIT "D"
PARCEL COUNT FOR
COUNTY SERVICE AREA NO. 19
TOULUMNE - GRATTON SUBDIVISION, DENAIR
FISCAL YEAR 2018-2019

The Assessor's parcels listed below are subject to the annual assessment:

A.P.N.	ASSESSMENT	EBU	A.P.N.	ASSESSMENT	EBU
024-057-043	\$110.24	1	024-057-075	\$110.24	1
024-057-044	\$110.24	1	024-057-076	\$110.24	1
024-057-045	\$110.24	1	024-057-077	\$110.24	1
024-057-046	\$110.24	1	024-057-078	\$110.24	1
024-057-047	\$110.24	1	024-057-079	\$110.24	1
024-057-048	\$110.24	1	024-057-080	\$110.24	1
024-057-049	\$110.24	1	024-057-081	\$110.24	1
024-057-050	\$110.24	1			
024-057-051	\$110.24	1			
024-057-052	\$110.24	1			
024-057-053	\$110.24	1			
024-057-054	\$110.24	1			
024-057-055	\$110.24	1			
024-057-056	\$110.24	1			
024-057-057	\$110.24	1			
024-057-058	\$110.24	1			
024-057-059	\$110.24	1			
024-057-060	\$110.24	1			
024-057-061	\$110.24	1			
024-057-062	\$110.24	1			
024-057-063	\$110.24	1			
024-057-064	\$110.24	1			
024-057-065	\$110.24	1			
024-057-066	\$110.24	1			
024-057-067	\$110.24	1			
024-057-068	\$110.24	1			
024-057-069	\$110.24	1			
024-057-070	\$110.24	1			
024-057-071	\$110.24	1			
024-057-072	\$110.24	1			
024-057-073	\$110.24	1			
024-057-074	\$110.24	1			

EXHIBIT "D"
PARCEL COUNT FOR
COUNTY SERVICE AREA NO. 19
TOULUMNE - GRATTON SUBDIVISION, DENAIR
FISCAL YEAR 2018-2019

The Assessor's parcels listed below are subject to the annual assessment:

A.P.N.	ASSESSMENT	EBU	A.P.N.	ASSESSMENT	EBU
024-058-024	\$110.24	1	024-058-056	\$110.24	1
024-058-025	\$110.24	1	024-058-057	\$110.24	1
024-058-026	\$110.24	1	024-058-058	\$110.24	1
024-058-027	\$110.24	1	024-058-059	\$110.24	1
024-058-028	\$110.24	1	024-058-060	\$110.24	1
024-058-029	\$110.24	1	024-058-061	\$110.24	1
024-058-030	\$110.24	1	024-058-062	\$110.24	1
024-058-031	\$110.24	1	024-058-063	\$110.24	1
024-058-032	\$110.24	1	024-058-064	\$110.24	1
024-058-033	\$110.24	1	024-058-065	\$110.24	1
024-058-034	\$110.24	1	024-058-066	\$110.24	1
024-058-035	\$110.24	1	024-058-067	\$110.24	1
024-058-036	\$110.24	1	024-058-068	\$110.24	1
024-058-037	\$110.24	1	024-058-069	\$110.24	1
024-058-038	\$110.24	1	024-058-070	\$110.24	1
024-058-039	\$110.24	1	024-058-071	\$110.24	1
024-058-040	\$110.24	1	024-058-072 3.1 (acres)	\$136.70	1.24
024-058-041	\$110.24	1	TOTAL		\$7,963.74 72.24
024-058-042	\$110.24	1			
024-058-043	\$110.24	1	024-060-001	\$110.24	1
024-058-044	\$110.24	1	024-060-002	\$110.24	1
024-058-045	\$110.24	1	024-060-003	\$110.24	1
024-058-046	\$110.24	1	024-060-004	\$110.24	1
024-058-047	\$110.24	1	024-060-005	\$110.24	1
024-058-048	\$110.24	1	024-060-006	\$110.24	1
024-058-049	\$110.24	1	024-060-007	\$110.24	1
024-058-050	\$110.24	1	024-060-008	\$110.24	1
024-058-051	\$110.24	1	024-060-009	\$110.24	1
024-058-052	\$110.24	1	024-060-010	\$110.24	1
024-058-053	\$110.24	1	024-060-011	\$110.24	1
024-058-054	\$110.24	1	024-060-012	\$110.24	1
024-058-055	\$110.24	1	024-060-013	\$110.24	1

EXHIBIT "D"
PARCEL COUNT FOR
COUNTY SERVICE AREA NO. 19
TOULUMNE - GRATTON SUBDIVISION, DENAIR
FISCAL YEAR 2018-2019

The Assessor's parcels listed below are subject to the annual assessment:

A.P.N.	ASSESSMENT	EBU	A.P.N.	ASSESSMENT	EBU
024-060-014	\$110.24	1	024-060-046	\$110.24	1
024-060-015	\$110.24	1	024-060-047	\$110.24	1
024-060-016	\$110.24	1	024-060-048	\$110.24	1
024-060-017	\$110.24	1	024-060-049	\$110.24	1
024-060-018	\$110.24	1	024-060-050	\$110.24	1
024-060-019	\$110.24	1	024-060-051	\$110.24	1
024-060-020	\$110.24	1	024-060-052	\$110.24	1
024-060-021	\$110.24	1	024-060-053	\$110.24	1
024-060-022	\$110.24	1	024-060-054 1.1 (acres)	\$48.51	0.44
024-060-023	\$110.24	1	TOTAL	\$5,891.23	53.44
024-060-024	\$110.24	1			
024-060-025	\$110.24	1	024-061-001	\$110.24	1
024-060-026	\$110.24	1	024-061-002	\$110.24	1
024-060-027	\$110.24	1	024-061-003	\$110.24	1
024-060-028	\$110.24	1	024-061-004	\$110.24	1
024-060-029	\$110.24	1	024-061-005	\$110.24	1
024-060-030	\$110.24	1	024-061-006	\$110.24	1
024-060-031	\$110.24	1	024-061-007	\$110.24	1
024-060-032	\$110.24	1	024-061-008	\$110.24	1
024-060-033	\$110.24	1	024-061-009	\$110.24	1
024-060-034	\$110.24	1	024-061-010	\$110.24	1
024-060-035	\$110.24	1	024-061-011	\$110.24	1
024-060-036	\$110.24	1	024-061-012	\$110.24	1
024-060-037	\$110.24	1	024-061-013	\$110.24	1
024-060-038	\$110.24	1	024-061-014	\$110.24	1
024-060-039	\$110.24	1	024-061-015	\$110.24	1
024-060-040	\$110.24	1	024-061-016	\$110.24	1
024-060-041	\$110.24	1	024-061-017	\$110.24	1
024-060-042	\$110.24	1	024-061-018	\$110.24	1
024-060-043	\$110.24	1	024-061-019	\$110.24	1
024-060-044	\$110.24	1	024-061-020	\$110.24	1
024-060-045	\$110.24	1	024-061-021	\$110.24	1

EXHIBIT "D"
PARCEL COUNT FOR
COUNTY SERVICE AREA NO. 19
TOULUMNE - GRATTON SUBDIVISION, DENAIR
FISCAL YEAR 2018-2019

The Assessor's parcels listed below are subject to the annual assessment:

A.P.N.	ASSESSMENT	EBU	A.P.N.	ASSESSMENT	EBU	
024-061-022	\$110.24	1	024-063-003	\$110.24	1	
024-061-023	\$110.24	1	024-063-004	\$110.24	1	
024-061-024	\$110.24	1	024-063-005	\$110.24	1	
024-061-025	\$110.24	1	024-063-006	\$110.24	1	
024-061-026	\$110.24	1	024-063-007	\$110.24	1	
024-061-027	\$110.24	1	024-063-008	\$110.24	1	
024-061-028	\$110.24	1	024-063-009	\$110.24	1	
024-061-029	\$110.24	1	024-063-010	\$110.24	1	
024-061-030	\$110.24	1	024-063-011	\$110.24	1	
024-061-031	\$110.24	1	024-063-012	\$110.24	1	
024-061-032	\$110.24	1	024-063-013	\$110.24	1	
024-061-033	\$110.24	1	024-063-014	\$110.24	1	
024-061-034	\$110.24	1	024-063-015	\$110.24	1	
024-061-035	\$110.24	1	024-063-016	\$110.24	1	
024-061-036	\$110.24	1	024-063-017	\$110.24	1	
024-061-037	\$110.24	1	024-063-018	\$110.24	1	
024-061-038	\$110.24	1	024-063-019	\$110.24	1	
024-061-039	\$110.24	1	024-063-020	\$110.24	1	
024-061-040	\$110.24	1	024-063-021	\$110.24	1	
024-061-041	\$110.24	1	024-063-022	\$110.24	1	
024-061-042	\$110.24	1	024-063-023	\$110.24	1	
024-061-043	\$110.24	1	024-063-024	\$110.24	1	
024-061-044	\$110.24	1	024-063-025	\$110.24	1	
024-061-045	\$110.24	1	024-063-026	\$110.24	1	
024-061-046	\$110.24	1	024-063-027	\$110.24	1	
024-061-047	\$110.24	1	024-063-028	\$110.24	1	
024-061-048	\$110.24	1	024-063-029	\$110.24	1	
024-061-049	\$110.24	1	024-063-030	\$110.24	1	
024-061-050	\$110.24	1	024-063-031	\$110.24	1	
TOTAL		\$5,512.00	50	024-063-032	\$110.24	1
			024-063-033	\$110.24	1	
			024-063-034	\$110.24	1	

The Assessor's parcels listed below are subject to the annual assessment:

	Runyan	\$912.00	20
	Sterling	\$33,808.40	306.68
Palm Estates/Wenstrand		\$7,906.56	32.00
	CSA TOTAL	\$42,626.96	358.68