



**STANISLAUS LAFCO  
LOCAL AGENCY FORMATION COMMISSION**

**Sara Lytle-Pinhey, Executive Officer**  
1010 10<sup>th</sup> Street, Third Floor  
Modesto, California 95354  
Phone: 209-525-7660  
Fax: 209-525-7643  
[www.stanislauslafco.org](http://www.stanislauslafco.org)

**Chair Terry Withrow**, County Member  
**Vice Chair, Michael Van Winkle**, City Member  
Jim DeMartini, County Member  
Bill Berryhill, Public Member  
Amy Bublak, City Member  
Richard O'Brien, Alternate City Member  
Brad Hawn, Alternate Public Member  
Vito Chiesa, Alternate County Member

---

**AGENDA  
Wednesday, January 23, 2019  
6:00 P.M.  
Joint Chambers—Basement Level  
1010 10<sup>th</sup> 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 10<sup>th</sup> Street, 3<sup>rd</sup> 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 December 5, 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 Quarterly – December 2018.

- 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. **MID-YEAR BUDGET REPORT FOR FISCAL YEAR 2018-2019.** (Staff Recommendation: Receive and File Report.)

**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 APPLICATION NO. 2018-08 AND SOI NO. 18-08 – KEYES 19 NORTH & SOUTH REORGANIZATION TO THE KEYES COMMUNITY SERVICES DISTRICT (CSD) AND COUNTY SERVICE AREA (CSA) 26.** The Commission will consider a request annex two residential subdivisions totaling 19 acres to the Keyes CSD for water and sewer services and CSA 26 for storm drainage, park facilities, a block wall and landscaping. The CSA 26 annexation will include a sphere of influence amendment. APNs: 045-021-003, 023, 024, 045-071-005 and a portion of 045-021-008 for the CSD and the entire parcel for the CSA 26. The Commission will consider the mitigated negative declaration prepared by the County pursuant to CEQA (Staff Recommendation: Adopt Resolution No. 2019-03, approving the proposal.)

**8. OTHER BUSINESS**

- A. **INITIATION OF DISSOLUTION PROCEEDINGS FOR INACTIVE RECLAMATION DISTRICTS NUMBERS 1602, 2031, AND 2101.** (Staff Recommendation: Adopt Resolution No. 2019-02 initiating dissolution proceedings for the inactive Reclamation Districts.)

- B. **ANNUAL ELECTION OF OFFICERS.** (Staff Recommendation: Appoint a Chairperson and Vice-Chairperson and adopt Resolution No. 2019-01a and 2019-01b.)

**9. COMMISSIONER COMMENTS**

Commission Members may provide comments regarding LAFCO matters.

**10. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON**

The Commission Chair may announce additional matters regarding LAFCO matters.

**11. EXECUTIVE OFFICER'S REPORT**

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

- A. On the Horizon.

## 12. ADJOURNMENT

- A. Set the next meeting date of the Commission for February 27, 2019.
- 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

December 5, 2018

### 1. CALL TO ORDER

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

- A. Pledge of Allegiance to Flag. Chair Withrow led in the pledge of allegiance to the flag.
- B. Introduction of Commissioners and Staff. Chair Withrow led in the introduction of the Commissioners and Staff.

Commissioners Present: Terry Withrow, Chair, County Member  
Jim DeMartini, County Member  
Amy Bublak, City Member  
Bill Berryhill, Public Member  
Richard O'Brien, Alternate City Member

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

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

### 2. PUBLIC COMMENT

None.

### 3. APPROVAL OF MINUTES

- A. Minutes of the October 24, 2018 Meeting.

Motion by Commissioner Berryhill, seconded by Commissioner O'Brien and carried with a 5-0 vote to approve the Minutes of the October 24, 2018 meeting by the following vote:

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



**4. CORRESPONDENCE**

A. Specific Correspondence.

1. Memo from Staff regarding Agenda Item 7A – Out-of-Boundary Service Application – Modesto Mobile Home Park (City of Modesto)

B. Informational Correspondence.

1. Letter from Keith Schneider of the Keystone Corporation dated November 14, 2018.
2. 2019 CALAFCO Events Calendar.

C. “In the News”

**5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

None.

**6. CONSENT ITEMS**

A. **ADOPTION OF AN UPDATED CONFLICT OF INTEREST CODE FOR STANISLAUS LAFCO** (Staff Recommendation: Adopt Resolution No. 2018-11.)

Motion by Commissioner Bublak, seconded by Commissioner Berryhill, and carried with a 5-0 vote to approve Resolution No. 2018-11, by the following vote:

|             |   |
|-------------|---|
| Ayes:       | Commissioners: Berryhill, Bublak, DeMartini, O'Brien, and Withrow |
| Noes:       | Commissioners: None   |
| Ineligible: | Commissioners: None   |
| Absent:     | Commissioners: Chiesa, Hawn and Van Winkle                        |
| Abstention: | Commissioners: None   |

B. **MUNICIPAL SERVICE REVIEW 2018-04 AND SPHERE OF INFLUENCE 2018-07 UPDATE FOR THE OAKDALE IRRIGATION DISTRICT.** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Oakdale Irrigation District. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to sections 15306 and 15601(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2018-21.)

Motion by Commissioner Bublak, seconded by Commissioner Berryhill, and carried with a 5-0 vote to approve Resolution No. 2018-21, by the following vote:

|             |   |
|-------------|---|
| Ayes:       | Commissioners: Berryhill, Bublak, DeMartini, O'Brien, and Withrow |
| Noes:       | Commissioners: None   |
| Ineligible: | Commissioners: None   |
| Absent:     | Commissioners: Chiesa, Hawn and Van Winkle                        |
| Abstention: | Commissioners: None   |

C. **2019 WORK PROGRAM – MUNICIPAL SERVICE REVIEW & SPHERE OF INFLUENCE UPDATES.** (Staff Recommendation: Adopt the 2019 Work Program.)

Motion by Commissioner Bublak, seconded by Commissioner Berryhill, and carried with a 5-0 vote to adopt the 2019 Work Program, by the following vote:

|             |   |
|-------------|---|
| Ayes:       | Commissioners: Berryhill, Bublak, DeMartini, O'Brien, and Withrow |
| Noes:       | Commissioners: None   |
| Ineligible: | Commissioners: None   |
| Absent:     | Commissioners: Chiesa, Hawn and Van Winkle                        |
| Abstention: | Commissioners: None   |

7. **PUBLIC HEARING**

A. **OUT-OF-BOUNDARY SERVICE APPLICATION – MODESTO MOBILE HOME PARK – (CITY OF MODESTO).** The Commission will consider a request from the City of Modesto to extend sewer service to the Modesto Mobile Home Park located at 4024 McHenry Avenue. The extension is considered exempt from the California Environmental Quality Act (CEQA) pursuant to section 15301(b)(3) of the CEQA Guidelines. (Staff Recommendation: Adopt Resolution No. 2018-20 Option 2, denying the proposal.)

Sara Lytle-Pinhey, Executive Officer, presented the item with a recommendation of Continuance to the January 23, 2019 meeting.

Chair Withrow opened the Public Hearing at 6:03 p.m.

Margot Roen, representative for the property owner, CTC Investors, spoke in support of the project.

LAFCO Staff requested a 5-minute break to review a proposed condition for the resolution.

6:30 p.m. Chair Withrow initiated a break.

6:52 p.m. Chair Withrow reconvened the meeting.

Chair Withrow closed the Public Hearing at 7:02 p.m.

Motion by Commissioner O'Brien, seconded by Commissioner Berryhill, and carried with a 5-0 vote to approve Resolution No. 2018-20 (Option 1) including an additional condition stating that prior to connection, the property owner must submit the appropriate annexation application and fees in a form acceptable to the City of Modesto, by the following vote:

|             |   |
|-------------|---|
| Ayes:       | Commissioners: Berryhill, Bublak, DeMartini, O'Brien, and Withrow |
| Noes:       | Commissioners: None   |
| Ineligible: | Commissioners: None   |
| Absent:     | Commissioners: Chiesa, Hawn and Van Winkle                        |
| Abstention: | Commissioners: None   |

**8. COMMISSIONER COMMENTS**

Commissioner DeMartini commented on the letter from Keith Schneider of the Keystone Corporation, regarding in-lieu fees. He would like to see Staff bring the item back to the Commission for review.

**9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON**

None.

**10. EXECUTIVE OFFICER'S REPORT**

A. On the Horizon. The Executive Officer informed the Commission of the following:

- Upcoming items for January will include three dissolutions for inactive districts, the Mid-Year Budget and an annexation to the Keyes Community Services District and County Service Area.
- Staff will be working on scheduling a proposed policy amendment for February's meeting.

**11. ADJOURNMENT**

A. Chair Withrow adjourned the meeting at 7:08 p.m.

**SIGNED COPY ON FILE**

---

Sara Lytle-Pinhey, Executive Officer

# News from the Board of Directors

## CALAFCO QUARTERLY

December 2018

### CALAFCO Board and Staff Changes

Results of the recent CALAFCO Board of Directors elections netted several new Board members for 2019. One northern representative elected to fill the City seat lost a local election, so there is now a 2-year vacancy being filled by the Board. Current Board members include:

**Northern:** **Bill Connelly** (Butte), **Debra Lake** (Humboldt) and **Josh Susman** (Nevada).

**Southern:** **Cheryl Brothers** (Orange), **Mike Kelley** (Imperial), **Jo MacKenzie** (San Diego) and **David West** (Imperial).

**Coastal:** **Mike McGill** (Contra Costa), **Margie Mohler** (Napa), **Jane Parker** (Monterey) and **Susan Vicklund Wilson** (Santa Clara).

**Central:** **Shiva Frentzen** (El Dorado), **Gay Jones** (Sacramento), **Anita Paque** (Calaveras) and **Daniel Parra** (Fresno – filling a 1-year term).

In October the Board said goodbye to **John Leopold** (Santa Cruz), **Gerard McCallum** (Los Angeles) and **Ricky Samayoa** (Yuba), and earlier this year **Bill Kirby** (Placer) left the CALAFCO Board. We thank all of them for their service and many contributions to CALAFCO.

Additionally, a new Southern region DEO was appointed. We welcome **Keene Simonds** (San Diego) to the team, and thank outgoing DEO **Carolyn Emery** (Orange) for her service.

### CALAFCO Board 2019 Officers and Committees

At their December 7 meeting, the CALAFCO Board elected their officers for 2019 as follows:

Chair – **Josh Susman** (Nevada – northern)  
 Vice Chair – **Mike McGill** (Contra Costa – coastal)  
 Secretary – **Mike Kelley** (Imperial – southern)  
 Treasurer – **Shiva Frentzen** (El Dorado – central)

They also appointed members to the 2019 standing committees as follows:

#### Legislative Committee

Bill Connelly (North)  
 Shiva Frentzen (Central)  
 Jo MacKenzie (South)  
 Susan Vicklund Wilson (Coastal)  
 Mike McGill (At-Large)  
 Gay Jones (a) (At-Large)  
 Michael Kelley (a) (South)  
 Margie Mohler (a) (Coastal)  
 Anita Paque (a) (Central)  
 Josh Susman (a) (North)

#### Elections Committee

Cheryl Brothers  
 Shiva Frentzen (Chair)  
 Jane Parker  
 Josh Susman

#### Awards Committee

Cheryl Brothers  
 Mike Kelley (Chair)  
 Debra Lake  
 Margie Mohler  
 Daniel Parra

#### 2019 Annual Conference

Debra Lake  
 Anita Paque (Chair)  
 Jane Parker  
 Daniel Parra  
 Josh Susman  
 David West

### Conferences and Workshops Update

#### 2018 ANNUAL CONFERENCE A SUCCESS

A final Conference program report was provided to the Board on December 7 (financial report will be provided once the 2nd quarter financials are closed). The Conference was held October 3-5 in Yosemite at the beautiful



Tenaya Lodge. Approximately 294 commissioners, staff, associate members, guests and speakers attended the Conference. A total of 47 LAFcos were represented. Participant evaluations rated the overall experience a 5.5 out of 6.0 (the highest since we have been tracking). This year we had a total of \$25,750 in sponsorship revenue, with 15 total sponsors of varying levels. CALAFCO thanks all of our sponsors for your support and participation in this event.

We also thank Conference Chair **Anita Paque**, Program Committee Co-Chairs **Carolyn Emery** and **Christine Crawford**, everyone who worked to plan the program and all of you who volunteered and helped on site. A very special thank you goes out to Madera County Supervisor (and Madera LAFco Commissioner) **Tom Wheeler** and his Chief of Staff **Brittany Dyer** for planning and delivering such an outstanding Mobile Workshop and Thursday luncheon keynote on tree mortality. The Mobile Workshop ratings were a perfect 6.0.

All program presentations were placed on the CALAFCO website the week before the Conference.



**MARK YOUR CALENDARS FOR THE 2019 ANNUAL CONFERENCE: October 30 – November 1 in Sacramento** at the Hyatt Regency downtown.

#### 2019 STAFF WORKSHOP

The 2019 Staff Workshop is set for April 10-12 at the Holiday Inn in San Jose. Our host for this workshop will be **Santa Clara LAFco**. The Program Planning Committee is working hard and already has a **hot** line-up of sessions you will not want to miss! Keep an eye open for registration details coming in January.

#### CALAFCO Congratulates the 2018 Annual Achievement Award Recipients

CALAFCO wishes to congratulate all of this year's nominees, and especially those who received the 2018 Achievement Award.



- ❖ Outstanding Commissioner – **Margie Mohler** (Napa LAFco)
- ❖ Outstanding LAFco Clerk – **Elizabeth Valdez** (Riverside LAFco)
- ❖ Outstanding LAFco Professional – **George Williamson** (Del Norte and Shasta LAFcos)
- ❖ Distinguished Service – **John Withers** (formerly of Orange LAFco)
- ❖ Outstanding Associate Member – **Best Best & Krieger**
- ❖ Project of the Year – **Lake LAFco** (Cobb Fire)
- ❖ Government Leadership – **County of Tulare, City of Porterville, CA Dept. of Water Resources, CA State Water Resources Control Board, Governor's Office of Emergency**



### **Services, Self-Help Enterprises and Community Water Center** (East Porterville water supply project)

- ❖ Most Effective Commission – **Santa Clara LAFCo**
- ❖ Mike Gotch Courage & Innovation – **Mike Ott** (formerly of San Diego LAFCo)
- ❖ Lifetime Achievement – **Pat McCormick** (Santa Cruz LAFCo) and **George Spiliotis** (Riverside LAFCo)
- ❖ Legislator of the Year – **Assemblymember Anna Caballero**

### **CALAFCO Board Actions**

The Board met on October 5 and appointed the staff members of the 2019 Legislative and Advisory Committees. They also adopted their 2019 annual meeting calendar which includes the biennial strategic planning retreat on February 28, 2019 in Irvine.



During the Board's meeting on December 7, they took the following actions:

- ◆ Received and filed the 1<sup>st</sup> quarter financial reports
- ◆ Received and filed the Annual Conference report
- ◆ Decided on the priority topics for their February Strategic Planning Workshop
- ◆ Unanimously approved the 2019 legislative priorities
- ◆ Adopted the CALAFCO 2019 Legislative Policies

### **CALAFCO White Papers and Other Publications**

We are pleased to report several projects completed in the latter part of the year.

#### **DUC Mapping Project Complete**

The long awaited disadvantaged unincorporated community (DUC) mapping statewide project is complete and on the CALAFCO website. This map is not intended to supersede any individual LAFCo DUC map but rather to fulfill requirements in SB 244 (Wolk, 2011) of LAFCos statewide needing to map DUCs. CALAFCO wishes to thank **Joe Serrano** (Monterey) for his assistance in this mapping project. The map can be found on the CALAFCO website in the Resources section.

#### **White Paper Published**

In partnership with the Strategic Growth Council (SGC), CALAFCO published a White Paper titled, **Creating Sustainable Communities and Landscapes**. The paper is intended to be a guide for LAFCos, Counties, Cities and other local entities with respect to urban growth boundaries. We wish to thank the authors of the paper including **Ena Lupine**, SGC; **Emily Tibbott**, SGC; **Michael McCormick**, OPR; and **Jessie Hudson**, OPR. The Advisory Working Group included: **Pamela Miller**, CALAFCO; **Neelima Palacherla**, Santa Clara LAFCo; **Michael McCormick**, OPR; **Emily Tibbott**, SGC; **Randall Winston**, SGC; and **Louise Bedsworth**, SGC. Special thanks to **Mark Bramfitt** (Sonoma), **Kai Luoma** (Ventura), **Sara Lytle-Piney** (Stanislaus) and **Neelima Palacherla** (Santa Clara) for their help in developing case studies for each of the four counties.

Each LAFCo received a special bound hard copy of the white paper and it is available on the CALAFCO website.

### **CALAFCO Legislative Update**

The new Legislature will convene January 7. With a new Administration, a super majority and a number of new legislators, 2019 is expected to be unpredictable (more so than usual).



During their December 7 meeting, the CALAFCO Board of Directors deliberated at length about the 2019 legislative priorities. In the end, they unanimously decided to sponsor an Omnibus bill, try one more time for LAFCo grant funding (a follow up to AB 2258, Caballero from last year) and begin a two-year project on evaluating and possibly amending the protest provisions. The latter two priorities were recommendations in the 2017 Little Hoover Commission report.

CALAFCO has been asked to participate in DWR's County Drought Advisory Group. Our representatives are **Mike McGill** (Contract Costa), **Josh Susman** (Nevada) and **Pamela Miller** (CALAFCO).



### **CALAFCO Associate Members' Corner**

This section highlights our Associate Members. The information below is provided to CALAFCO by the Associate member upon joining the Association. All Associate member information can be found in the CALAFCO Member Directory.

*We are pleased to welcome a new Silver Associate Member to CALAFCO, Pacific Gold Agriculture LLC.*

#### **Pacific Gold Agriculture, LLC**



**Pacific Gold Agriculture** is focused on sustainable agricultural practices and overall sustainability. They desire to work with LAFCos to ensure sustainability in agricultural communities. For more information, visit their website at [www.pacgoldag.com](http://www.pacgoldag.com) or contact Chief Executive Officer **Ben King** at [bking@pacgoldag.com](mailto:bking@pacgoldag.com) or call 530-723-3119.

Congratulations to the 2018 CALAFCO Outstanding Associate Member of the Year, **Best Best & Krieger**.



In meeting the needs of public and private sector clients, BB&K offers unique experiences in handling complex, multi-disciplinary issues and providing solutions of common interest to leaders of both business and government, including LAFCo law. **BB&K** has been CALAFCO's legal counsel since 1982.

*CALAFCO wishes to thank all of our Associate Members for your support and partnership. We look forward to continuing to highlight our Associate Members in each Quarterly Report.*





### Around the State

#### Monterey LAFCo

CALAFCO was pleased to attend the **Monterey LAFCo** meeting on December 3 to bid farewell to Commissioner **Simón Salinas** after serving 22 years on the Monterey LAFCo, in honor of his leadership in the CA State Assembly and his contributions to the CALAFCO Board. His countless contributions to LAFCos throughout the state as a result of his many years of public service are greatly appreciated and we wish him well in his retirement.



#### Riverside LAFCo



It was with mixed emotions we visited **Riverside LAFCo** on December 6 to honor Executive Officer George Spiliotis at his last meeting after serving 29 years with his LAFCo and his countless contributions to CALAFCO. The day before there was a celebration in his honor and sporting one of his more conservative shirt and tie combos, George celebrated with a host of friends and colleagues. We wish George all the best in his retirement.



#### Contra Costa LAFCo

Contra Costa LAFCo is processing its fourth district dissolution in the last 13 months. Three of the dissolutions were initiated by LAFCo, two of which were/are inactive districts.

#### El Dorado LAFCo

The staff at El Dorado LAFCo congratulates LAFCo Chair **Shiva Frentzen** on her election as Treasurer to the CALAFCO Board of Directors. We also welcome **Riley Nork**, who started on September 17 as our new Assistant Policy Analyst. Finally, in 2018, LAFCo has held two study sessions on the state of fire protection districts. We thank San Diego LAFCo for lending the expertise of **John Traylor**, who provided valuable insight to this Commission. The next study session will be at the January 23<sup>rd</sup> meeting where the Commission will be examining various alternative governing models.

#### Merced LAFCo

After serving as both a city and a county appointed Commissioner for the past 35 years, Supervisor **Jerald (Jerry) O'Banion** is retiring as a Supervisor and therefore as a Merced LAFCo Commissioner. During this unprecedented span he participated in the adoption of the initial sphere of influence reports and all municipal service reviews. Jerry is a believer in control and in agencies answerable to their constituents, firm urban boundaries and agricultural preservation. The Merced LAFCo family wishes him a relaxing well-deserved retirement.

#### Napa LAFCo

Napa LAFCo is hiring a new Analyst, Dawn Mittleman Longoria, who previously served as Marin LAFCo EO from 1989 to 1998. Dawn also served as a Commissioner for Sonoma LAFCo and was Legislative

Chair for CALAFCO at one time. Dawn worked in her consulting capacity with Pat McCormick recently as the project manager for Santa Cruz LAFCo's Mid-County Fire Agencies Consolidation Feasibility Study and Service Review. Dawn's first day on the job is January 14, 2019.

#### San Diego LAFCo

San Diego LAFCo is pleased to announce the addition of two new employees. Dieu Ngu started in November 2018 as our new fulltime GIS Analyst. Dieu most recently worked for GIS Surveyors, Inc. and earned a graduate degree in GIS from the University of Redlands. Alex Vidal is scheduled to start in January 2019 as a fulltime Analyst I. Alex recently finished an internship with the City of Louisville and earned a graduate degree in environmental planning from the University of Georgia.



#### San Luis Obispo LAFCo

San Luis Obispo LAFCo has been very busy with a variety of typical and unique CKH work. These are some of the things keeping the SLO life interesting:

- ◆ Completed the annexation of a 131 acre parcel with 109 acres of prime agricultural land that was surrounded by the City of SLO. This annexation provided conditions requiring that at least 56 acres (amount proposed for conversion) of prime agricultural land (onsite and offsite) be placed in a conservation easement prior to submitting the annexation to the Board of Equalization. The City of San Luis Obispo was great to work with and Mike Prater, Deputy Executive Officer, did a wonderful job of coordinating the pieces to the puzzle.
- ◆ Working with the County and District, SLO LAFCo completed the dissolution of the Cayucos Fire Protection District and the activation of fire authority for CSA 10. A changing of the guard ceremony from the Fire District crew to the CAL FIRE/County Fire crew was conducted on December 1<sup>st</sup> at the Station in Cayucos.

A huge thanks to Donna Bloyd, Commission Clerk, for her dedication to herding all the cats associated with all this good work and being the glue that holds things together. So appreciate her willingness to laugh in the face of it all. Also a warm welcome to Brian Pierik, Burke, Williams and Sorensen, as our new legal counsel!

#### San Mateo LAFCo

San Mateo LAFCo welcomes Alternate Special District Member Kati Martin and Alternate Public Member James O'Neill. San Mateo LAFCo has also filled the newly created position of Management Analyst and welcomes Rob Bartoli who brings valuable planning and environmental review expertise.

#### Sierra LAFCo

Sierra LAFCo is seeing activity pick up. They recently approved a large fire district annexation and has another pending with Plumas County for a hospital district.

On the fire district proposal, over one third of the county (east side) was proposed to be annexed into an existing fire protection district based out of Sierraville. This included border communities shared with Washoe County, Nevada (state)



(Verdi and Long Valley) and included new assessments under the County Service Area laws as well as agreements between the district annexing the territory and the fire protection service agency operating out of Washoe County, Nevada (Truckee Meadows Fire Protection District) since this agency already provided professional fire services to its portion of the "border communities" in Nevada. This proceeding removed the County from any fire protection responsibility, included a detailed property tax transfer, and gave structural fire protection and EMS services to several population centers that had no formal fire protection (not within any district). The uniqueness of this "border" issue coupled with the mere size of the annexation stands out.

The second proceeding was the old Sierra Valley Hospital District (a district entirely within the boundary of Sierra County) that formerly operated a hospital in Loyalton. The Hospital and adjacent clinic buildings were sold to Eastern Plumas Health Care District (a district entirely within the boundary of Plumas County) years ago and the hospital was later converted to a skilled nursing facility, operated by EPHC. The Sierra Valley Hospital District continued to collect taxes, pay off bonds that are due to expire in 2023, provide insurance (even though offering no services) and paying for an annual audit (again even though providing no services) and of course, the Board of Supervisors had one heck of a time finding people to serve on the Hospital District Board. EPHC received special legislation to allow out-of-service-area exemption for a period of time while EPHC contemplated annexation of the property located within Sierra County-the Sierra Valley Hospital District. So Plumas LAFCo as principal County and through agreement with Sierra LAFCo is now processing what is best described as a dissolution of the Sierra Valley Hospital District and an annexation of a majority of the former Sierra Valley Hospital District lands into the EPHC district.

### Did You Know??

#### Certificate of Recognition Program

Did you know that CALAFCO has a **Certificate of Recognition Program** and offers it at no



cost to our members (both LAFCo and Associate members)? The program has been in place several years and while a few of you utilize this service, most of you do not. For details, visit the

CALAFCO website in the Member Services Section and upload the program packet or contact the CALAFCO Executive Director.



#### DUC Map

Did you know that if your LAFCo has not mapped DUCs in accordance with SB 244 (2011) that the **DUC map** on the CALAFCO website can be used by your LAFCo?  
[https://calafco.org/calafco\\_duc/](https://calafco.org/calafco_duc/)

#### Meeting Documents Online

Did you know that all **CALAFCO Board of Directors and Legislative Committee meeting documents are online**? Visit the Boards & Committees pages in the Members Section of the site. Board documents date back to 2008 and Legislative Committee documents back to 2007.



*Happy Holidays  
to all of  
our Members  
and your families.*

*May 2019 bring all of  
us peace and  
prosperity.*

**CALAFCO**  
*Board of Directors  
and Staff*



CORRESPONDENCE – IN THE NEWS

Newspaper Articles

- The Modesto Bee, December 4, 2018, "Stanislaus supervisors vote on project that could bring 15,000 jobs. What's next?"
- The Modesto Bee, December 4, 2018, "Modesto Irrigation District justifies power prices with new study."
- The Ceres Courier, December 4, 2018, "Ceres wants surface water plant with or without Turlock."
- West Side Index, December 6, 2018, "Ambulance service at a crossroads."
- West Side Index, December 6, 2018, "Ambulance board appears in limbo."
- The Modesto Bee, December 11, 2018, "Fight over river flows heads to historic Water Board meeting in Sacramento."
- The Modesto Bee, December 13, 2018, "Water districts were so close to deal. Now, lawsuits will contest 'water grab'."
- West Side Index, December 14, 2018, "WS Ambulance sharply reduces downed unit hours."
- West Side Index, December 14, 2018, "City challenges EIR on Crows Landing project."
- The Ceres Courier, December 19, 2018, "County plans for new bridge."
- The Oakdale Leader, December 19, 2018, "OID, SSJID urge talks on flows to continue."
- The Modesto Bee, January 3, 2019, "More jobs, more residents. Patterson to study annexation plan, seeks public input."
- Riverbank News, January 10, 2019, "Irrigation districts join lawsuit."
- The Modesto Bee, January 10, 2019, "Fight over water heads to court: Irrigation district sue state water board."
- The Modesto Bee, January 11, 2019, "Gavin Newsom takes unannounced trip to Stanislaus County to discuss state's bad water."
- The Modesto Bee, January 14, 2019, "Stanislaus Consolidated seeks stability with new chief after shaky recent history."



# Stanislaus supervisors vote on project that could bring 15,000 jobs. What's next?

By Ken Carlson

Stanislaus County supervisors approved a rezone Tuesday for the latest game plan for reusing the former military airfield near Crows Landing.

The county must now contend with a lawsuit filed by Patterson last week, which challenges the environmental studies on the Crows Landing Industrial Business Park, and deal with other 11th-hour issues raised by the city. County leaders hope to find a developer for the 1,528-acre project next year.

Supervisor Terry Withrow, whose wife has a small interest in nearby property, abstained from Tuesday's 3-0 vote on the reuse project. Supervisor Kristin Olsen was absent.

The former Navy airfield south of Patterson would be developed with manufacturing plants, distribution centers and a public airport for light jets and other private aircraft. The county's plan was designed to make fewer waves with Patterson-area residents than the previous West Park project, which was proposed for the same site and scuttled in 2012.

But the 30-year development plan would generate up to 15,000 jobs and create demand for a hard-to-predict number of homes in Patterson and Newman. The county has hoped that Patterson will provide wastewater treatment and possible water service for the airport and business park, but has not come to terms with the city.

In a lawsuit Thursday, the city claimed the environmental studies failed to address impacts to city utilities, groundwater, roads, intersections and schools. Monday evening, a letter from Patterson's legal counsel said the county's assessment of water supply for the complex is deficient.

"The groundwater basin that will serve the project is in overdraft and buildout of the project, as the final EIR noted, will cause additional drawdown of the basin," wrote Attorney Kerry Fuller of Churchwell White law firm of Sacramento, which provides legal services for Patterson. "This leads to uncertainty that the basin will be able to provide the water necessary to serve the project."

County staff members stressed Tuesday that all of those issues were adequately addressed in the environmental analysis.

Jim DeMartini, Board of Supervisors chairman, restated his belief that Patterson has an ulterior motive for raising the boatload of issues. In a letter earlier this year, the city proposed that the county endorse a 1,200-acre annexation in northwest Patterson in exchange for city support for the Crows Landing business park.

DeMarini said it's not clear what is proposed in the Patterson annexation and the county can't responsibly give blanket support for it. Patterson officials did not speak at Tuesday's hearing or come up with a response to DeMartini's comments.

In other correspondence, the superintendent of Patterson Joint Unified School District said city officials did not contact the school district before inserting claims in the lawsuit about growth-inducing impacts on schools. According to the city's lawsuit, a prospective workforce of 15,000 translates into a 34,000 population increase, including 9,300 school-age children.

The school districts, with a combined enrollment of 8,500 today, will need to double their classroom facilities, the city's lawsuit suggests. Patterson Superintendent Philip Alfano told DeMartini in an email Friday the school board has not taken a position on the Crows Landing project.

**IN THE NEWS – The Modesto Bee, December 4, 2018 (Continued Page 2)**

"It is a great thing for the West Side," Alfano said, noting the district has technical programs for students in logistics and truck driving. Alfano said school district enrollment has grown by 100 since the distribution centers in Patterson were built near Interstate 5. "I have not seen any research on this potential impact."

County staff members said last week they were setting up meetings with Patterson officials to work on resolving the issues.

At Tuesday's hearing, Newman City Manager Michael Holland urged the board to make sure that impacts on roads and other services are mitigated and the city is not adversely affected.

Community activist Miguel Donoso wanted to see a guarantee that local residents are hired for 10 to 15 percent of jobs at the Crows Landing complex.

# Modesto Irrigation District justifies power prices with new study

By Garth Stapley

Modesto Irrigation District board members on Tuesday embraced an important new report justifying prices for both electricity and farm water.

MID recently said electricity rates will not go up in 2019, a point restated in Tuesday's action. Whether farm water rates will rise typically is decided before irrigation starts flowing in the spring.

The new cost of service study, a year in the making, clearly positions the utility to defend itself in a class-action lawsuit accusing MID of overcharging electricity customers in order to subsidize farm water prices.

That subsidy no longer exists, the report says, thanks to a new way of looking at MID's books.

The cost of delivering water — \$21.3 million per year, in the latest budget — has not changed, and neither has the amount farmers pay: \$4.1 million. The \$17.2 million gap now is filled, the study says, with "other revenue," including a new category called discretionary revenue that largely comes from wholesaling surplus electricity on the open market, as opposed to retail sales to local homes and businesses.

"Our conclusion is there is no subsidization," said William Monsen, a consultant helping produce the cost of service study. "Irrigation service is being fully covered by rate revenue and non-rate (or discretionary) revenue."

The study also found that "electricity customers are paying slightly less than the cost of service," Monsen said, "so your rates are reasonable."

The board has not raised power rates since 2012, when an attorney advised that doing so without a vote of the people might violate state law. Before then, prices had jumped significantly almost every year for power customers, which today include 97,935 homes and 12,490 businesses.

Attorney Michael Colantuono, hired to shepherd the cost of service study — and to defend MID in the class-action lawsuit — said, "It looks like you'll be able to (go) a few more" years before raising electric rates, if desired. The board can make that decision without a customer vote, he said.

Two attorneys representing unidentified customers, Stacy Henderson and Bob Fores, praised the study.

"When I read the report, I said, 'This is exactly what the district needs: solid figures and solid facts to support solid decision making,'" Henderson said.

Electricity customer Kurt Danziger of Escalon, however, called the presentation a creative accounting "dog and pony show" raising plenty of questions for people who have heard about the subsidy for years. For at least two decades, board members have acknowledged the imbalance and have taken formal and informal steps to address it, including raising farm water prices.

Board member Paul Campbell said the study makes MID's rates "justifiable and defensible, and the financial activity of this entity over time has been commendable."

Colantuono said MID has improved its financial health by significantly paying back debt in recent years.

Stu Gilman, a board member who campaigned on a promise of bringing equity to power customers, said he would like to "look at some things we can do with discretionary revenue to make rates even more favorable to ratepayers."

**IN THE NEWS – The Modesto Bee, December 4, 2018 (Continued Page 2)**

Technically, the board on Tuesday repealed all rates and immediately replaced them with identical ones, this time based on the cost of service study. The vote was unanimous.

In August, the California Supreme Court sided with Colantuono and a Redding utility facing accusations similar to those brought against MID in the class-action lawsuit. Considering wholesale revenue apart from other electricity income was central in the Redding case, and MID hopes it will become a key factor in the local case.

About 30 minutes before, no board member seconded Larry Byrd's motion that Nick Blom continue as board chairman, and the board settled on Campbell for that job. Byrd and Blom then voted against John Mensinger replacing Byrd as vice chairman, but they were outvoted by Mensinger, Campbell and Gilman.

IN THE NEWS – The Ceres Courier, December 6, 2018

## CERES WANTS SURFACE WATER PLANT WITH OR WITHOUT TURLOCK

By Jeff Benziger

Amy Bublak told voters in Turlock that if she became mayor she wanted to back out of plans for the surface water treatment plant with the city of Ceres. When she defeated Turlock Mayor Gary Soiseth – a staunch supporter of the surface water project – on Nov. 6, there were concerns about the future of the plant.

But Ceres Mayor Chris Vierra said with or without Turlock, Ceres wants and needs drinking water from the Tuolumne River.

"I want Turlock to be a part of this program," said Mayor Vierra. "I think it's really important that they do this but if they choose not to do it then so be it, let us know and we'll resize the plant for what we need and we'll go it alone."

Vierra, who is no fan of the policy of state lawmakers, said he could foresee the state banning cities from drilling new wells or ratchet down on water standards that many cities won't be able to meet. He said with the Tuolumne River yielding better water quality than what's pumped from the underground aquifers, the surface water plant will be a lifesaver in the future.

"It's going to be cheaper to treat surface water than it is ground water," predicted Vierra.

Vierra noted that Bublak served 24 months on a subcommittee of Ceres and Turlock city officials studying the plant with the Turlock Irrigation District and said "she voted in support of it the entire way ... not one point did she ever say we don't need this project – she was 110 percent for it."

At a candidate forum, Bublak questioned whether or not Turlock residents would truly benefit from the project that was doubling their water rates. Soiseth answered her saying that Turlock rates "were going to go up 63 percent if we stayed on groundwater."

Vierra believes Bublak's position will not change the entire Turlock City Council's years of support for the project and hopes it wasn't just about political posturing to get elected.

"She needed to do something to create a difference between her and Gary and that was the campaign charge and she's got bad information from a lot of people who were kind of saying ... it's going to cost a ton of money and it never deliver any water and it's just not true."

Vierra said without Turlock's participation, Ceres would have to be a higher cost.

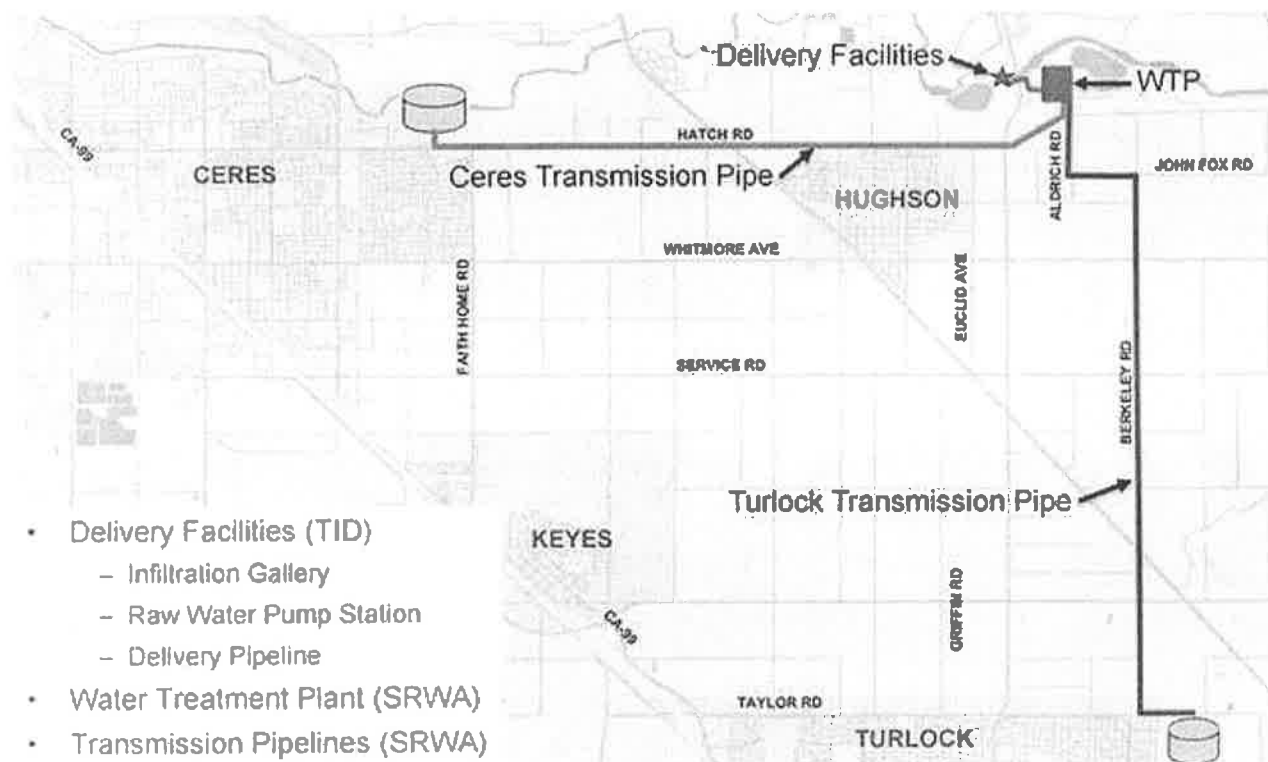
"We would stay involved. It's so critical and so valuable we can't not be a part of it."

The origins of the Surface Water Supply Project began in 1987 when TID initiated discussions with the Stanislaus Regional Water Authority (SRWA) regarding a drinking water project that would help offset deteriorating groundwater quality and supplement groundwater supplies by providing a portion of TID's Tuolumne River surface water.

The surface water plant, which broke ground near Fox Grove Fishing Access north of Hughson, is being designed to filter and supply up to 30,000 acre-feet of water to Ceres and Turlock residents.

# IN THE NEWS – The Ceres Courier, December 6, 2018 (continued)

Many residents of Ceres and Turlock protested their respective increase in water rates adopted in 2017. Construction of the plant is expected to cost approximately \$288 million, with Turlock paying \$182 million and Ceres \$100 million. To cover expenses, both cities needed to raise water rates.



This image shows an overview of the Surface Water Supply Project, which will provide Turlock and Ceres treated water for drinking from the Tuolumne River. - photo by Photo Contributed

## Ambulance service at a crossroads

Even as officials scramble to re-constitute the board which oversees West Side Community Ambulance, the clock is ticking on a decision which will chart the future of the taxpayer-supported EMS provider.

The West Side Community Healthcare District, which operates the community ambulance, must decide in coming weeks whether it will:

- Approve a restructuring proposal from American Medical Response (AMR), which entered into an agreement earlier this year to manage West Side, only to declare a few months later that the contract in its existing form was not sustainable. AMR is essentially proposing that it absorb the West Side operation and be paid a flat fee for providing service. Its proposal calls for the healthcare district and board to remain intact to handle accounts receivable and collect tax revenues.
- Reach out to another outside firm for management services.
- Return to a structure with in-house management and oversight rather than contracting with outside agencies for those services.

The ambulance board was notified of AMR's position in early September. In an Oct. 8 letter, AMR underscored its stance by notifying West Side that it would terminate its management contract no later than Dec. 31 in the absence of modifications to the agreement. More recently, AMR restated its termination notice with a date of Jan. 8 for withdrawing from the contract.

No formal direction has been provided by the ambulance board - and the situation has been complicated by the determination that the appointments of two board members, David Varnell and Charles Tanner, essentially expire this week.

According to interpretation by legal counsel, the seats they hold should have been put up for election on the Nov. 6 ballot but were not.

Two other seats on the board are empty as well - or will be as of Friday. One has been vacant; the other is being vacated with the departure of George Schmidt.

Efforts are under way to have Varnell and Tanner re-appointed on an emergency basis so the board has the quorum of members needed to convene and conduct meetings. In the interim though, it appears that as of Friday the board will be in limbo with just one official member.

Board members last week reviewed the latest letter from AMR but did not engage in discussion until prompted by legal counsel Nicolas Cardella.

"The district is in a tough spot if AMR pulls out, and we don't have much time to figure this out," Cardella pointed out. "It is something we have to deal with one way or another."

Board President Rick Daniel, who along with Schmidt were in their final regular meeting after not seeking re-election, said that he had received assurances from AMR that the firm would not leave West Side until the district was ready to assume management responsibilities - if that is the direction chosen.

"That is not what this letter says," Cardella countered. "If they would put it in writing it would be helpful."

AMR executive Bruce Lee advised Mattos Newspapers that, while the termination date stands, the firm will not leave West Side until the district is ready to transition to internal operation or to another vendor.

He added, however, that "we assume the district is working on plans to transition services on Jan. 8 or shortly thereafter."

Cardella said that he has a number of questions and concerns surrounding AMR's proposal that it essentially take over the West Side operations, and was given direction by the board to submit those questions to AMR for clarification.

## IN THE NEWS – West Side Index, December 6, 2018 (Continued Page 2)

"I have concerns regarding that proposal," said Cardella, who was in attendance remotely by phone, "but under the circumstances we have to consider all options."

The prospect of West Side going it alone appears to have some support among the board.

Incoming board member Dennis Brazil, who barring some unexpected development will be the only sitting board member when he formally assumes that position Friday, told Mattos Newspapers that he favors going back to in-house management.

The stakes, Brazil emphasized, could not be higher.

"I honestly don't think that the citizens understand the situation West Side Ambulance is in. This is going to be make or break this time around," Brazil commented. "The district has gotten itself in a very bad position that it needs to get out of once and for all."

Brazil said he believes West Side should cut its ties with AMR and restore an internal management structure.

"With the right people in place, we can put all of this back together," he stated. "It was designed (in that manner) in the beginning, and I think it can be done again."

The only service that needs to be outsourced, Brazil added, is the extremely complex billing process.

If the challenges facing the district "can't be fixed, we need to seriously look at dissolving the district," Brazil added. "We should be looking at every avenue possible. We need to know the full scope of what the outcome could be if we can't get it all put back together."

Varnell, one of the two board members for whom an emergency reappointment is being sought, stated during last week's board meeting that he, too, favored going back to in-house management and supervision.

"We will go back to the old way and do it ourselves," Varnell stated.

Departing board member Daniel, however, predicted that an attempted return to internal management would be the ultimate downfall of an already-struggling ambulance service.

AMR offers a wealth of resources beyond the front-line management employees who are present locally, he stated. Those resources, Daniel emphasized, are a necessity in a climate of ever-increasing administrative, compliance and regulatory requirements.

Furthermore, Daniel contends, shifting the operation to AMR would result in significant improvements to the compensation afforded paramedics and EMTs.

"I know what West Side can be with proper backing, but that is not going to happen if we try to do it by ourselves," he reflected. "If we couldn't make (in-house management) work 10 years ago, how can we make it work now?"



## Ambulance board appears in limbo

Even as West Side Community Ambulance stands at a crossroads its governing board appears to be in limbo and, barring an unexpected turn of events, will soon lack the number of members needed to constitute a quorum and convene meetings.

Legal counsel for the West Side Community Healthcare District, which operates the taxpayer-supported ambulance service, has been working without success to arrange emergency appointments of enough board members to comprise a quorum of three members and allow the body to conduct business.

As of this Friday though, absent late developments, just one director will sit on what at full strength is a five-person board of directors.

The lone member will be newly-elected director Dennis Brazil, who ran unopposed for the Zone 4 (Gustine city) seat vacated by long-time board member Rick Daniel, who did not seek re-election due to a pending move from the community.

The quandary in which the district finds itself stems from a determination that the seats held by two appointed board members, David Varnell (Zone 5, rural Gustine) and Charles Tanner (Zone 3, a combination Stanislaus/Merced county district including Stevenson and portions of Newman) should have been put on the Nov. 6 ballot. They were not.

Two Newman area seats are now vacant as well.

Although officials are looking into the possibility that at least one of those appointments may be through 2020, the district has been proceeding under an Government Code interpretation indicating that the appointments of Varnell and Tanner expire this week.

The healthcare district's attorney, Nicolas Cardella, has been exploring options for an emergency appointment to reinstate Varnell and Tanner and give the board the three members necessary to hold meetings and conduct business.

Brazil went before the Gustine City Council on Nov. 20 to ask that body to make the emergency appointments but city officials declined. City Manager Doug Dunford said city officials do not believe the council is authorized to make the appointments.

Brazil expressed hope at last week's ambulance board meeting that the city may amend its stance and agree to make the appointments at its council meeting earlier this week, but Dunford told Mattos Newspapers that the city's position on the matter has not changed.

Legal counsel for the healthcare district and city have differing opinions on the city's authority, Dunford said.

"We are not comfortable working in a gray area," he commented. "It opens us up to a lawsuit. The city is taking the stance that it should be the Board of Supervisors (making the appointment)."

Nicolas Cardella, the healthcare district's attorney, said he has had a conversation with the city attorney and does believe the city would have that authority, particularly in emergency circumstances, but acknowledged that "there is not a lot of case law" on the matter.

"It is up to (the city)," he told the ambulance board last week.

In the absence of an appointment by the Gustine City Council, Cardella said, he will try to get the appointments placed on the Dec. 18 Stanislaus County Board of Supervisors agenda.

The duration of such an emergency appointment was not immediately clear.

Brazil told Mattos Newspapers that his understanding is that the appointments would be until the November 2019 elections or until a special election could be held.

"I would recommend that we do a special election for all four seats that are open. I think we have to do due process," said Brazil, who was administered the oath of office last week and officially assumes his board member duties Friday.

The board is effectively in limbo as crucial decisions face the healthcare district.

Its current management firm, AMR, has served notice that it is terminating its contract to oversee local ambulance operations effective Jan. 8, unless West Side agrees to restructure the agreement so that AMR essentially assumes the West Side operation while keeping the board and healthcare district intact to collect revenues and tax proceeds.

# Fight over river flows heads to historic Water Board meeting in Sacramento

By Ken Carlson

As all eyes turn to the State Water Resources Control Board on Wednesday, the board won't have complete settlement agreements with Modesto-area irrigation districts to consider at a crucial meeting.

At most, the districts and negotiators with the state Natural Resources Agency will have the basic framework of an agreement that's an alternative to a state plan for river flows that is fiercely opposed by water users and local agencies in Stanislaus County.

The Modesto Irrigation District board of directors had no announcement after a closed-door session held Tuesday to discuss potential litigation.

Top officials with the state Natural Resources Agency are expected to give an update on the talks at Wednesday's meeting in Sacramento. If there is a framework for an agreement, the state board could approve a much-disputed update to its Bay-Delta water quality plan, which could serve as a baseline for considering detailed voluntary settlements with water districts after Gavin Newsom is sworn in as governor in January.

It's also possible the water board could postpone the matter again. The issue was continued from a Nov. 7 meeting at the request of Gov. Jerry Brown and Newsom, who wanted to allow more time for negotiated agreements with the water districts.

MID Board Member John Mensinger said there is general agreement on many issues with the state Natural Resources Agency, which includes the departments of Fish and Wildlife and Water Resources, among other agencies.

"What we are talking about is much better," Mensinger said Monday. "On most issues there is general agreement. What was in the Bay-Delta plan and (supplemental environmental document) was unacceptable."

The Oakdale and South San Joaquin irrigation districts and Merced Irrigation District have tried to negotiate their own agreements for flows in the Stanislaus and Merced rivers, respectively.

Tom Orvis, board president of Oakdale Irrigation District, sounded less optimistic Tuesday. "This is completely in a state of flux," Orvis said. "I plan on attending the meeting tomorrow to see what happens. ... No matter what happens, the legal teams on both sides are going to be at the ready."

In July, the irrigation districts and communities in the Northern San Joaquin erupted after the state released a proposal for leaving 40 to 50 percent of unimpaired flows in the Tuolumne, Stanislaus and Merced rivers with a goal of doubling depleted salmon populations in the rivers.

The state water board said those higher flows, at the expense of farmers and city water customers, were needed to revive the troubled ecosystem in the Sacramento-San Joaquin Delta.

Assemblyman Adam Gray, D-Merced, organized a rally in Sacramento attended by 1,500 residents from the valley and other places in California, saying the state proposal would take too much water, wreak havoc on the farm-based communities and lead to groundwater overdrafting.

The fairness of the flow requirements on the tributaries of the lower San Joaquin River is seriously questioned. The plan requires nothing from upper San Joaquin water users who are said to have more political clout.

## IN THE NEWS – The Modesto Bee, December 11, 2018 (Continued Page 2)

The state board has said there is flexibility in the plan, allowing the 40 percent flow requirement to be used as a budget for restoring salmon in the rivers, and will consider voluntary settlements that achieve the goals of the Bay-Delta plan.

"We prefer a deal that improves the fisheries while maintaining our water rights and our economy," TID Board Member Michael Franz said Tuesday. "We need the water board to do the right thing for that to happen."

The state board also is under pressure to stop delaying and approve the water quality update for the delta. In a news release, the Environmental Defense Fund said the board could approve the plan to benefit salmon and still keep the door open for voluntary agreements "if reached by all parties."

The MID and TID, along with the San Francisco Public Utilities Commission, say they have a comprehensive plan for restoring salmon in the Tuolumne, including \$171 million in restoration and habitat projects. An MID spokesperson said the funds would be spent over the 30- to 40-year life of a Federal Energy Regulatory Commission license renewal for Don Pedro dam.

Larry Byrd, an MID board member, said the district would prefer to avoid years of litigation that usually follow water policy decisions in California. "We will spend a lot of money on the Tuolumne, but it has to be for fish restoration and to enhance fish habitat," Byrd said. "We are not going to give up 40 percent flows."

For all of the districts, the key issues are the amount and timing of river flows to support salmon migration, the amount of cold storage held in reservoirs for fish management and possible "offramps" to keep from draining reservoirs in consecutive dry years.

"Everyone seems to be talking about a suite of flow, habitat restoration and predation management," said John Sweigard, general manager of the Merced Irrigation district. "It appears there is frustration on all sides."

A California Natural Resources Agency didn't have a comment on the progress of negotiations Tuesday.

The irrigation districts want to prevent scenarios in which no water is delivered to farmers in dry years, which would result in pumping and depletion of groundwater basins. With regular cuts to irrigation, farmers converting to lower-value crops would erode property values and tax revenue for public services.

The city of Modesto uses treated water from the Tuolumne River to supplement its drinking water wells and would receive the same reductions as farmers if the MID is forced to cut water deliveries.

# Water districts were so close to deal. Now, lawsuits will contest ‘water grab’

By Ken Carlson

Some water districts would like to keep negotiating with state officials over river flows.

But lawsuits replaced settlements as the most likely path forward, the day after a crucial vote in Sacramento approving the “water grab.”

The Oakdale and South San Joaquin irrigation districts had no agreement for flows on the Stanislaus River before Wednesday’s meeting of the State Water Resources Control Board. By virtue of a 4-1 vote approving the latest update to the Bay-Delta water quality plan, the agency will require districts to leave 40 percent of runoff in the Tuolumne, Stanislaus and Merced rivers for salmon.

As a result, farms and city customers will receive less water. And agencies will struggle to preserve water in reservoirs like New Melones and Don Pedro during multiyear droughts, district officials say.

“Given that the board adopted the plan, it is reasonable to say we are all headed toward litigation,” SSJID General Manager Peter Rietkerk said Thursday.

The OID and SSJID released a statement saying a voluntary agreement with the state had been within reach. In the past several months, the two districts along with Modesto, Turlock and Merced irrigation districts negotiated for acceptable terms with the state Department of Fish and Wildlife and Department of Water Resources.

In early November, Gov. Jerry Brown and governor-elect Gavin Newsom convinced the state water board to grant another 35 days for those talks, allowing the MID and TID to achieve a framework of a settlement agreement. By the deadline this week, the Merced district had no deal but OID and SSJID were close.

The districts offered habitat improvements and a large pulse flow to support salmon migration in the Stanislaus.

“There are many points of consensus,” the districts said in a statement issued jointly with the Save the Stan campaign. “Settlement discussions since last night provide encouragement that a lasting solution on the Stanislaus River is near. We encourage the state board to provide a bit more time to foster continued dialogue toward reaching settlements.”

Local political leaders had hoped the water board members, all appointees of Gov. Brown, would postpone the decision again. Board members said it was time to vote and move to a second phase focused on the Sacramento River. They were encouraged by conservation groups to approve a plan that was nine years in the making.

“Why not allow more time if the settlement talks are getting close?” Stanislaus County Supervisor Terry Withrow said Thursday. “Now, this will be left in the hands of the attorneys, and millions of dollars will be wasted fighting this in court. This should be worked out through negotiations, and there should be a place in the middle where we meet.”

The MID and TID, joint owners of Don Pedro Reservoir, essentially agreed to strategic flows and extensive nonflow measures, as early as next year, to boost salmon numbers in the Tuolumne. The two districts would join more than a dozen other agencies on the San Joaquin and Sacramento river systems in a compromise agreement favored by Gov. Brown, committing \$1.7 billion for water, spawning grounds, habitat and hatchery improvements to rejuvenate the delta.

State Water Project and Central Valley Project contractors would contribute to the effort.

## IN THE NEWS – The Modesto Bee, December 11, 2018 (Continued Page 2)

Assemblyman Adam Gray, D-Merced, said the state water board mostly disregarded the settlement proposals that were put forward. He called for a lawsuit to stop the state regulatory agency from implementing the flow requirements approved Wednesday.

"This plan is dangerous," Gray said. "It fails to protect people; it fails to protect the environment." In consecutive dry years, the higher river flows February through June are expected to draw down reservoirs and cut deliveries to agriculture, destroying thousands of jobs, Gray said.

The Northern San Joaquin Valley water districts have 30 days to decide whether to contest the state plan in court.

The state board OK'd an amendment to its resolution encouraging parties to continue working together on agreements that are consistent with goals of the water quality plan. Gov. Brown's ambitious compromise proposal was seen for the first time at Wednesday's meeting and needs to be vetted, board members said.

Chairwoman Felicia Marcus and others suggested that additional talks should be transparent with participation from other groups, which would include those wanting to see more reservoir storage committed to the environment.

"They did say they want it done in a transparent process and for the public and others to get under the hood and understand what the proposals mean for their interest," Rietkerk said.

With the Stanislaus carrying 30 to 35 percent of unimpaired flow, compared with the Tuolumne's average of 20 percent, the OID and SSJID perhaps would give up the least amount of water to the state plan. But the districts watched as New Melones Reservoir crashed during the last drought, sinking to 10 percent of its 2.4 million acre-foot capacity, without the burden of additional flow requirements, Rietkerk said.

Fine print in the updated Bay-Delta plan will result in losing more than the 40 percent flow requirement and is not acceptable, the general manager said.

The districts have a partner in the U.S. Bureau of Reclamation, which has threatened legal action to challenge pieces of the water board plan that contradict congressional directives for New Melones. The dam is operated for flood control, agricultural deliveries, recreation and other purposes.

The Bay-Delta plan also needs a signoff from the federal Environmental Protection Agency by April. EPA officials who report to President Donald Trump, and staff members of the previous administration, have cited concerns with versions of the Bay-Delta proposal.

Withrow said the county won't be involved directly in litigation filed by irrigation districts but will be supportive.

"I don't know how that will work financially," he said. "We have to dispute this draconian decision that is going to affect our county."

## WS Ambulance sharply reduces downed unit hours

West Side Community Ambulance has sharply reduced the frequency of units being taken out of service due to staffing issues since being issued a mandate by an oversight agency to improve its performance.

With the very existence of the taxpayer-supported ambulance service at stake, the number of out-of-service hours has plummeted since early November.

Mountain-Valley EMS, the agency which oversees providers in the Stanislaus County portion of the West Side Community Healthcare District (which operates the ambulance), put West Side on notice in late October that its contract to operate was in jeopardy due to down unit hours.

West Side is expected to staff two ambulances 24 hours a day - but instead was frequently taking a unit out of service due to staffing issues, many of which were attributed by local officials to late call-offs by scheduled crew members or crew members leaving during the shift.

In the first half of October alone, Mountain-Valley stated in its letter putting West Side on notice, nearly 20 percent of unit hours were unstaffed.

The oversight agency demanded that West Side meet 95 percent of scheduled unit hours by the end of a 30-day period to resolve the staffing issues and moving forward.

West Side has responded.

Peter Hastings, an administrative supervisor for American Medical Response, which contracts to provide management services for West Side, said Thursday that since Nov. 4 the service has had to idle units for only four hours due to staffing issues.

That represents a sharp contrast from prior weeks. Hastings told the ambulance board at its Nov. 27 meeting that West Side accumulated 185 out-of-service hours in October and had racked up 48 in the first four days of November alone.

"It is a very substantial turnaround," he told Mattos Newspapers.

Hastings said he believes the change is due in part to the implementation of an attendance policy which holds employees accountable.

Previously, he said, "there was no enforceable attendance policy."

But the bulk of the credit, Hastings stressed, goes to the employees.

"The employees have stepped up. They are filling their shifts, as well as helping cover open shifts," he commented. "All of them are getting together and doing that, and making it a lot easier."

Hastings said scheduling will be less challenging when one full-time employee who has been on leave returns to duty, and noted that West Side is actively recruiting part-time paramedics and EMTs to help fill its shifts.

The response of the employees has been encouraging, he added, and at least for the short-term nearly every shift is fully-scheduled.

"I would say the schedule for December is 98 percent full. There are a couple of days we are still working on toward the end of the month," Hastings noted.

**IN THE NEWS – West Side Index, December 14, 2018 (Continued Page 2)**

With West Side more consistently having two units in service, he added, the response time compliance has also improved.

"Our compliance is definitely up," Hastings told the ambulance board. "That most likely reflects the fact that our staffing is up as well."

To put the staffing mandate into perspective, Hastings said, West Side can have no more than 72 hours of lost unit time during a 30-day calendar month to meet the Mountain-Valley directive.

Hastings said West Side is issuing daily staffing updates to Mountain-Valley as required by the agency.

West Side is also accountable to the Merced County EMS agency. In the event that Mountain-Valley terminates West Side's contract to operate in Stanislaus County, former ambulance board President Rick Daniel said, the expectation is that Merced County would follow suit.

Mountain-Valley EMS did not respond to emails seeking comment regarding West Side Community Ambulance.



## City challenges EIR on Crows Landing project

NEWMAN - The city of Newman has filed a lawsuit challenging Stanislaus County's plans to transform a former military airfield near Crows Landing into a job-generating business/industrial park.

Newman's petition, filed Nov. 29 in Stanislaus County Superior Court, contends that an Environmental Impact Report (EIR) on the project is flawed, said City Manager Michael Holland.

Holland told Mattos Newspapers that the city contends the county has not adequately addressed traffic or housing impacts of the project, which is expected to generate more than 14,000 jobs which - according to the city's filing - has the potential to lead to a population growth of 34,000 people.

The action was filed Nov. 29, five days before the Stanislaus County Board of Supervisors approved a specific plan and the rezoning required for redevelopment of the 1,500-acre abandoned airfield. The EIR had been previously approved.

The city of Patterson has also filed a lawsuit against the county over the project.

Holland told Mattos Newspapers that the city is supportive of the Crows Landing project, but emphasized that issues such as traffic impacts and housing demands must be adequately mitigated.

"This is a generational project, and the impact on the West Side is going to be pretty substantial as we move forward," he told the Board of Supervisors last week during a public hearing on the approvals. He urged the county to "remain diligent in making sure that the impacts are positive and that the city of Newman is not adversely affected."

Holland had expressed concerns about housing and traffic before the Board of Supervisors when the EIR was presented for approval in late October.

Those are the key points of contention in the legal action, he reiterated Friday.

The city's planned residential growth within its Northwest Newman project is geared toward meeting the housing needs affiliated with the 2,000 jobs that development is expected to generate, Holland told Mattos Newspapers, and not absorbing additional housing demands generated by the Crows Landing project.

Furthermore, he said, the property tax sharing arrangement now in place with the city gives local residents only 30 percent of the tax generated by new residential development while the county keeps 70 percent.

That split does not cover the cost of providing city services, Holland emphasized, and could lead to general fund shortfalls which ripple across departments ranging from public safety to recreation.

As one of the cities closest to the project, Holland said, Newman would experience significant demand for additional housing.

Traffic mitigation is another area in dispute.

Studies indicate that traffic lights will be required at Highway 33 intersections at Stuhr, Jensen, Yolo, and Inyo in the future, Holland said.

"Their final environmental impact report said that (the Crows Landing project) would generate 28 percent of the growth in traffic, but they were only offering to pay 14 percent," he commented. "We want fair share compensation for the amount of traffic growth that they will be generating."

## **IN THE NEWS – West Side Index, December 14, 2018 (Continued Page 2)**

Jim DeMartini, who chairs the Stanislaus County Board of Supervisors and is the West Side representative, assured Holland during last week's board meeting that the county will pay its fair share of traffic impacts.

He also disagreed with the city's position regarding the housing demands the Crows Landing project would generate.

"My idea is that most of the people who would work in the industrial park are already living here (and commuting elsewhere to jobs)," DeMartini stated. "The project is for the benefit of the people who already live here. I think it is a great thing. It is taking an abandoned military base and turning it into something positive. It is going to be something I feel is of great benefit not only to the people on the West Side but the entire county."

DeMartini said that the county has directed its staff to meet with city officials in hopes of reaching an agreement on the traffic mitigation, and is willing to take a second look at the property tax sharing as well.

He added, though, that the property tax split is reflective of the county's costs incurred while providing the wide range of services and programs it administers.

DeMartini, who said Monday that he had not yet seen the lawsuit, suggested the issues raised in the Newman filing could have been worked out without litigation.

Holland said the city would have preferred to resolve its concerns through discussion with county leaders rather than through the court system. But the time frame for legally challenging the EIR was limited, he explained, leaving the city little choice but to file in order to protect its interests.

He reiterated the city's support for the Crows Landing industrial park project.

If anything, Holland told Mattos Newspapers, the city has always viewed the Crows Landing project and the logistics centers developed at Patterson as beneficial to Newman. Smaller businesses eventually developed in the Northwest Newman project will complement those larger business centers, he predicted.

"We see those working together," Holland asserted. "With that said, you still have to mitigate your impacts."

"My goal is to resolve this matter in a timely manner so that the county can move forward and we can move forward," the city manager concluded. "We need to get them to the table to discuss the details that were not addressed in the EIR."

IN THE NEWS – The Ceres Courier, December 19, 2018

## COUNTY PLANS FOR NEW BRIDGE

◦ Faith Home bridge project would cost around \$100 million

**By Jeff Benziger**

A new bridge over the Tuolumne River linking Faith Home Road and Garner Road in Modesto will do much to alleviate traffic congestion in Ceres, a consultant told a public gathering in Ceres on Dec. 11.

The project is in the middle of environmental study but one of the biggest obstacles is finding the estimated \$100 million to build the project. A connection stretching from Garner Road to Highway 99 could cost \$180 million.

A small crowd attended the public meeting at the Ceres Community Center with city staff, councilmembers Mike Kline and Channce Condit and Planning Commissioner Couper Condit in attendance. Some living along Faith Home Road who say they will be impacted also came to learn more about the project.

County and city of Ceres planners first began talking about a Garner-Faith Home connection prior to 2004.

"This project has been in the works for a long time," said Chris Brady of the county Public Works Department and the project manager. He said it is vital for the movement of goods and commuters in the region.

The connection northeast of Ceres would alleviate congestion on Mitchell Road and the Mitchell Road Bridge which carries about 80,000 vehicles each day. The proposed bridge has been considered a high priority of the county for at least 25 years and was listed as a Priority 1 project in the Stanislaus Area Association of Governments 1990 Expressway Study. The expressway would provide a key link to the east sides of Ceres and Modesto and provide a direct link to Riverbank and Oakdale to southbound Highway 99. The bridge would also help commuters who live in northeast Modesto who work in Turlock, and vice versa.

Engineer of Craig Chatelain of TYLin International explained that once funding is secured, the project could go to final design by 2020 and start construction as early as 2023 as a two-lane structure. The project is currently undergoing environmental planning which should be completed in June.

"This project – a new bridge over the Tuolumne River – is supposed to kind of close the gap between SR 132 at the north end to SR 99 to the south," said Chatelain. "We want to improve circulation within Stanislaus County as well as the cities of Modesto and Ceres by having another bridge to cross the Tuolumne River."

The bridge would help truck deliveries coming and going from the Beard Industrial Tract in Modesto by directing it onto Faith Home Road, said Chatelain. In discussions later he said Ceres could force trucks to use Faith Home Road by restricting Mitchell Road truck traffic.

Mitchell and Hatch is already operating at a service level of E, which is close to an F, or failure.

"We want to improve that. This bridge project, filling this gap and creating another river crossing will certainly help that traffic at Mitchell."

In January 2017 county supervisors awarded a \$1.5 million contract to TY Lin International of Sacramento to conduct the environmental study for the project. The firm also conducted preliminary engineering of the project, which includes traffic signals at Faith Home and Hatch roads and at Garner and Finch roads.

**IN THE NEWS – The Ceres Courier, December 19, 2018 (continued)**

When the city updated its General Plan in May, Ceres officials downsized plans for Faith Home Road from a future six-lane expressway to a four-lane.

Chatelain gave an overview of how the connection will take place and showed a video simulation (which is also available for viewing at [www.faithhomeroad.com](http://www.faithhomeroad.com)).

Complicating the design and cost is the need to keep the new passage above the 200-year flood plain. Chatelain said the new bridge would be safe from flooding unlike the times the northern end of the Mitchell Road Bridge near the airport has flooded in extremely wet years.

"If we're going to spend money to build a new bridge, the county was adamant that it achieves a higher level so we have an all-weather route," he said. "If Mitchell were to be closed, this road can stay open."

To align Garner and Faith Home, the connection would have a slight S-curve along the farming fields between the bluff south of Finch Road and the river. The current railroad track owned by the Modesto & Empire Traction (MET) Company near Finch Road would be moved southward so that the extension of Garner Road could dip under before flying back up over the flood plain.

An earthen peninsula berm will be constructed into the flood plain toward the river for the new road before it reached the bridge. Beard has offered to donate most of the 180,000 cubic yards of dirt needed to form a berm. A 1,800-foot-long 210-foot span concrete bridge would connect the road on the earthen berm to a berm south of the river. The bridge would be sized for two lanes with eight-foot shoulders and a center concrete barrier to prevent head-on crashes.

The intersections at the terminal end at Garner Road would be constructed as four-lane intersections for future expansion although initially it will be only two lanes. On the southern terminus, the intersection of Faith Home and Hatch roads would have to be shifted to the east to realign with the bridge.

Councilman Mike Kline expressed skepticism about truckers using Faith Home Road as an alternative to Mitchell Road. He said truck drivers will not want to navigate down Faith Home Road with its current stop signs and it won't become an expressway for some time. But Chatelain said the city could ban the use of Mitchell Road for truck deliveries, forcing them to use Faith Home Road. He also noted that truck drivers will be able to connect to Highway 99 via the new Service/Mitchell interchange to be constructed or traveling to Faith Home Road to Keyes Road and the nearby freeway.

County voters approved Measure L to increase local sales tax for roads but it may only cover the design phase and leverage for new funding.

"As far as construction, there is no funding secured for that so I'd say maybe the target date is in jeopardy, maybe it won't happen so quick," said Chatelain.

More information about the project is available online at

[www.faithhomeroad.com](http://www.faithhomeroad.com) or by contacting

Kendall Flint at (650) 455-1201 or email at [kflint@rgs.ca.gov](mailto:kflint@rgs.ca.gov)

## OID, SSJID Urge Talks On Flows To Continue

After a breakdown of discussions regarding flows on the Stanislaus River, the Oakdale and South San Joaquin Irrigation Districts issued a joint statement and urge continued meetings prior to a state decision.

Officials noted that the districts "have diligently tried to strike a deal with state officials, the Bureau of Reclamation, and regional irrigation district partners as an alternative to the State Water Resources Control Board's proposed Phase 1 unimpaired flow proposal. Unfortunately, after continued discussions late into the day Dec. 11, the districts were unable to craft an agreement on the Stanislaus River."

The joint statement from OID General Manager Steve Knell and SSJID General Manager Peter Rietkerk continues.

"The Stanislaus River is unique in the San Joaquin basin. The river is already flowing at 30 to 35 percent unimpaired flows – significantly more than most rivers in the state. And while we see some marginal benefit to additional flows, we've also experienced water supply impacts and fishery declines because current river operations cannot sustainably manage for both," the statement said.

"Despite that backdrop, the districts were willing to offer an additional and relatively large pulse flow contribution, along with habitat commitments, in hopes of getting to a voluntary settlement agreement on the Stanislaus River."

And even though there was no agreement reached, Knell and Rietkerk agreed that there has to be more done at the conference table.

"The districts' commitment to working with the Bureau of Reclamation and the state to settle these continuing issues does not end with the lack of agreement Dec. 11. There were many points of consensus. Settlement discussions ... provide encouragement that a lasting solution on the Stanislaus River is near.

"We encourage the state board to provide a bit more time to foster continued dialogue toward reaching settlements. In doing so, we believe we can get to "yes" and be in a position to implement improvements on our river relatively quickly as opposed to a protracted stalemate."

The South San Joaquin Irrigation District was established in 1909 and is located in Manteca. It provides agricultural irrigation water to about 55,000 acres in Escalon, Ripon and Manteca. In 2005, the district expanded into providing domestic water service to selected cities within its territory. The Oakdale Irrigation District was created in 1909 and provides agricultural water to about 62,000 acres in northeastern Stanislaus County and southeastern San Joaquin County.

OID and SSJID hold senior water rights on the Stanislaus River. For more than 100 years, the agencies have delivered surface water to farms in San Joaquin and Stanislaus counties, and for SSJID, thousands of homes in San Joaquin County.

Save the Stan is a public education effort by SSJID and OID to inform Californians about the threat posed by increased flows on the Stanislaus River. For more information, go to [www.savethestan.org](http://www.savethestan.org).

# More jobs, more residents. Patterson to study annexation plan, seeks public input

By Ken Carlson

Patterson is known for expanding its industrial base by accommodating distribution centers with easy access to Interstate 5 in western Stanislaus County.

The city is now pushing a 1,200-acre northwest annexation to include thousands of homes, in addition to land for another 7 million square feet of industrial space. The proposed development is capable of creating hundreds of jobs and adding 15,000 residents to this city of 22,700.

The city will prepare environmental studies on what's called the northwest annexation, or the Zacharias master plan, situated on both sides of Baldwin Road, between Zacharias Road and the northern city limits. The sprawling area stretches from Rogers Road, on the west, to Ward Avenue and Highway 33, on the east; completing the environmental impact report should take eight months to a year.

The overall plan includes almost 5,500 dwelling units from single-family homes to apartments, a commercial area at the southwest corner of Zacharias and Baldwin, and 316 acres for industrial uses. A map shows thousands of medium-density homes — from small houses to condominiums — surrounding three lakes east of Baldwin, plus two schools and several parks.

A traffic circulation plan for the annexation aligns the South County Corridor with Zacharias Road and would restrict the number of connections on the roadway.

The city also could annex 68 acres of housing and park space next to the city corporation yard and Delta-Mendota Canal, which would be accessed by a south extension of Baldwin Road.

A public meeting is set for Jan. 17 to discuss what issues to study in the EIR.

City Manager Ken Irwin said Thursday that development interest served to step up work on the annexation in the past year and a half. The city has a 20-year growth horizon and a large-size annexation allows for better design of the necessary infrastructure, Irwin said.

"There is a definite need for housing now," Irwin said. "When we meet with the logistics folks who are looking at (building distribution centers in) Patterson, they ask if we have homes available and what does the market look like."

Loss of farmland and traffic impacts will be key issues as the annexation moves through the approval process. The county is expected to take a hard look at the annexation after Patterson officials cited numerous concerns with the county's proposed Crows Landing business park last year.

With upward of 15,000 jobs planned at the former military airfield near Crows Landing, the Patterson annexation could provide housing for an undetermined number of those workers.

Jim DeMartini, Board of Supervisors chairman, said the city's plan for more industrial facilities will certainly put more trucks on roadways. Patterson residents who commute over the Altamont to Bay Area jobs could be hired to work in those facilities, but the expansion also could increase cross-county commuter traffic between Modesto and Turlock and the county's west side.

"Anytime you have that kind of truck traffic, you can bet it is going to impact the roads," DeMartini said. "Patterson historically has resisted collecting fees for improvements."

Irwin said a study will be done on projected traffic impacts before the city decides how to mitigate those concerns. The traffic fees for developers have not been established yet.

**IN THE NEWS – The Modesto Bee, January 3, 2019 (Continued Page 2)**

The county turned down Patterson's offer last year, in which the city would pledge support for the county's Crows Landing business center in exchange for county approval of the northwest annexation.

Patterson Councilman Dennis McCord said this week the city is planning ahead for a strong housing market and large companies looking to build facilities near freeways such as Interstate 5.

"Patterson is growing fast with all the jobs coming in," McCord said. "People want housing and the housing prices are going up very dramatically."

Amazon, Restoration Hardware and Grainger are among companies that placed distribution centers in Patterson in the past 10 years or so, but some manufacturers could be part of the mix in the new annexation, the councilman suggested.

"We have been considered for some of that in the past," McCord said. "We are doing what we can to attract jobs to Patterson and Stanislaus County, so our people don't have to commute (to the Bay Area)."

Keith Schneider, an executive vice president for Keystone Corp., said the new homes in the Zacharias plan will balance out the many jobs created in the city's west industrial area. Keystone, a leading industrial developer in Patterson, is promoting 95 acres for housing in the northwest annexation.

"The jobs-housing balance is what we have always advocated," Schneider said. "You need rooftops and you need people to fill the jobs. Clearly, since the downturn in 2007 and 2008, we have climbed out of it and the market is stronger."

Irwin said the large amount of medium-density housing in the plan allows for the city to plan for a larger population. The city can change to larger homes on standard-sized lots if that is favored by the market.

Some concerns with the annexation were expressed at a city Planning Commission workshop in October. According to minutes, residents on Rose and Ivy avenues didn't want the two streets extended into the development area for fear of increased motor vehicle traffic.

In time, the proposed annexation will be slated for a meeting with the Local Agency Formation Commission, whose mission is to discourage urban sprawl, protect the best farmland and provide for efficient government services. According to its policies, LAFCo will expect to see an ag-land preservation plan, requiring developers to put an equal amount of farmland in conservation easements or make payments to a mitigation program.

Irwin noted that Patterson Joint Unified School District has planned for a second high school in the area, though an elementary school is shown on documents released for the upcoming environmental study.

"We are early in the process," Irwin said. "Those are some of the things that will be fleshed out as we do the studies."

A scoping meeting on the environmental study will be held at 4 p.m. Jan. 17 in the City Council chambers, at 1 Plaza, in Patterson.

## IRRIGATION DISTRICTS JOIN LAWSUIT

Officials at the Oakdale and South San Joaquin irrigation districts on Thursday announced they have joined with other members of the San Joaquin Tributaries Authority, SJTA, in a lawsuit that challenges the state's right to arbitrarily increase flows in the Stanislaus and two other rivers.

Plaintiffs are OID, SSJID, the Turlock Irrigation District and the City and County of San Francisco.

At the heart of the lawsuit is the damage plaintiffs believe will be caused through the state water board's plan to require 40 percent of unimpaired flows, with a range of 30 to 50 percent, between February and June.

The plan, according to the lawsuit, "will cause substantial losses to the surface water supply relied upon by the SJTA member agencies for agricultural production, municipal supply, recreational use, hydropower generation, and other things."

The suit was filed in Tuolumne County Superior Court against the State Water Resources Control Board over the unimpaired flow proposal, adopted in mid-December.

"It's the decimation of a large portion of agriculture in the middle of the nation's most productive food belt that should concern everyone," said OID General Manager Steve Knell.

Look for the full story in the Jan. 16 issue.



# Fight over water heads to court: Irrigation districts sue state water board

By Ken Carlson

As expected, a state plan to require higher flows for salmon in the Tuolumne, Stanislaus and Merced rivers has spawned a flurry of lawsuits from irrigation districts in the Northern San Joaquin Valley, charging the plan won't help the fish but will cause economic pain.

Thursday, the San Joaquin Tributaries Authority filed a detailed lawsuit on behalf of its members including Turlock, Oakdale and South San Joaquin irrigation districts and San Francisco's public utilities commission.

The lawsuit in Tuolumne County Superior Court contends the State Water Resources Control Board violated state and federal due process laws when it adopted a first phase of the Bay-Delta water quality control Dec. 12. According to a TID news release, the state board adopted a "wholly different plan that it analyzed" and committed other blunders in its environmental review of the controversial flow requirements.

As of early Thursday afternoon, information on an anticipated lawsuit by Modesto Irrigation District was not available. Merced Irrigation District brought a lawsuit Dec. 21, charging the state plan to double the salmon population in the rivers is based on flawed science.

The districts were facing a Friday deadline for legal challenges.

The water board plan sparked the "Worth Your Fight" campaign in Stanislaus County because it would require that districts release 40 percent of watershed runoff in the rivers from February through June, resulting in cuts to farmland irrigation and Modesto water service.

"We are incredibly disappointed in the State Water Board's Dec. 12 action to adopt Phase 1 (of the plan)," said TID General Manager Casey Hashimoto. "TID and our partners on the Tuolumne put forth a workable solution which could have been implemented immediately and would have produced a greater outcome for native fish when compared to the state's plan."

# Gavin Newsom takes unannounced trip to Stanislaus County to discuss state's bad water

**By Erin Tracy**

Three days after being sworn in, Gov. Gavin Newsom took a road trip to Stanislaus County to discuss safe drinking water.

Newsom and his cabinet made their first stop at the Monterey Park Tract in Ceres, where he held a roundtable discussion with people who are paying for water they haven't been able to drink.

The Monterey Park Tract is an unincorporated subdivision of roughly 200 residents outside Ceres that has long had problems with its water.

Residents have used bottled water for drinking and cooking because the two wells serving the homes are contaminated with nitrates, arsenic and manganese.

Newsom said the visit emphasized his commitment to addressing the issue.

"It's only day five or six of the administration but, look, the issue of safe drinking water, affordable drinking water is top of mind," Newsom said. "I made that a point in yesterday's budget. I made a point to emphasize that it's a disgrace that in a state as wealthy and resourceful as ours that a million-plus people don't have access to safe, clean drinking water."

After his discussion in Ceres, Newsom was headed to Grayson School in west Stanislaus County.

# Stanislaus Consolidated seeks stability with new chief after shaky recent history

By Ken Carlson

The Stanislaus Consolidated Fire Protection District board has promoted an in-house candidate as the permanent fire chief.

The district board gave the job to former Capt. Michael Whorton after more than two dozen candidates were considered. A two-year employment contract with Whorton was approved on a 5-0 vote Thursday. He took over as fire chief Monday.

The contract pays Whorton a \$135,000 annual salary, plus medical benefits, a district-paid \$100,000 life insurance policy and retirement benefits through the California Public Employees' Retirement System.

About 15 months ago, the fire district board voted to terminate former Chief Rick Weigele amid a storm of controversy. Weigele, a 26-year fire service veteran, worked six months for Stanislaus Consolidated and was a third chief to go through a revolving door at the rural district.

Before Weigele, two previous chiefs spent eight months and 18 months on the job, respectively.

Susan Zanker, district board president, said 27 applications were received from candidates during a recruitment over the summer, including some from out of state. A panel made up of district board members and representatives from city of Oakdale, Oakdale's rural fire district and Waterford interviewed the top candidates, Zanker said.

"Mike knows the agency and knows all the surrounding agencies we work with," Zanker said. "He is committed to Stanislaus Consolidated and the partners we serve. It should be a fairly short learning curve for him."

Whorton has been with the district since its inception in 1995 and has more than 30 years in the fire service. Starting as a volunteer in Riverbank in 1987, he advanced through the ranks as a firefighter, investigator and captain.

"I look forward to working for the taxpayers of our district and the communities we serve, and hopefully we can move things forward," Whorton said Monday.

The sprawling district, with nine stations and 80 employees, provides emergency services in Riverbank, Oakdale, Empire, Waterford, Hickman, La Grange and unincorporated areas of Modesto. Deputy Chief Michael Wapnowski was appointed in November 2017 to serve as acting chief after Weigele's departure.

In October 2017, dozens of people including local government officials came to Weigele's defense at board meetings and demanded more stable leadership from the agency and its appointed board. Stanislaus Consolidated covers 523 square miles and has cooperative agreements with numerous local agencies.

"We very much want stability in our leadership," Zanker said. "We chose an internal candidate who has already demonstrated his commitment to this district."

The city of Oakdale has recently proposed a structural change to agreements with Stanislaus Consolidated by which fire protection is provided in and around Oakdale.

One proposed option is a joint powers authority including Consolidated, Oakdale Fire Protection District and the city. Another option proposed in a Dec. 4 letter from Oakdale City Manager Bryan Whitemyer is a JPA including Modesto, Oakdale, the rural Oakdale district and Stanislaus Consolidated, with city council members and board members from each agency serving on the JPA board.

Under that option, each member agency would have a vote on administrative decisions, the budget and labor agreements. The city of Oakdale's current five-year contract with Consolidated expires June 30.

**EXECUTIVE OFFICER'S AGENDA REPORT  
JANUARY 23, 2019**

TO: LAFCO Commissioners

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

**SUBJECT: MID-YEAR BUDGET REPORT FOR FISCAL YEAR 2018-2019**

**RECOMMENDATION**

It is recommended that the Commission accept this financial update. No budget adjustments are necessary at this time.

**DISCUSSION**

The Mid-Year Budget Report provides an overview of LAFCO's expenses and revenues through the second quarter for the Commission's information. The Commission's adopted budget for the current fiscal year is \$493,919. At mid-year, expenditures totaled \$238,735, which represents approximately 48% of the adopted budget. Below is an overview of LAFCO's expenses and revenues:

*LAFCO FY 2018-2019 Mid-Year Comparison: Adopted Budget vs. Actual*

|                                | <b>Adopted Budget<br/>(2018-2019)</b> | <b>Actual<br/>(Mid-Year)</b> | <b>% of<br/>Budget</b> |
|--------------------------------|---------------------------------------|------------------------------|------------------------|
| <b>EXPENSES</b>                |                                       |                              |                        |
| Salaries & Benefits            | \$406,165                             | \$203,908                    | 50%                    |
| Services & Supplies            | 85,754                                | 34,584                       | 40%                    |
| Other Charges                  | 2,000                                 | 243                          | 12%                    |
| <b>Total Expenses</b>          | <b>\$493,919</b>                      | <b>\$238,735</b>             | <b>48%</b>             |
| <b>REVENUES</b>                |                                       |                              |                        |
| City/County Contributions      | \$451,919                             | \$451,919                    | 100%                   |
| Applications / LAFCO Services  | 12,000                                | 15,415                       | 128%                   |
| Interest Earnings & Rebates    | --                                    | 3,434                        | --                     |
| <b>Total Revenues</b>          | <b>\$463,919</b>                      | <b>\$470,768</b>             | <b>101%</b>            |
| <i>Prior Years' Carry-Over</i> | <i>30,000</i>                         |                              |                        |
| <i>Total Budget</i>            | <i>\$493,919</i>                      |                              |                        |

A detailed listing of individual accounts is attached for the Commission's information. The following highlights the expense and revenue categories through mid-year:

➤ Salaries and Benefits:

Through the end of the second quarter, \$203,908 has been expended on Salaries and Benefits. Expenditures in this budget category represent approximately 50% of the total amount budgeted for the fiscal year. Staff estimates that at year-end, the overall Salaries and Benefits category is anticipated to be within the Commission's budgeted amount.

➤ Services and Supplies:

At the end of the second quarter, expenditures under the Services and Supplies category totaled \$34,584. This represents 40% of the total amount budgeted. Of note is the following:

- Expenditures for the Commission's general liability insurance, office lease, and membership dues are billed as one-time expenses early in the fiscal year.
- Costs for a Geographical Information Systems (GIS) license and video streaming are also billed as one-time expenses within the Outside Data Processing Services Account (#63990).
- Charges for legal services are typically billed on a quarterly basis. Legal service expenses can fluctuate throughout the year based on the complexity of applications or need for additional review by counsel. It is anticipated that legal service expenditures will be well within the budgeted amount by the year's end.
- Staff consolidates orders for office supplies and places order approximately 2-3 times a year. (The first of this fiscal year's orders was placed in January and is not reflected on the mid-year budget.)
- Staff recently received a quote from the County's IT department for the replacement of one computer and monitors. The computer is nearly 8 years old (with monitors having been handed down from an older model) and has been sluggish at handling tasks. The replacement of the computer and monitors is estimated to be \$1,783 and will be covered under the Commission's Miscellaneous Expense account (#62400).

➤ Other Charges:

This budget category contains expenses associated with a shared copier lease and copy costs. At Mid-Year, expenditures under this budget category were \$243 or just 12% of the amount budgeted. This lower amount is as a result of Staff's continued efforts to decrease the number of paper copies associated with agendas and projects.

➤ Revenues:

The County and nine cities have paid their apportionment shares totaling \$451,919. Additionally, revenue received from LAFCO application fees and services to date totals \$15,414, exceeding a conservative estimate of \$12,000. Staff anticipates that revenues will continue to increase by year-end as additional applications are submitted.

**CONCLUSION**

The Commission's Fiscal Year 2018-2019 Budget continues to be financially sound. Each category is projected to be within their budgeted amounts by year-end. Any funds anticipated to be remaining at the end of the fiscal year will be used to offset agency contributions in the following year's budget. No budget adjustments are recommended at this time. If future modifications are needed, Staff will immediately bring forth those requests to the Commission for consideration.

**EXPENSE AND REVENUE SUMMARY**  
**JULY 1, 2018 - DECEMBER 31, 2018**

| <b>Account</b>                                | <b>Final Budget<br/>FY 18-19</b> | <b>Actuals<br/>12-31-2018</b> | <b>% of<br/>Budget</b> |
|---|----------------------------------|-------------------------------|------------------------|
| <b>Salaries and Benefits</b>                  |                                  |                               |                        |
| 50000+ Salaries and wages                     | 243,710                          | 123,920                       | 51%                    |
| 52000 Retirement                              | 70,695                           | 36,406                        | 51%                    |
| 52010 FICA                                    | 19,210                           | 9,651                         | 50%                    |
| 53000 Group health insurance                  | 59,550                           | 27,995                        | 47%                    |
| 53009 OPEB health insurance liability         | 2,820                            | -                             | 0%                     |
| 53020 Unemployment insurance                  | 450                              | 228                           | 51%                    |
| 53051 Benefits admin fee                      | 190                              | 73                            | 38%                    |
| 53081 Long term disability                    | 380                              | 179                           | 47%                    |
| 54000 Workers compensation insurance          | 1,165                            | 581                           | 50%                    |
| 55000 Auto allowance                          | 2,400                            | 1,209                         | 50%                    |
| 55080 Professional development                | 2,200                            | 1,898                         | 86%                    |
| 55130 Deferred comp mgmt/conf                 | 3,395                            | 1,769                         | 52%                    |
| <b>Total Salaries and Benefits</b>            | <b>406,165</b>                   | <b>203,908</b>                | <b>50%</b>             |
| <b>Services and Supplies</b>                  |                                  |                               |                        |
| 60400 Communications (SBT - Telecom)          | 900                              | 533                           | 59%                    |
| 61000 Insurance (SDRMA)                       | 3,475                            | 3,397                         | 98%                    |
| 61030 Fiduciary liability insurance           | 40                               | 18                            | 45%                    |
| 62200 Memberships (CSDA, CALAFCO)             | 6,065                            | 5,880                         | 97%                    |
| 62400 Miscellaneous expense                   | 3,000                            | -                             | 0%                     |
| 62450 Indirect costs (A87 roll forward)       | 5,875                            | 2,935                         | 50%                    |
| 62600 Office supplies                         | 1,500                            | -                             | 0%                     |
| 62730 Postage                                 | 1,200                            | 377                           | 31%                    |
| 62750 Other mail room expense                 | 420                              | 168                           | 40%                    |
| 63000 Professional & special serv             | 14,214                           | 6,719                         | 47%                    |
| Building maint & supplies                     | 3,600                            | 1,153                         | 32%                    |
| Office lease                                  | 3,975                            | 3,851                         | 97%                    |
| Utilities                                     | 1,460                            | 562                           | 39%                    |
| Janitorial                                    | 605                              | 297                           | 49%                    |
| Purchasing                                    | 275                              | 58                            | 21%                    |
| CEO/Risk Mgt overhead                         | 4,300                            | 798                           | 19%                    |
| 63090 Auditing & accounting                   | 2,800                            | 1,252                         | 45%                    |
| 63400 Engineering services                    | 2,000                            | 257                           | 13%                    |
| 63640 Legal services                          | 12,000                           | 2,114                         | 18%                    |
| 63990 Outside data proc services (IT, Video)  | 11,015                           | 6,312                         | 57%                    |
| IT Services (SBT)                             | 7,315                            | 3,662                         | 50%                    |
| Video Streaming (SBT)                         | 1,000                            | 1,000                         | 100%                   |
| Mtg Recording (Final Cut Media)               | 1,500                            | 450                           | 30%                    |
| GIS License (SBT)                             | 1,200                            | 1,200                         | 100%                   |
| 65000 Publications & legal notices            | 800                              | 352                           | 44%                    |
| 65660 Special dept expense (Biennial Audit)   | 8,000                            | 1,750                         | 22%                    |
| 65780 Education & training                    | 5,500                            | 1,111                         | 20%                    |
| 65810 Other supportive services (messenger)   | 230                              | 143                           | 62%                    |
| 65890 Commission expense (stipends, training) | 6,100                            | 1,050                         | 17%                    |
| 67040 Other travel expenses (mileage)         | 500                              | 166                           | 33%                    |
| 67201 Salvage disposal                        | 120                              | 49                            | 41%                    |
| <b>Total Services and Supplies</b>            | <b>85,754</b>                    | <b>34,584</b>                 | <b>40%</b>             |
| <b>Other Charges</b>                          |                                  |                               |                        |
| 73024 Planning dept services (shared copier)  | 2,000                            | 243                           | 12%                    |
| <b>Total Other Charges</b>                    | <b>2,000</b>                     | <b>243</b>                    | <b>12%</b>             |
| <b>TOTAL EXPENSES</b>                         | <b>493,919</b>                   | <b>238,735</b>                | <b>48%</b>             |
| <b>TOTAL REVENUES</b>                         |                                  |                               |                        |
| 40680+ Agency Contributions                   | 451,919                          | 451,919                       | 100%                   |
| 36414 Application & Other Revenues            | 12,000                           | 15,415                        | 128%                   |
| 17000+ Interest Earnings & Rebates            | -                                | 3,435                         | nb                     |

**TO: LAFCO Commissioners**

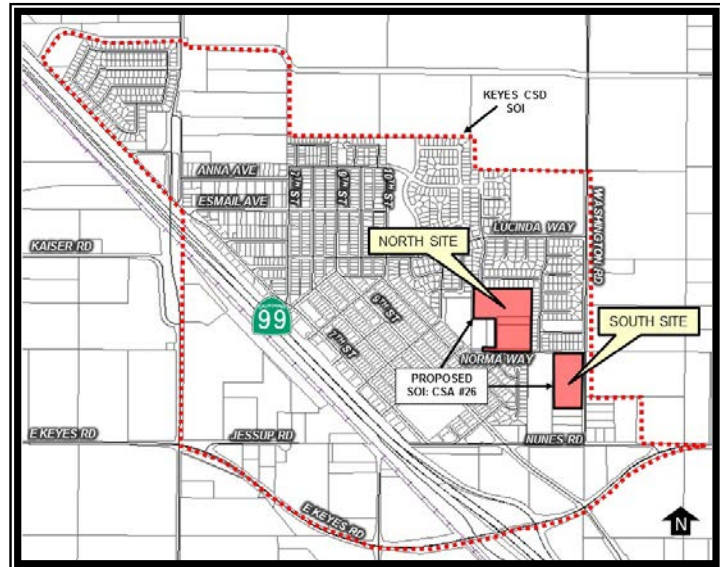
**FROM: Javier Camarena, Assistant Executive Officer**

**SUBJECT: LAFCO APPLICATION NO. 2018-08 & SOI AMENDMENT 2018-08 – KEYES 19 NORTH & SOUTH REORGANIZATION TO THE KEYES COMMUNITY SERVICES DISTRICT AND COUNTY SERVICE AREA 26 (KEYES)**

## **PROPOSAL**

The project is a proposal to annex two residential subdivisions (north & south) totaling approximately 19-acres to the Keyes Community Services District, to provide water and sewer, and County Service Area 26 – Keyes (CSA 26), to provide storm drainage, park facilities, a block wall, and landscaping. The annexation to CSA 26 will also include a sphere of influence amendment (See Exhibit “A” – Maps and Legal Description).

1. Applicant: Gold Star Investments, LLC
2. Location: The proposal is located in the Keyes area. The North area subdivision is located north of Norma Way and west of Tanya Way. The South subdivision is located south of Norma Way and west of Washington Road. (See Exhibit “A” – Maps and Legal Description).
3. Parcels Involved and Acreage: The project includes Assessor's Parcel Numbers (APNs) 045-021-003, 045-021-023, 045-021-024, 045-071-005 and a portion of 045-021-008 for the CSD annexation and the entire parcel for the CSA 26 annexation. (See Exhibit “A” Maps and Legal Description).
4. Reason for Request: The project is requested to provide sewer and water services from the Keyes CSD and storm drainage, park facilities, a block wall and landscaping from CSA 26 for the Keyes 19 Subdivisions (North & South).



## **BACKGROUND**

In October of 2016, the Stanislaus County Board of Supervisors approved two Vesting Tentative Subdivision Maps, PLN2015-0101 – Keyes 19 North and PLN 2015-0102 – Keyes 19 South. The two maps together create 91 residential lots of at least 5,000± square feet. As part of the project, both maps include plans to extend existing water and sanitary sewer lines of the Keyes Community Services District and require annexation into County Service Area 26 – Keyes (CSA 26) for storm drainage, park facilities, a block wall and landscaping. Annexation into the Keyes CSD and CSA 26 both require LAFCO approval.



In December of 2016 LAFCO approved application No. 2016-05 – Keyes 19 North and South Change of Organization to the Keyes CSD. However, the State Board of Equalization and staff fees were not paid within the required one-year time frame due to a change in ownership. Therefore, the change of organization was not recorded and expired.

The applicant wished to re-apply for annexation into the Keyes CSD earlier in 2018. Because the Subdivision maps also required annexation into CSA 26, the two annexations (Keyes CSD and CSA 26) were combined into one “reorganization” application.

## **FACTORS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires several factors to be considered by a LAFCO when evaluating a proposal. The following discussion pertains to the factors, as set forth in Government Code Section 56668 and 56668.3:

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

The proposed reorganization will serve the Keyes 19 North and South subdivisions. The subdivisions were approved in October of 2016 by the Stanislaus County Board of Supervisors as two separate maps. The first map (Keyes 19 North) consists of 13.2± acres subdivided into 64 single-family residential lots of at least 5,000 square feet. The second map (Keyes 19 South) consists of 6.7± acres subdivided into 27 single-family residential lots of at least 5,000 square feet. In total, the subdivisions will create 91 single-family residential lots.

The extension of Keyes CSD water and sewer service to the subdivisions will not induce any further growth and annexation into CSA 26 is a condition of approval required by Stanislaus County. The subdivisions are considered an infill project and are surrounded by similar low density residential where water and sewer services are already available.

The project site is zoned R1-US (Single-Family Residential Urban Service District). Annexation to the District will not change or lead to change in the zoning. The subject parcels are located in Tax Code Areas: 072-001 and 072-014. The current total assessed value for all of the parcels within the proposed annexation area is \$193,550.00.

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

The proposed annexation will provide sewer and water services to the project site. The Keyes CSD has indicated that based on the number of current service connections for water and sewer service, the District has an additional capacity of approximately 600-800 connections. The infrastructure improvements will be installed by the Developer of the subdivisions. The project site is surrounded by similar low-density residential development and is considered an “infill” project.

CSA 26 will provide storm drain, park facilities, a block wall and landscaping 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 26.

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

There are no social or economic communities of interest as defined by the Commission in the area. The proposal is consistent with adopted Commission policies to encourage efficient and effective delivery of governmental services.

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

The territory is located within an area that is zoned R1-US by Stanislaus County, which is considered low-density residential. The proposed reorganization will provide services to approved subdivisions. There are no plans to change the land uses.

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

The proposal will not result in the loss of agricultural land and will not affect the physical and economic integrity of agricultural land. The land is currently zoned for low density residential uses by Stanislaus County and is considered in-fill development.

- f. ***The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting proposed boundaries.***

The proposed boundary includes five existing parcels (to be subdivided into 91 low density residential parcels). The overall district boundary for the Keyes CSD will be more defined as a result of the annexation. The proposal is fully within the current Sphere of Influence of the District.

The proposed reorganization also includes a sphere of influence (SOI) amendment to the CSA 26 SOI. The amendment will result in a coterminous SOI and CSA boundary.

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

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as strategies for investing in the region's transportation system. According to the CEQA documentation, the developer of the subdivision will be required to pay Keyes Community Plan Mitigation Funding Program fees per the Keyes Community Plan adopted on April 18, 2000. The fees will be applied per dwelling and will be applied towards the future signal improvement at the SR-99 and Keyes Road ramp intersections.

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

The proposal is consistent with the Stanislaus County General Plan, which designates the territory as R1-US.

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

The territory is within the Keyes Community Services District's Sphere of Influence. The proposal is consistent with those adopted spheres of influence and Commission policies.

The proposed reorganization also includes a sphere of influence (SOI) amendment to the CSA 26 SOI. The amendment will result in a coterminous SOI and CSA boundary.

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

All affected agencies and jurisdictions have been notified pursuant to State law requirements and the Commission adopted policies. A response letter was received from the Stanislaus County Environmental Review Committee indicating that it had "no comment" on the proposed annexation. No comments have been received from any other local or public agencies.

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

The Keyes CSD has provided a will serve letter indicating that it is able to provides services to the subdivision. The Developer will be responsible for installing all necessary infrastructure improvements required for the public water and sewer connections. Once the subdivisions are on line, service and maintenance will be financed through the collection of sewer and water charges.

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

Keyes CSD has indicated that it is able to provide water service to the subdivisions. Currently, the District has 4 groundwater wells that provide drinking water to District customers. The District has some excess water capacity for growth; although, the District is in the process of establishing a treatment process to remediate arsenic levels that are present in the area that currently exceed the State's maximum contaminant levels.

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

The Stanislaus County 2015-2023 Housing Element Update identifies the 19-acre project site as part of 62± acres zoned R-1 US. R-1 US zoning provides low density residential uses when urban services are present. In total the project will contribute 91 dwelling units towards regional housing needs.

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

All of the landowners within the area have consented to the proposed annexation. No information or comments, other than what was provided in the application, have been received as of the drafting of this report.

- o. Any information relating to existing land use designations.***

All territories within the proposal are zoned R-1 US (Single-Family Residential Urban Service District) within the Stanislaus County Zoning Ordinance and are designated as “Low Density Residential” in the General Plan. There are currently no plans to change the land uses.

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

As defined by Government Code §56668, “environmental justice” means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. 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.

## **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 an 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 CSA boundaries and sphere of influence. The present land use in the area includes residential uses which are consistent with the planned land uses contemplated under the County General Plan and Zoning Ordinance.

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 26 (included in Exhibit “C”). The extended services to be provided by CSA 26 are storm drainage, park facilities, a block wall and landscaping 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.*

The project developers will be required to install the necessary improvements to serve the development. Stanislaus County will maintain and operate these facilities with the funding provided through the CSA.

Only those property owners 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, CSA 26 will have adequate controls and funding streams to provide the appropriate level of extended County services in order to serve the existing and future properties 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.*

The project site is located within a disadvantaged unincorporated community. The area is planned to be developed with residential subdivisions that will be served by the Keyes Fire Protection District for fire protection services, Keyes CSD for sewer and water services and CSA 26 for storm drain, parks and landscaping services.

## **DISCUSSION**

### **Waiver of Protest Proceedings**

Pursuant to Government Code Section 56662(d), the Commission may waive protest proceedings for the proposal when the following conditions apply:

1. The territory is uninhabited.
2. All of the owners of land within the affected territory have given their written consent to the change of organization.
3. No subject agency has submitted written opposition to a waiver of protest proceedings.

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

## **ENVIRONMENTAL REVIEW**

Stanislaus County, as “Lead Agency” under the California Environmental Quality Act (CEQA) prepared an initial study for the two approved subdivisions. In October of 2016, the Stanislaus County Board of Supervisors approved and adopted a Mitigated Negative Declaration for the two Vesting Tentative Subdivision Maps, PLN2015-0101 – Keyes 19 North and PLN 2015-0102 – Keyes 19 South. LAFCO, as a Responsible Agency, must consider the environmental documentation prepared by the County. The proposed annexations will not result in a change of land use under the current zoning, which is under Stanislaus County jurisdiction. The Notice of Determination and Initial Study prepared by the County are attached to this report as Exhibit “B”.

## **ALTERNATIVES FOR COMMISSION ACTION**

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

- Option 1**      APPROVE the proposal, as submitted by the applicant.
- Option 2**      DENY the proposal.
- Option 3**      CONTINUE this proposal to a future meeting for additional information.

## **STAFF RECOMMENDATION**

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 attached Resolution No. 2019-03, which:

- a. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by Stanislaus County as Lead Agency;

- b. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
- c. Waives protest proceedings pursuant to Government Code Section 56662(d); and,
- d. Approves LAFCO Application 2018-08 & SOI Amendment 2018-08 - Keyes 19 North and South Reorganization to the Keyes Community Services District and County Service Area 26 – Keyes as outlined in the resolution.

Respectfully submitted,

*Javier Camarena*

Javier Camarena  
Assistant Executive Officer

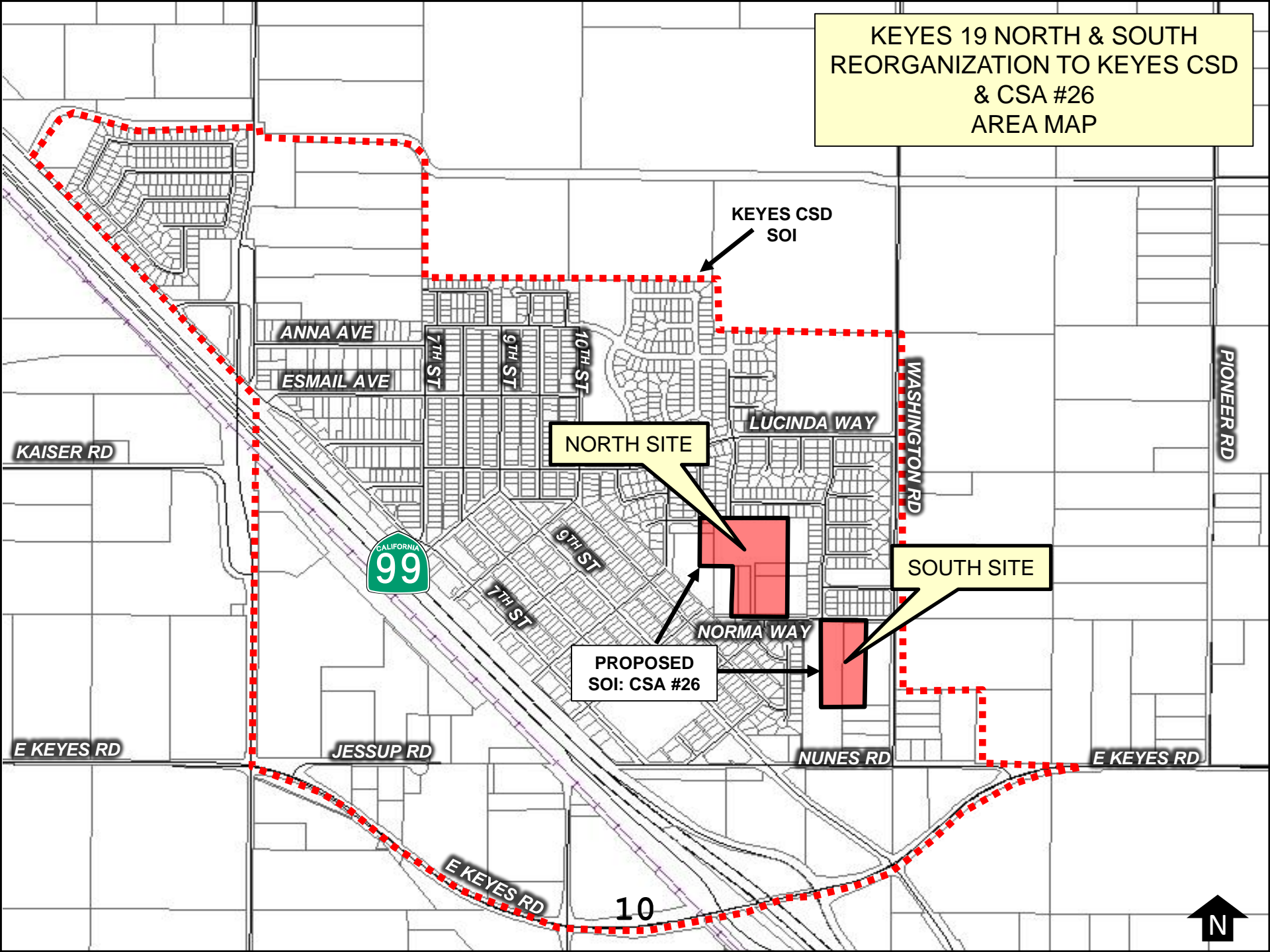
Attachments - Exhibit A: Maps and Legal Descriptions for Keyes CSD & CSA 26  
Exhibit B: Stanislaus County Initial Study and Notices of Determination  
Exhibit C: Keyes CSD Will Serve Letter and CSA 26 Engineer's Report  
Exhibit D: LAFCO Resolution No. 2019-03

## **EXHIBIT A**

### **Maps and Legal Descriptions For Keyes CSD and CSA 26**



KEYES 19 NORTH & SOUTH  
REORGANIZATION TO KEYES CSD  
& CSA #26  
AREA MAP



PROPOSED  
ANNEXATION  
NORTH SITE

KEYES 19 NORTH & SOUTH  
REORGANIZATION TO  
KEYES CSD & CSA #26  
**KEYES CSD ANNEXATION**

**KEYES  
CSD**

045-021-003

045-021-023

045-021-024

045-021-008

AUDRA CT

KIM DR

NORMA WAY

PROPOSED  
ANNEXATION  
SOUTH SITE

045-071-005

Keyes CSD  
SOI

JENNIE AVE

TANYA WAY

WASHINGTON RD

HORN WAY

STELLA AVE

MAUD AVE

NUNES RD

11

N



PROPOSED  
ANNEXATION & SOI  
AMENDMENT  
NORTH SITE

KEYES 19 NORTH & SOUTH  
REORGANIZATION TO  
KEYES CSD & CSA 26  
**CSA #26 ANNEXATION &  
SOI AMENDMENT**

PROPOSED  
ANNEXATION & SOI  
AMENDMENT  
SOUTH SITE

**CSA #26**

045-021-003

045-021-023

045-021-008

045-021-024

VINCA CT

DELPHINA CT

AUDRA CT

KIM DR

NORMA WAY

WASHINGTON RD

045-071-005

NUNES RD

TANYA WAY

HORN WAY

JENNIE AVE

10TH ST

9TH ST

8TH ST

MAUD AVE

7TH ST

STELLA AVE

Notes:

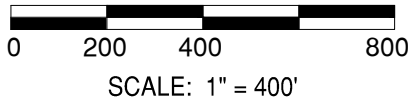
CSA #26's existing SOI  
is coterminous with the  
district's boundaries

12



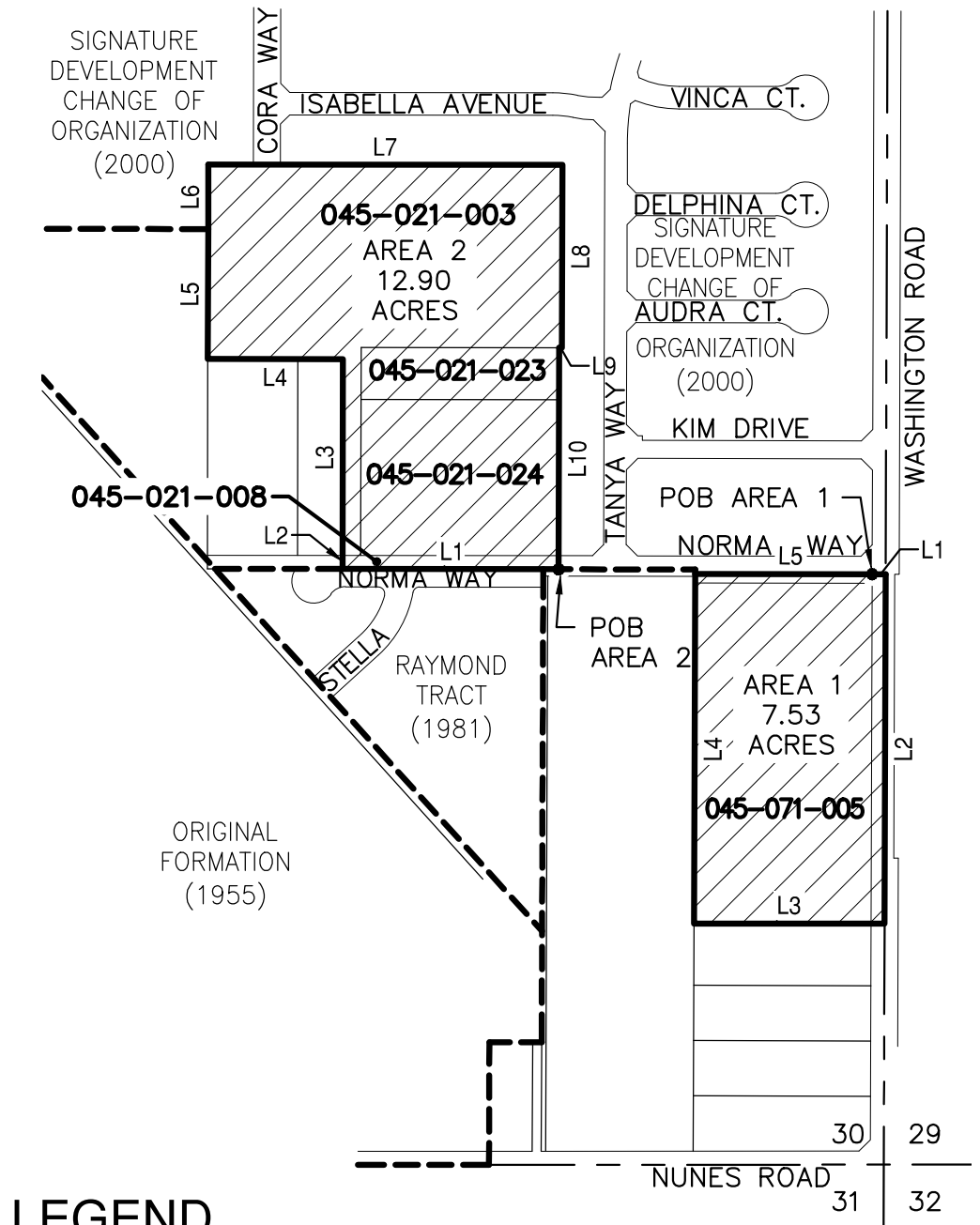
# KEYES 19 ANNEXATION TO THE KEYES COMMUNITY SERVICE DISTRICT

PORTION OF THE SE 1/4 OF SECTION 30, T.4S., R.10E., M.D.B.&M.  
STANISLAUS COUNTY CALIFORNIA



| AREA 1 LINE TABLE |             |         |
|-------------------|-------------|---------|
| LINE #            | DIRECTION   | LENGTH  |
| L1                | S89°54'58"E | 30.00'  |
| L2                | S0°11'15"W  | 775.02' |
| L3                | S89°59'35"W | 423.05' |
| L4                | N0°11'58"E  | 775.69' |
| L5                | S89°54'58"E | 392.88' |

| AREA 2 LINE TABLE |             |         |
|-------------------|-------------|---------|
| LINE #            | DIRECTION   | LENGTH  |
| L1                | N89°54'58"W | 479.70' |
| L2                | N0°08'45"E  | 30.00'  |
| L3                | N0°08'45"E  | 435.60' |
| L4                | N89°54'58"W | 300.00' |
| L5                | N0°08'45"E  | 288.06' |
| L6                | N0°08'45"E  | 143.34' |
| L7                | S89°54'58"E | 785.70' |
| L8                | S0°08'45"W  | 405.45' |
| L9                | N89°54'58"W | 6.00'   |
| L10               | S0°08'45"W  | 491.55' |

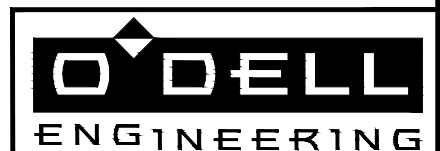


## LEGEND

NEW DISTRICT BOUNDARY LINE

EXISTING DISTRICT BOUNDARY LINE

SECTION LINE



PROJECT: COMMUNITY DISTRICT ANNEXATION

SCALE: 1"=400' DATE: 12-15-2016

JOB NO.: 29160

FILE: 29160-ANNEX.DWG

1  
of  
1

## KEYES 19 ANNEXATION TO THE KEYES COMMUNITY SERVICE DISTRICT

### LEGAL DESCRIPTION

Being that portion of the southeast quarter of Section 30, Township 4 South, Range 10 East, Mount Diablo Base and Meridian, situated in the County of Stanislaus, State of California, said portion described as follows:

#### **AREA 1** A.P.N. 045-071-005

BEGINNING at the northeast corner of Parcel 2 as shown on parcel map filed for record in Book 34 of Parcel Maps, at Page 76, Stanislaus County Records, also being a point on the most southerly boundary of the "Signature Development Change of Organization to the Keyes Community Service District"; thence,

- 1) South 89°54'58" East, 30.00 feet to the east line of said Section 30, said point being the southeast corner of said boundary of the "Signature Development Change of Organization to the Keyes Community Service District"; thence,
- 2) South 00°11'15" West, 775.02 feet along said east line of Section 30, also being the centerline of Washington Road, to the intersection with the easterly prolongation of the south line of said Parcel 2; thence,
- 3) South 89°59'35" West, 423.05 feet along said south line of Parcel 2 and easterly prolongation thereof, to the southwest corner of said Parcel 2; thence,
- 4) North 00°11'58" East, 775.69 feet to the northwest corner of said Parcel 2, also being the most southwesterly corner of said "Signature Development Change of Organization to the Keyes Community Service District" boundary; thence,
- 5) South 89°54'58" East, 392.88 feet along the north line of said Parcel 2, also being the most southerly boundary of said "Signature Development Change of Organization to the Keyes Community Service District", to the POINT OF BEGINNING.

Containing 7.53 acres, more or less.

#### **AREA 2** A.P.N. 045-021-003, 045-021-008, 045-021-023 and 045-021-024

BEGINNING at the southwest corner of Parcel 1 as shown on parcel map filed for record in Book 34 of Parcel Maps, at Page 76, Stanislaus County Records, also being the most southwesterly boundary corner of the "Signature Development Change of Organization to the Keyes Community Service District", said corner also being a point on the south line of the northeast quarter of the southeast quarter of Section 30; thence,

- 1) Leaving said southwesterly boundary corner and along the south line of that parcel described in Individual Quit Claim Deed to Vernon Doyle Christopher recorded February 27, 1986 as Instrument No. 047618, Stanislaus County Records, North 89°54'58" West, 479.70 feet, also being the centerline of Norma Way; thence,
- 2) Leaving said south line of said Christopher parcel, North 00°08'45" East, 30.00 feet to the most southwesterly corner of the parcel described in Joint Tenancy Grant Deed to E.L. and Etta Christopher recorded February 9, 1956 as Instrument No. 3850 in Volume


1344, at Page 68, Stanislaus County Records; thence along the boundary of last said parcel, the following (3) courses:

- 3) Continuing North 00°08'45" East, 435.60 feet; thence
- 4) North 89°54'58" West, 300.00 feet; thence,
- 5) North 00°08'45" East, 288.06 feet to the southeast corner of Parcel C of Parcel Map filed in Book 25, at Page 112, Stanislaus County Records, said corner also being a corner of said "Signature Development Change of Organization to the Keyes Community Service District" boundary; thence along the boundary of said Parcel Map, also be the boundary of said "Signature Development Change of Organization to the Keyes Community Service District" boundary the following five (5) courses:
  - 6) Continuing North 00°08'45" East, 143.34 feet; thence
  - 7) South 89°54'58" East, 785.70 feet; thence
  - 8) South 00°08'45" West, 405.45 feet; thence
  - 9) North 89°54'58" West, 6.00 feet; thence
  - 10) South 00°08'45" West, 491.55 feet to the POINT OF BEGINNING.

Containing 12.90 acres, more or less.

Total Computed Acreage Containing 20.43 acres, more or less.

This real property description has been prepared by me, or under my direction, in conformance with the requirements of the Professional Land Surveyor's Act.

  
\_\_\_\_\_  
William M. Koch  
Professional Land Surveyor  
California No. 8092



12-16-2016  
\_\_\_\_\_  
Date

**EXHIBIT "A"**  
**LEGAL DESCRIPTION OF KEYES 19 NORTH**  
**ANNEXATION TO CSA 26 - KEYES**

Situate in the North half of the Southeast Quarter of Section 30, Township 4 South, Range 10 East, Mount Diablo Meridian in the County of Stanislaus, State of California, said Area 1 also being described as follows:

**BEGINNING** at the Southwest corner of Parcel 1 as shown on that certain Parcel Map filed for record in Book 34 of Parcel Maps, at Page 76, Stanislaus County Records, being also the Southeast boundary corner of the area described as "Exception" from the Boundary of County Service Area (GSA) No. 26 (Keyes);

thence, along the existing boundary of said GSA No. 26, being also the South line of that property described in Individual Quit Claim Deed to Vernon Doyle Christopher recorded February 27, 1986 as Instrument No. 047618, Stanislaus County Records, the following three (3) courses:

1. Along the South line of the Northeast Quarter of the Southeast Quarter of said Section 30, North 89°40'26" West 594.99 feet to the Southeast Sixteenth corner of the Southeast Quarter of said Section 30; thence
2. Along the South line of the Northwest Quarter of said Southeast Quarter, North 89°41'58" West 185.00 feet to the Southerly extension of the East line of that certain Parcel Map filed for record in Book 32 of Parcel Maps, at Page 27, Stanislaus County Records; thence
3. Along said Southerly Extension, North 00°27'12" East 30.00 feet to a point which is 30.00 feet distant at right angles from said South line of the Northwest Quarter of the Southeast Quarter; thence leaving said existing GSA No. 26 boundary and continuing along said Christopher property the following four (4) courses:
  4. Parallel with said South line of the Northwest Quarter of the Southeast Quarter, South 89°41'58" East 184.93 feet; thence
  5. Parallel with said South line of the Northeast Quarter of the Southeast Quarter, South 89°40'26" East 115.07 feet; thence
  6. North 00°27'12" East 435.40 feet;
  7. North 89°41'58" West 300.00 feet to a point on the East line of the Remainder Parcel as shown on said Parcel Map filed for record in Book 32 of Parcel Maps, at Page 27, Stanislaus County Records, being also a point on said existing GSA No. 26 boundary; thence along said existing GSA No. 26 boundary the following five (5) courses:



8. Along said East line of said Remainder Parcel and the Easterly line of that certain map entitled "Bonita Ranch, Unit No. 1", filed for record in Book 41 of Maps, at Page 8, Stanislaus County Records, North 00°27'12" East 431.35 feet to the Southwesterly corner of Parcel B as shown on that certain Parcel Map filed for record in Book 25, at Page 112, Stanislaus County Records; thence
9. Along the Southerly line of said Parcel B, South 89°38'23" East 785.79 feet; thence
10. Along the Westerly line of said Parcel B, South 00°27'06" West 405.45 feet; thence
11. Continuing along the Westerly line of said Parcel B, North 89°40'26" West 6.21 feet; thence
12. Continuing along the Westerly line of said Parcel Band Parcel A of said Parcel Map filed for record in Book 25 of Parcel Maps, at Page 112, South 00°24'26" West 490.69 feet to the point of beginning.

Containing 13.10 acres more or less

This legal description as described is delineated on the accompanying "Plat to Accompany Legal Description" and made a part hereof for reference purposes.

  
Nicole Cannella, P.L.S. 9099



5-14-18



**EXHIBIT "A 1"**  
**LEGAL DESCRIPTION OF KEYES 19 SOUTH**  
**ANNEXATION TO CSA 26 - KEYES**


Situate in the Southeast Quarter of the Southeast Quarter of Section 30, Township 4 South, Range 10 East, Mount Diablo Meridian in the County of Stanislaus, State of California, said Area 2 also being described as follows:

**COMMENCING** at the Southeast Corner of said Section 30; thence

1. Along the East line of said Section 30, being also the centerline of Washington Road, North 00°27'45" East 535.04 feet to the intersection with the easterly prolongation of the south line of Parcel 2 as shown on that certain Parcel Map filed for record in Book 34 of Parcel Maps, at Page 76, Stanislaus County Records and **TRUE POINT OF BEGINNING** of this description; thence
2. Along said South line of Parcel 2 and the Easterly prolongation thereof, North 89°44'05" West 422.95 feet to the Southwest corner of said Parcel 2; thence
3. Along the West line of said Parcel 2, North 00°28'02" East 745.62 feet to a point on the South right of way line of Norma Way being 30.00 feet distance at right angles from the centerline of Norma Way as shown on that certain Map entitled Victoria Park, filed for record in Book 41 of Maps, at Page 55, Stanislaus County Records, being also a point on the boundary of the existing County Service Area (CSA) No. 26 (Keyes); thence
4. Along said existing CSA No. 26 boundary, parallel with said centerline, being also said South Right of Way line and its Easterly prolongation thereof to said East line of Section 30, being also said centerline of Washington Road, South 89°38'49" East 422.89 feet; thence
5. Leaving said existing CSA No. 26 boundary and along said East line of Section 30, being also said centerline of Washington Road, South 00°27'45" West 744.97 feet to the point of beginning.

Containing 7.24 acres more or less

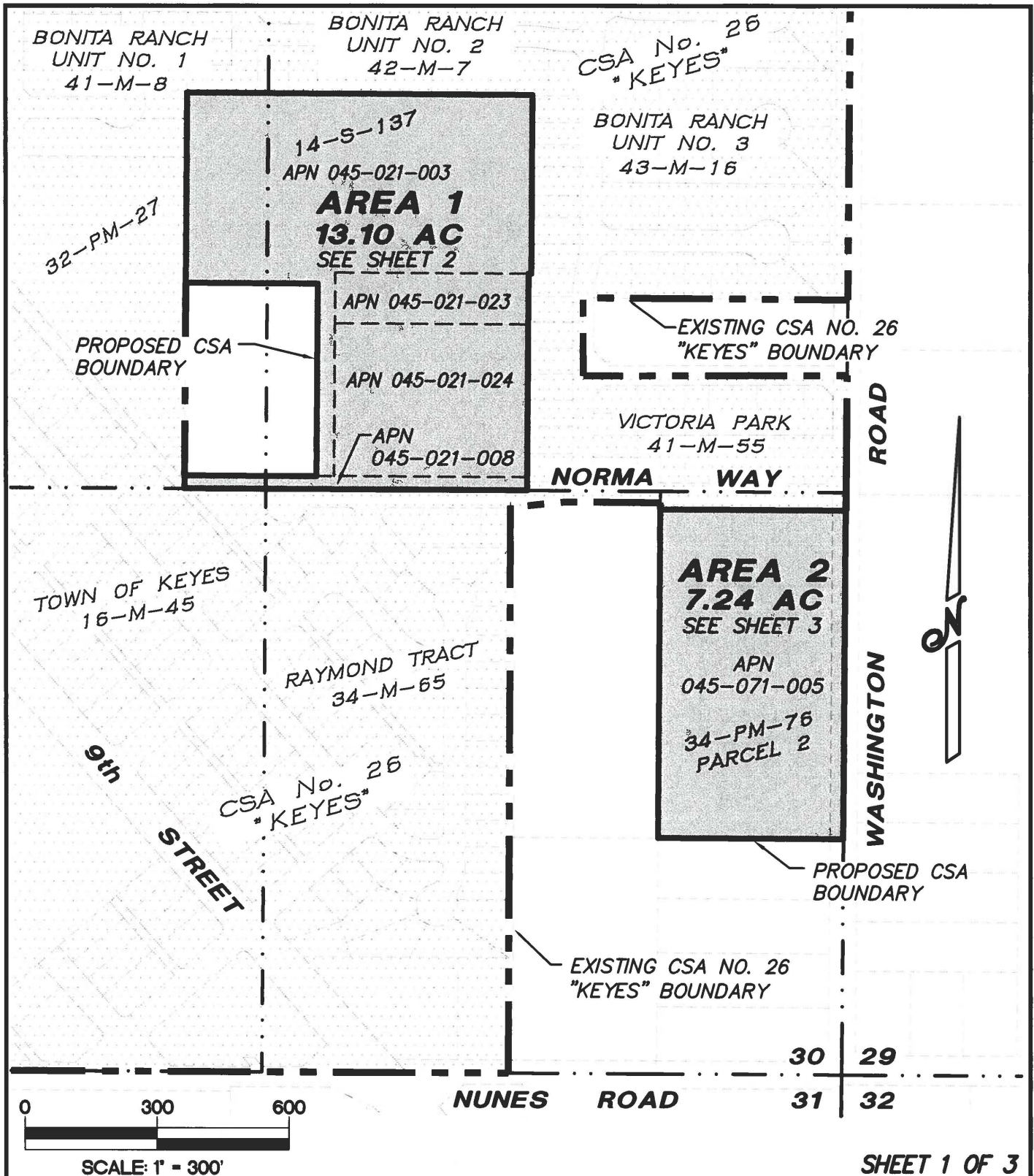
This legal description as described is delineated on the accompanying "Plat to Accompany Legal Description" and made a part hereof for reference purposes.

  
Nicole Cannella, P.L.S. 9099



5.14.18

# EXHIBIT "B"



**North Star**  
**Engineering Group, Inc.**

• CIVIL ENGINEERING • SURVEYING • PLANNING •

620 12th Street Modesto, CA 95354  
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY**  
**LEGAL DESCRIPTION**

OF A PORTION OF THE SOUTHEAST QUARTER OF  
SECTION 30, TOWNSHIP 4 SOUTH, RANGE 10 EAST,  
MOUNT DIABLO MERIDIAN.

**STANISLAUS COUNTY, STATE OF CALIFORNIA**

JOB NO: J17-2068

SCALE: 1"=300'

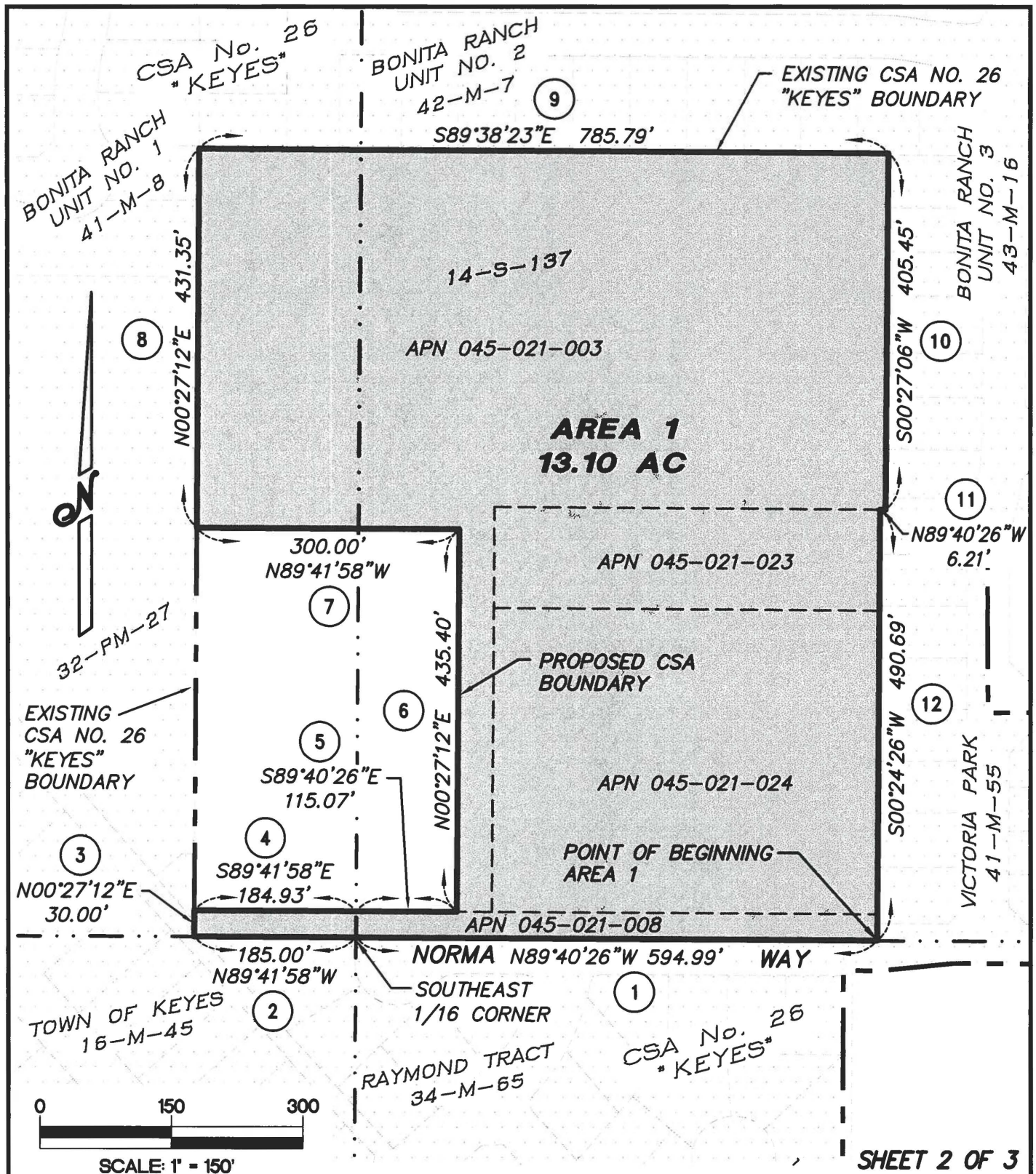
DR BY: NC

FILE: 17-2068 csa annexation  
exhibit cover sht.dwg

DATE: May 14, 2018



# EXHIBIT "B" – KEYES 19 NORTH



**SHEET 2 OF 3**



**North Star**

**Engineering Group, Inc.**

• CIVIL ENGINEERING • SURVEYING • PLANNING •  
620 12th Street Modesto, CA 95354  
(209) 524-3525 Phone (209) 524-3526 Fax

## **PLAT TO ACCOMPANY** **LEGAL DESCRIPTION**

OF A PORTION OF THE SOUTHEAST QUARTER OF  
SECTION 30, TOWNSHIP 4 SOUTH, RANGE 10 EAST,  
MOUNT DIABLO MERIDIAN.

**STANISLAUS COUNTY, STATE OF CALIFORNIA**

**JOB NO:** J17-2068

**SCALE:** 1"=150'

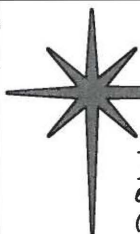
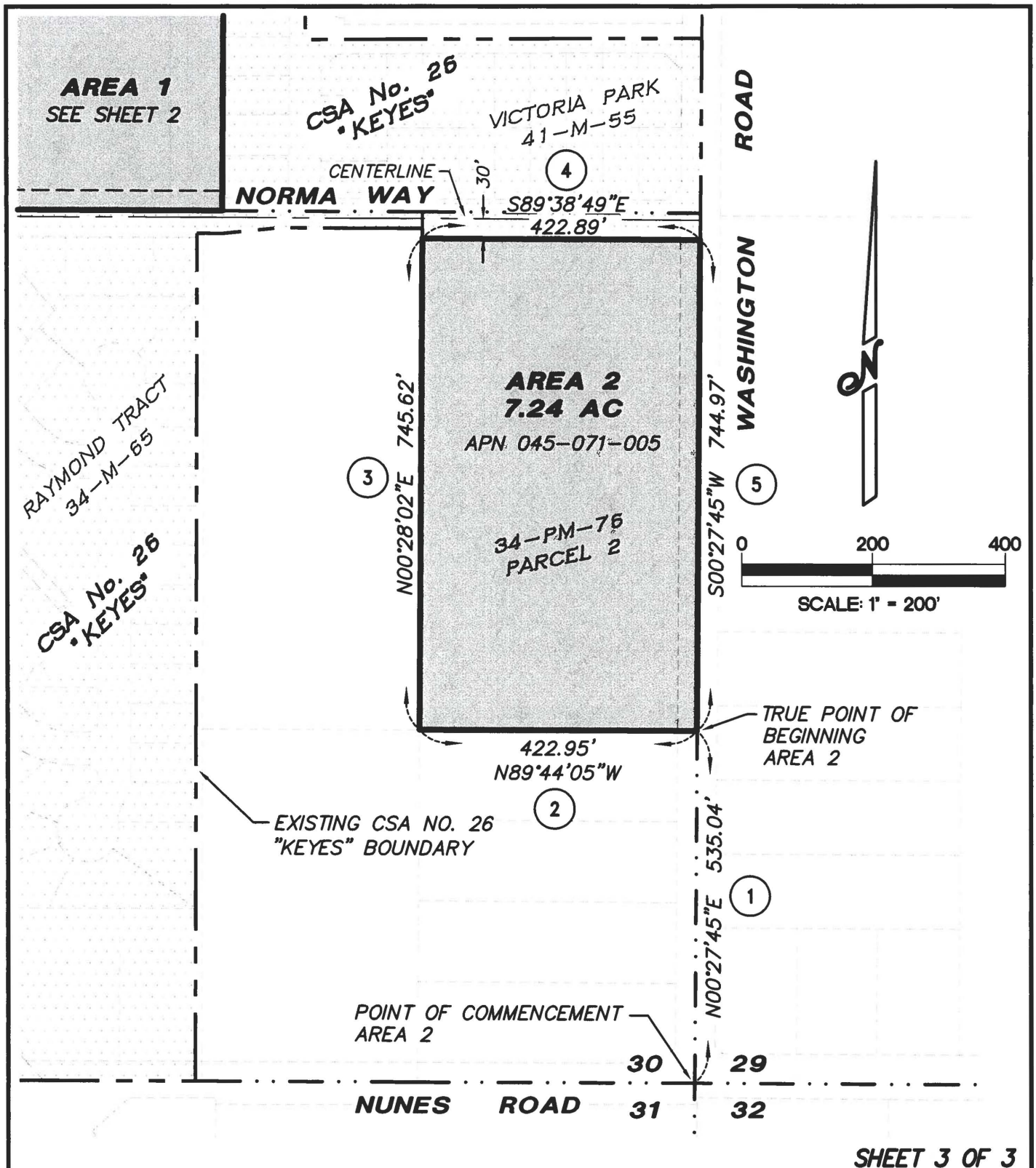
**DR BY:** NC

**FILE:** 17-2068 csa annexation  
exhibit.dwg

**DATE:** May 14, 2018



# EXHIBIT "B" – KEYES 19 SOUTH



*North Star*

**Engineering Group, Inc.**

• CIVIL ENGINEERING • SURVEYING • PLANNING •

620 12th Street Modesto, CA 95354

(209) 524-3525 Phone (209) 524-3526 Fax

## **PLAT TO ACCOMPANY LEGAL DESCRIPTION**

OF A PORTION OF THE SOUTHEAST QUARTER OF  
SECTION 30, TOWNSHIP 4 SOUTH, RANGE 10 EAST,  
MOUNT DIABLO MERIDIAN.

**STANISLAUS COUNTY, STATE OF CALIFORNIA**

JOB NO: J17-2068

SCALE: 1"=300'

DR BY: NC

FILE: 17-2068 csa annexation  
exhibit.dwg

DATE: May 14, 2018

CONSENT FOR ANNEXATION OF  
TERRITORY TO COUNTY SERVICE AREA NO. 26 – Keyes, Keyes  
(Keyes 19 North and Keyes 19 South Annexation)

Jap C. Mitchell as Trustee of the Jap C. Mitchell Revocable Living Trust, hereinafter referred to as "Owner", owns and has title to the property APN #045-071-005 located in Stanislaus County, California as described on Exhibits "A" and "B" attached hereto and hereinafter referred to as "Property".

Owner hereby consents to the annexation of the Property to the County Service Area No. 26 - Keyes, Keyes for the purpose of receiving extended county services to or within the Property and to pay the Fiscal Year 2020/2021 assessment in the amount of \$571.75 per Equivalent Benefit Unit (EBU) and the parcel assessment calculated using the County Service Area Assessment Formulas:

Total Operation & Maintenance Cost - Use of Fund Balance / Total Equivalent Benefit Units (EBU) = Levy(Assessment) per Equivalent Benefit Unit (EBU)

Parcel EBU x Levy(Assessment) per EBU = Parcel Assessment.

Owner acknowledges that the extended county services are park and streetscape maintenance, storm drainage control, and storm drainage system maintenance, and the annexation will be pursuant to Government Code Section 25210 et seq.

Owner declares under penalty of perjury that the foregoing is true and correct and that the Consent For Annexation Of Territory To County Service Area No. 26 was executed this 8 day of Oct, 2018.

Owner or Corporate Officer

Jap C Mitchell  
Print Name

Jap C Mitchell  
Signature

Owner  
Title

**EXHIBIT B**

**Stanislaus County Initial Study and  
Notice of Determination**



**DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT**

1010 10<sup>th</sup> Street, Suite 3400, Modesto, CA 95354  
Phone: 209.525.6330 Fax: 209.525.5911

## CEQA INITIAL STUDY

Adapted from CEQA Guidelines APPENDIX G Environmental Checklist Form, Final Text, December 30, 2009

1. **Project title:** Vesting Tentative Subdivision Map Application  
Nos. PLN2015-0101 – Keyes 19 North &  
PLN2015-0102 – Keyes 19 South
2. **Lead agency name and address:** Stanislaus County  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, CA 95354
3. **Contact person and phone number:** Jeremy Ballard, Assistant Planner, (209) 525-6330
4. **Project location:** 5819 Washington Road & 4713, 4805 & 4707  
Norma Way, between Lucinda Avenue and  
Nunes Road, in the Community of Keyes. APN:  
045-071-005, 045-021-008, 045-021-024, 045-  
021-023, 045-021-003.
5. **Project sponsor's name and address:** C Valley Properties LLC, KD Land & Cattle  
Investments, LLC  
3465 Lochinar Ave #124  
Santa Clara, CA 95051
6. **General Plan designation:** Low Density Residential (LDR)
7. **Zoning:** Single Family Residential/Urban Services (R1-  
US)
8. **Community Plan:** Residential Medium-High (North Map),  
Residential-Low & Commercial (South Map).
9. **Description of project:**

This is a request to create 91 residential lots of at least 5,000± square feet subdivided from a total of 19.9± acres, comprised of five (5) separate parcels. The 91 residential lots will be subdivided via two (2) separate vesting tentative subdivision map applications. Both maps will extend existing water and sanitary sewer lines of the Keyes Community Service District. The District will serve both proposed developments with water and sewer services. Both maps will feature curb, gutter, sidewalks, and a tree planting plan along all street frontages.

Specifically, the Keyes 19 North map will consist of: 64 residential lots, the extension of Stella Avenue, Cora & Norma Way, a .79± acre dual use storm drain basin and extension of Hatch Park that will be dedicated to Stanislaus County and a .23± acre remainder parcel. The Keyes 19 South map will consist of: 27 residential lots, a 1.16± acre storm drain basin that will be screened via Washington Road by an eight (8) foot high masonry wall with landscaping, and an agricultural buffer that will be approximately 446 feet in length along Washington Road as well. The agricultural buffer will comprise of an eight (8) foot high masonry wall with the staggering of two different rows of trees.

10. Surrounding land uses and setting:

**Keyes 19 North:** To the north, south & east is single family residential development and to the west is single family development & Hatch Park.

**Keyes 19 South:** To the north and south is single family residential, to the west is vacant land as well as single family residential, and to the east row crops, orchards, scattered ranchettes and a mobile home park.

11. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.):

Stanislaus County Department of Public Works, Keyes Community Service District, Turlock Irrigation District, Local Agency Formation Commission (LAFCO).



**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:**

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Aesthetics                          | <input type="checkbox"/> Agriculture & Forestry Resources | <input type="checkbox"/> Air Quality                        |
| <input type="checkbox"/> Biological Resources                | <input type="checkbox"/> Cultural Resources               | <input type="checkbox"/> Geology / Soils                    |
| <input type="checkbox"/> Greenhouse Gas Emissions            | <input type="checkbox"/> Hazards & Hazardous Materials    | <input type="checkbox"/> Hydrology / Water Quality          |
| <input type="checkbox"/> Land Use / Planning                 | <input type="checkbox"/> Mineral Resources                | <input type="checkbox"/> Noise                              |
| <input type="checkbox"/> Population / Housing                | <input type="checkbox"/> Public Services                  | <input type="checkbox"/> Recreation                         |
| <input checked="" type="checkbox"/> Transportation / Traffic | <input type="checkbox"/> Utilities / Service Systems      | <input type="checkbox"/> Mandatory Findings of Significance |

**DETERMINATION: (To be completed by the Lead Agency)**

On the basis of this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Jeremy Ballard

Signature

July 5, 2016

Date

**EVALUATION OF ENVIRONMENTAL IMPACTS:**

- 1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
- 4) “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, “Earlier Analyses,” may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration.

Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

- a) Earlier Analysis Used. Identify and state where they are available for review.
  - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) Mitigation Measures. For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). References to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
  - 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
  - 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project’s environmental effects in whatever format is selected.
  - 9) The explanation of each issue should identify:
    - a) the significant criteria or threshold, if any, used to evaluate each question; and
    - b) the mitigation measure identified, if any, to reduce the impact to less than significant.

## ISSUES

| I. AESTHETICS -- Would the project:  | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Have a substantial adverse effect on a scenic vista?  |                                |  | X                            |           |
| b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway? |                                |  | X                            |           |
| c) Substantially degrade the existing visual character or quality of the site and its surroundings?  |                                |  | X                            |           |
| d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?                                    |                                |  | X                            |           |

**Discussion:** The site is not considered to be a scenic resource or a unique scenic vista. Community standards do not dictate the need or desire for architectural review of agricultural or residential subdivisions. The project sites are currently improved with four (4) single family dwellings, two (2) of which will remain and the others will be removed prior to the final map being recorded. The two Vesting Tentative Subdivision Maps will feature a total of 91 residential lots of similar size and nature as the surrounding residential development. The project request will also feature two stormwater drainage basins. The north map's 0.79± acre stormwater retention basin will be utilized as a dual use basin as part of the parkland dedication requirement featuring curb, gutter, and sidewalk along the Cora Way extension and connect with the County's existing Hatch Park. The south map's 1.16± acre stormwater retention basin will feature an eight (8) foot tall masonry block wall along Washington Road and extend 20 feet in depth, while the remainder of the basin will feature perimeter fencing. The portion of masonry wall along Washington Road will be landscaped. Each map will also feature a tree planting plan for each lot. These project features will enhance the site's overall visual character as well as blending with the existing surrounding development. Any street light to be installed will be conditioned to prevent any intrusive glare at night or during the day.

**Mitigation:** None

**References:** Application; Stanislaus County General Plan and Support Documentation<sup>1</sup>.

| II. AGRICULTURE AND FOREST RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. -- Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|---|--------------------------------|--|------------------------------|-----------|
| a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?  |                                |  | X                            |           |
| b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?  |                                |  | X                            |           |

|  |  |  |   |   |
|--|--|--|---|---|
| c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? |  |  |   | X |
| d) Result in the loss of forest land or conversion of forest land to non-forest use?   |  |  |   | X |
| e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?   |  |  | X |   |

**Discussion:** The project sites are designated as Low Density Residential (LDR) in the County's General Plan, zoned Single Family Residential Urban Services (R1-US), which permits residential uses provided that connection to a public water and sanitary sewer source take place. The project site is surrounded by land zoned Rural Residential (R-A) and Single Family Residential (R-1) to the north, south, and west. To the east of Washington Road is land zoned General Agriculture (A-2-40). As part of the project, the south map will feature an agricultural buffer to screen any single family development from routine agricultural practices. The agricultural buffer will consist of an eight (8) foot high masonry block wall that will incorporate two rows of trees for landscaping. The first row of trees will consist of a seven (7) foot planting strip and be planted with trees of an evergreen variety that will grow up to 60 feet tall, while the second row of trees will be planted with accent trees that will grow up to 25 to 30 feet tall in a five (5) foot wide planting strip.

A referral response received from the Turlock Irrigation District (TID) described irrigation infrastructure throughout both maps. The north map was identified to contain a 24 inch irrigation pipeline that runs north along the eastern boundary of the project site. The irrigation infrastructure currently does not serve any downstream users and will be removed; however, TID is requiring a 15 foot wide irrigation easement be improved and dedicated along Norma Way for the benefit of properties to the west of the project site for any future connection. According to TID, the south map has a 30 inch wide irrigation pipeline and 15 foot wide irrigation easement along the northern portion of the project site. The District is requiring that parts of the infrastructure's irrigation gates be sealed or converted. The District also identified a private irrigation ditch and 20 foot wide irrigation and drainage easement located along the western property line for the benefit of the adjacent property. The District is requiring the applicant to pipe the existing ditch and constitute a new easement centered on the pipeline. All grading to be done will be required to be finished to elevations that are at least six inches higher than any adjacent irrigated ground with a protective berm to prevent irrigation water from reaching non-irrigated properties. Conditions of approval will be placed on the project to comply with these requirements.

The project site is considered an in-fill development and will not contribute to the loss of farmland or forest land. The project is not anticipated to create any adverse impacts to any adjacent agriculture.

**Mitigation:** None

**References:** Application; Referral response received from Turlock Irrigation District dated March 9, 2016; Stanislaus County General Plan and Support Documentation; Stanislaus County Zoning Ordinance.

| III. AIR QUALITY: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. -- Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Conflict with or obstruct implementation of the applicable air quality plan?  |                                |  | X                            |           |
| b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?   |                                |  | X                            |           |

|   |  |  |   |  |
|---|--|--|---|--|
| c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? |  |  | X |  |
| d) Expose sensitive receptors to substantial pollutant concentrations?  |  |  | X |  |
| e) Create objectionable odors affecting a substantial number of people?   |  |  | X |  |

**Discussion:** The project site is within the San Joaquin Valley Air Basin, which has been classified as "severe non-attainment" for ozone and respirable particulate matter (PM-10) as defined by the Federal Clean Air Act. The San Joaquin Valley Air Pollution Control District (SJVAPCD) has been established by the State in an effort to control and minimize air pollution. As such, the District maintains permit authority over stationary sources of pollutants.

The primary source of air pollutants generated by this project would be classified as being generated from "mobile" sources. Mobile sources would generally include dust from roads, farming, and automobile exhausts. Mobile sources are generally regulated by the Air Resources Board of the California EPA which sets emissions for vehicles and acts on issues regarding cleaner burning fuels and alternative fuel technologies. As such, the District has addressed most criteria air pollutants through basin wide programs and policies to prevent cumulative deterioration of air quality within the basin.

The project was referred to SJVAPCD and no response was received. However, the District's Small Project Analysis Level (SPAL) guidance identifies thresholds of significance for criteria pollutant emissions, which are based on the District's New Source Review (NSR) offset requirements for stationary sources. Using project type and size, the District has pre-qualified emissions and determined a size below which it is reasonable to conclude that a project would not exceed applicable thresholds of significance for criteria pollutants. In the interest of streamlining CEQA requirements, projects that fit the descriptions and are less than the project sizes provided by the District are deemed to have a less than significant impact on air quality due to criteria pollutant emissions and as such are excluded from quantifying criteria pollutant emissions for CEQA purposes. The District's threshold of significance for residential projects is identified as 152 units, or 1,453 additional trips per day. According to the Federal Highway Administration the average daily vehicle trips per household is 9.6, which would equal 874 additional trips per day as a result of project approval (91 new units x 9.6 = 873.6). As this is below the District's threshold of significance, no significant impacts to air quality are anticipated.

The project will not conflict with, or obstruct implementation of, any applicable air quality plan. The construction phase of this project will be required to meet SJVAPCD's standards and to obtain all applicable permits.

**Mitigation:** None

**References:** San Joaquin Valley Air Pollution Control District's Small Project Analysis Level (SPAL) guidance; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| IV. BIOLOGICAL RESOURCES -- Would the project:   | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? |                                |  | X                            |           |
| b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?  |                                |  | X                            |           |

|  |  |  |   |  |
|--|--|--|---|--|
| c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means? |  |  | X |  |
| d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?                                   |  |  | X |  |
| e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?  |  |  | X |  |
| f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?   |  |  | X |  |

**Discussion:** The proposed Vesting Tentative Subdivision Maps are made up of five (5) existing parcels. Of the four (4) parcels, only two (2) existing dwellings will remain as a part of the project request. The project site is surrounded by small lots, typically 5,000 to 8,000 square feet in size, developed with single family dwellings. Currently, there are no known protected habitat or species within the project site.

The project will not conflict with a Habitat Conservation Plan, a Natural Community Conservation Plan, or other locally approved conservation plans. Impacts to endangered species or habitats, locally designated species, wildlife dispersal or mitigation corridors are considered to be less than significant.

An early consultation was referred to the California Department of Fish and Wildlife (formerly the Department of Fish and Game) and no response was received.

**Mitigation:** None

**References:** Stanislaus County General Plan and Support Documentation<sup>1</sup>

| V. CULTURAL RESOURCES -- Would the project:  | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?    |                                |  | X                            |           |
| b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5? |                                |  | X                            |           |
| c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?        |                                |  | X                            |           |
| d) Disturb any human remains, including those interred outside of formal cemeteries?                           |                                |  | X                            |           |

**Discussion:** According to the Central California Information Center (CCIC), the project area has a low sensitivity for the possible discovery of prehistoric or historic resources on site. The CCIC identified one structure that may have been constructed in 1953 and that buildings over 45 years old may be considered potential cultural resources. The CCIC recommends a survey by a qualified resources consultant prior to implementation of the project or issuance of any discretionary permit. The site currently contains four (4) single family dwellings, and according to the County's Assessor records were constructed as early as 1979 and as recently as 1992. There is also five (5) agricultural storage building

within the project sites, which are to be removed prior to recording of the final map. There are no registered historical structures or landmarks existing on the site. Conditions of approval will be placed on the project to protect any pre-historic or historic resources found during construction activities.

**Mitigation:** None

**References:** Application; Referral response from Central California Information Center dated August 31, 2015; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| VI. GEOLOGY AND SOILS -- Would the project:  | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:   |                                |  | X                            |           |
| i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42. |                                |  | X                            |           |
| ii) Strong seismic ground shaking?   |                                |  | X                            |           |
| iii) Seismic-related ground failure, including liquefaction?   |                                |  | X                            |           |
| iv) Landslides?  |                                |  | X                            |           |
| b) Result in substantial soil erosion or the loss of topsoil?  |                                |  | X                            |           |
| c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?   |                                |  | X                            |           |
| d) Be located on expansive soil creating substantial risks to life or property?  |                                |  | X                            |           |
| e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?   |                                |  | X                            |           |

**Discussion:** As contained in Chapter Five of the General Plan Support Documentation, the areas of the County subject to significant geologic hazard are located in the Diablo Range, west of Interstate 5; however, as per the California Building Code, all of Stanislaus County is located within a geologic hazard zone (Seismic Design Category D, E, or F) and a soils test may be required as part of the building permit process. The applicant submitted a preliminary soils report to the Department of Public Works for the two proposed storm drainage retention basins and stormwater collection system. After reviewing the soils report, the Public Works Department approved the proposed stormwater plan. Any earth moving must be approved by Public Works as complying with adopted Standards and Specifications, which consider the potential for erosion and run-off prior to permit approval. The Building Division may utilize the results from the soils test, or require additional soils tests, to determine if unstable or expansive soils are present. If such soils are present, special engineering of any structures will be required to compensate for the soil deficiency. Any structures resulting from this project will be designed and built according to building standards appropriate to withstand shaking for the area in which they are constructed. As detailed in the project description, the proposed project will connect to public water and sewer through the Keyes Community Services District.

**Mitigation:** None

**References:** Application; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>VII. GREENHOUSE GAS EMISSIONS -- Would the project:</b>   | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|--|---------------------------------------|---|-------------------------------------|------------------|
| a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?      |                                       |   | X                                   |                  |
| b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? |                                       |   | X                                   |                  |

**Discussion:** The principal Greenhouse Gases (GHGs) are carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and water vapor (H<sub>2</sub>O). CO<sub>2</sub> is the reference gas for climate change because it is the predominant greenhouse gas emitted. To account for the varying warming potential of different GHGs, GHG emissions are often quantified and reported as CO<sub>2</sub> equivalents (CO<sub>2</sub>e). In 2006, California passed the California Global Warming Solutions Act of 2006 (Assembly Bill [AB] No. 32), which requires the California Air Resources Board (ARB) design and implement emission limits, regulations, and other measures, such that feasible and cost-effective statewide GHG emissions are reduced to 1990 levels by 2020. GHGs emissions resulting from residential projects include emissions from temporary construction activities, energy consumption, and additional vehicle trips.

Minimal greenhouse gas emissions will occur during construction. Construction activities are considered to be less than significant as they are temporary in nature and are subject to meeting SJVAPCD standards for air quality control.

The proposed structures are subject to the mandatory planning and design, energy efficiency, water efficiency and conservation, material conservation and resources efficiency, and environmental quality measures of the California Green Building Standards (CALGreen) Code (California Code of Regulations, Title 24, Part 11). The California Energy Commission (CEC) has published reports estimating the percentage deductions in energy use resulting from these new standards. Based on CEC's discussion on average savings for Title 24 improvements, these CEC savings percentages by end use can be used to account for a 22.7% reduction in electricity and a 10% reduction in natural gas use for single family residential units.

As mentioned in the Air Quality section, the project was referred to SJVAPCD and no response was received. The analysis of mobile source pollution within the Air Quality section based on SPAL would apply in regards to Greenhouse Gas Emissions as well. Therefore, the proposed project would pose less than significant impacts air emissions.

**Mitigation:** None

**References:** San Joaquin Valley Air Pollution Control District's Small Project Analysis Level (SPAL) guidance; California Air Pollution Control Officers Association Quantifying Greenhouse Gas Mitigation Measures (August 2010); Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>VIII. HAZARDS AND HAZARDOUS MATERIALS -- Would the project:</b>  | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|---|---------------------------------------|---|-------------------------------------|------------------|
| a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?   |                                       |   | X                                   |                  |
| b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? |                                       |   | X                                   |                  |
| c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?                                 |                                       |   | X                                   |                  |



|  |  |  |   |   |
|--|--|--|---|---|
| d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?                                   |  |  | X |   |
| e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? |  |  |   | X |
| f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?  |  |  |   | X |
| g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?  |  |  |   | X |
| h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?   |  |  | X |   |

**Discussion:** The project was referred to the Department of Environmental Resources (DER) Hazardous Materials Division, which is responsible for overseeing hazardous materials. A response was received indicating that the developer shall conduct a Phase I or Phase II study prior to the issuance of a grading permit to determine if organic pesticides or metals exist on the project site. Any existing well or septic facilities are required to be destroyed through a permit issued by DER. Additionally, the Hazardous Materials Division requested that they be contacted should any underground storage tanks, buried chemicals, buried refuse, or contaminated soil be discovered during grading or construction. These comments will be reflected through the application of a condition of approval. Pesticide exposure is a risk in areas located in the vicinity of agricultural uses. Sources of exposure include contaminated groundwater, which is consumed and drift from spray applications. Application of sprays are strictly controlled by the Agricultural Commissioner and can only be accomplished after first obtaining permits. The groundwater is not known to be contaminated in this area and the project will be served by the Keyes Community Services District (CSD) for their domestic water and sewer. The project is located outside any land designated a fire hazard severity zone by Cal Fire. The property is served by the Keyes Fire Protection District and will pay fire impact fees for all new construction. A project referral was sent to Keyes Fire, but no comment has been received. The project site is not located near an Airport and is therefore not included in any land use compatibility plan.

**Mitigation:** None

**References:** Referral response received from the Department of Environmental Resources Hazardous Materials Division on March 15, 2016; Referral response received from Stanislaus County Subdivision Committee on March 18, 2016; Stanislaus County General Plan and Support Documentation; Airport Land Use Commission Plan<sup>1</sup>

| IX. HYDROLOGY AND WATER QUALITY -- Would the project:   | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|---|--------------------------------|--|------------------------------|-----------|
| a) Violate any water quality standards or waste discharge requirements?   |                                |  | X                            |           |
| b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? |                                |  | X                            |           |

|   |  |  |   |   |
|---|--|--|---|---|
| c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?  |  |  | X |   |
| d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site? |  |  | X |   |
| e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?   |  |  | X |   |
| f) Otherwise substantially degrade water quality?   |  |  | X |   |
| g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?  |  |  |   | X |
| h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?   |  |  |   | X |
| i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?  |  |  | X |   |
| j) Inundation by seiche, tsunami, or mudflow?   |  |  | X |   |

**Discussion:** On-site areas subject to flooding have not been identified in accordance with the Federal Emergency Management Act (FEMA) and/or County designated flood areas. Development of the project sites will include paving for the roadway, house pads, driveways, curb, gutter, and sidewalks, including an eight foot high masonry wall along Washington Road. These types of development will alter the existing drainage pattern of the sites. Storm water is being proposed to be managed for the development through two storm drain retention basins for each map. The north map will feature a dual use retention basin and expansion of the existing County's Hatch Park. The south basin will develop a stand-alone retention basin to handle any stormwater runoff. The storm water is proposed to be conveyed for the development through gravity by gutter to each basin. Preliminary drainage plans were reviewed and approved by the Department of Public Works.

The proposed project will not have a significant effect on groundwater levels as all proposed development will be served with domestic water from Keyes CSD. The applicant has received a will serve letter from Keyes CSD for each lot.

A referral response received from the Central Valley Regional Water Quality Control District provided a list of the Board's permits and programs that may be applicable to the proposed project. The developer will be required to contact Regional Water to determine which permits/standards must be met prior to construction as a condition of approval.

**Mitigation:** None

**References:** Application; Keyes Community Service District Will Serve Letter dated May 05, 2015; Referral response from the Central Valley Regional Water Quality Control District dated March 09, 2016; Stanislaus County General Plan and Support Documentation

| X. LAND USE AND PLANNING -- Would the project: | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Physically divide an established community? |                                |  |                              | X         |

|   |  |  |   |   |
|---|--|--|---|---|
| b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? |  |  | X |   |
| c) Conflict with any applicable habitat conservation plan or natural community conservation plan?   |  |  |   | X |

**Discussion:** The proposed project will not physically divide an established community. The project is a residential infill project located within the community of Keyes. Existing land use designations for the project site include a General Plan designation of Low Density Residential (LDR). The north map has a Keyes Community Plan Designation of Medium-High Density Residential, which allows for zero to twenty-five units per net acre. The South map has a Keyes Community Plan Designation of LDR and a portion of Commercial. The LDR allows for zero to seven units per net acre. Both maps lie within the Single Family Residential – Urban Services zoning district, which allows for a minimum parcel size of 5,000 square feet and must be serviced by public water and sewer. The portion of Community Plan designated Commercial within the south map will be the location of the storm drainage basin, a compatible use allowed within the commercial zoning district. The project proposes to create 91 lots of at least 5,000± square feet on 19.9± acres, near the eastern border of the community of Keyes, which equates to a density of 4.5 units per acre. The proposed lot configuration is consistent with the General Plan, Community Plan, and zoning designations of LDR and R-1 US. As described earlier each lot will be served with domestic water and sewer from the Keyes CSD. The proposed project was presented to the Stanislaus County Subdivision Committee and all of the committees comments have been incorporated into the project.

The proposed project will not conflict with any applicable habitat conservation plan or natural community conservation plan, as there are none in the area.

**Mitigation:** None

**References:** Application; Referral response from Stanislaus County Subdivision Committee dated March 18, 2016; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>XI. MINERAL RESOURCES -- Would the project:</b>  | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|---|---------------------------------------|---|-------------------------------------|------------------|
| a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?                                |                                       |   |                                     | X                |
| b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? |                                       |   |                                     | X                |

**Discussion:** The location of all commercially viable mineral resources in Stanislaus County has been mapped by the State Division of Mines and Geology in Special Report 173. There are no known significant resources on the site.

**Mitigation:** None

**References:** Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>XII. NOISE -- Would the project result in:</b>   | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|---|---------------------------------------|---|-------------------------------------|------------------|
| a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies? |                                       |   | X                                   |                  |

|   |  |  |   |   |
|---|--|--|---|---|
| b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?   |  |  | X |   |
| c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?  |  |  | X |   |
| d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?  |  |  | X |   |
| e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? |  |  | X |   |
| f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?  |  |  |   | X |

**Discussion:** Based on the proximity to Washington Road, classified in the Circulation Element of the General Plan as a 60-foot Collector Roadway, the proposed project includes an eight (8) foot high block wall with landscaping along Washington Road on the eastern boundary of the project site, both for safety purposes and to reduce roadway noise exposure. A standard condition of approval will be added to the project to address the temporary increase in noise during the construction phase of the project. The project is not included in any airport land use compatibility plan, nor is it located near any private airports.

**Mitigation:** None

**References:** Application; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| XIII. POPULATION AND HOUSING -- Would the project:  | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|---|--------------------------------|--|------------------------------|-----------|
| a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? |                                |  | X                            |           |
| b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?   |                                |  |                              | X         |
| c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?   |                                |  |                              | X         |

**Discussion:** The proposed project will not create significant service extensions or new infrastructure which could be considered as growth inducing, as services are available to neighboring properties. The extension of Keyes CSD water and sewer services will not induce any further growth as the development is an infill project. The site is surrounded by similar LDR development.

**Mitigation:** None

**References:** Application; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>XIV. PUBLIC SERVICES --</b>   | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|--|---------------------------------------|---|-------------------------------------|------------------|
| <b>a) Would the project result in the substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:</b> |                                       |   | X                                   |                  |
| <b>Fire protection?</b>  |                                       |   | X                                   |                  |
| <b>Police protection?</b>  |                                       |   | X                                   |                  |
| <b>Schools?</b>  |                                       |   | X                                   |                  |
| <b>Parks?</b>  |                                       |   | X                                   |                  |
| <b>Other public facilities?</b>  |                                       |   | X                                   |                  |

**Discussion:** The County has adopted Public Facilities Fees, School as well as a Fire Facility Fees on behalf of the appropriate district, to address impacts to public services. All new dwellings will be required to pay the applicable Public Facility Fees through the building permit process. The Sheriff's Department also uses a standardized fee for new dwellings that will be incorporated into the Conditions of Approval. The Stanislaus County Department of Parks and Recreation has calculated an in-lieu fee which will be paid by the developer to accommodate increased recreation needs occurring as a result of the residential development. The Keyes Union School District commented that there is not anticipated impact on school facilities with this project.

**Mitigation:** None

**References:** Referral response from Keyes Union School District dated March 31, 2016; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>XV. RECREATION --</b>  | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|---|---------------------------------------|---|-------------------------------------|------------------|
| <b>a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?</b> |                                       |   | X                                   |                  |
| <b>b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?</b>                        |                                       |   | X                                   |                  |

**Discussion:** The General Plan requires at least three (3) net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. As stated earlier, the north map abuts the County's Hatch Park. The Keyes Community Plan stipulates Hatch Park as 15 acre Community Park. Currently, Hatch Park is approximately 5.2± acres in size. Based on the number of lots being created in the north map, the applicant has agreed to dedicate about 0.79± acres of land to expand the existing Hatch Park. This dedication will be in conjunction with the dual use storm drain basin, which will front the Cora Way extension. The applicant has also agreed to provide offsite improvements and amenities to the existing Hatch Park as well. With the addition of the 0.79± acres, Hatch Park will be expanded to 5.9± acres. While Hatch Park will be well below the 15 acre designation Community Park in the Keyes Community Plan, there has been development of a 6.82± acre dual use storm water basin/park to the north of the project site as part of unrelated residential development. Furthermore, there is also still the possibility of park expansion with the two adjacent parcels to the south of the project site. All these factors combined will decrease the possibility of significant impacts to recreational facilities in the Keyes Community.

As for the south map, based on the number of lots being created, conditions of approval will be added to the project to require in-lieu park fees. These fees will be required at the issuance of building permit for each lot.

**Mitigation:** None

**References:** Application; Referral response from Stanislaus County Subdivision Committee dated March 18, 2016; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>XVI. TRANSPORTATION/TRAFFIC -- Would the project:</b>  | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|---|---------------------------------------|---|-------------------------------------|------------------|
| a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? |                                       | X   |                                     |                  |
| b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?  |                                       |   | X                                   |                  |
| c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?   |                                       |   | X                                   |                  |
| d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?  |                                       |   | X                                   |                  |
| e) Result in inadequate emergency access?   |                                       |   | X                                   |                  |
| f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?  |                                       |   | X                                   |                  |

**Discussion:** The proposed project is requesting to create 91 lots for the development of single family homes including the extension of Stella Avenue, Norma and Cora Way as well as developing Washington Road to its appropriate standard. All extensions will feature curb, gutter, and sidewalk. Both Keyes North and South maps will link the existing roads with creation of 50 foot wide interior roadways, allowing for continual traffic flow through each development. The Cora Way extension will run south of the current Isabella/Cora intersection and stub out in the adjacent southwest parcel. The development of both Keyes North and South will create a network of pedestrian travel via sidewalks to connect with existing residential development.

This project was referred to the Department of Public Works and the State of California Department of Transportation (CalTrans). CalTrans responded with a request that the applicant contribute towards the future signal improvement at the SR-99 and Keyes Road ramp intersections. This information was forwarded to the Department of Public Works, who responded with the applicant's fair share amount, as determined by the Keyes Community Plan. The fair share amount has been updated to account for inflation. These fees have been added as a mitigation measure.

**Mitigation:**

1. The applicant shall pay the Keyes Community Plan Mitigation Funding Program fees for Low Density Residential (R-1) per the Keyes Community Plan Adopted on April 18, 2000. The fees were calculated in 2003 at \$178.92 per dwelling. With the fees adjusted for inflation using the Engineering News-Record index, the July 2015 fees are \$270.17 per dwelling. These fees will be paid prior to the issuance of any building permit for a single family dwelling.

**References:** Application; Referral response from the State of California Department of Transportation dated March 21, 2016; Referral response from Department of Public Works dated June 24, 2016; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| <b>XVII. UTILITIES AND SERVICE SYSTEMS -- Would the project:</b>   | <b>Potentially Significant Impact</b> | <b>Less Than Significant With Mitigation Included</b> | <b>Less Than Significant Impact</b> | <b>No Impact</b> |
|--|---------------------------------------|---|-------------------------------------|------------------|
| <b>a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?</b>   |                                       |   | X                                   |                  |
| <b>b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?</b>                            |                                       |   | X                                   |                  |
| <b>c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?</b>                                     |                                       |   | X                                   |                  |
| <b>d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?</b>  |                                       |   | X                                   |                  |
| <b>e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?</b> |                                       |   | X                                   |                  |
| <b>f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?</b>  |                                       |   | X                                   |                  |
| <b>g) Comply with federal, state, and local statutes and regulations related to solid waste?</b>   |                                       |   | X                                   |                  |

**Discussion:** Limitations on providing utility services have not been identified. The project will be served by the Keyes CSD with public water and sewer services. A will serve letter received from the Keyes CSD indicates that the developer will be responsible for installing all necessary infrastructure improvements required for the public water and sewer connections. The developer also must submit improvement plans to the District for review and approval, provide a bond to cover the improvement/connection costs, and pay all applicable deposit, connection, and inspection fees. These requirements will be required as conditions of approval for the project.

The project site is currently not located within the Keyes CSD service area. A referral response was received from the Local Agency Formation Commission Organization (LAFCO) indicating that the project sites will need to be annexed into the Keyes CSD prior to service. As part of the LAFCO referral response, information regarding the proposed utilities service regarding quantity and quality of the water being served was requested. An additional referral response from the Keyes CSD indicated that based on the number of current services connections for water and sewer service that would have the additional capacity of approximately 600-800 service connections, well below the number of lots being proposed. The District also added that they have been awarded funds from the State to address water quality within existing wells. The funds will be utilized to establish a treatment facility to transport water extracted from existing well sites to be treated and then return to the distribution system. The facility is anticipated to reduce any potential contaminants levels to below State and Federal maximum levels. Staff believes that there will not be anticipated significant effects for the project sites ability to be served by the proposed utilities.

Storm water is proposed to be managed for the development through gravity by gutter to catch basins and then piped to the proposed storm drain retention basins. A remainder lot is also being requested as part of the North map. The remainder will be utilized to tie in the new sewer line to an existing sewer line through an alley way between Norma Way and Maude Avenue. The current parcel, where a portion of the remainder will lie, is utilized for ingress and egress by existing residential development. To ensure this development will maintain its existing access, an irrevocable public utility and ingress/egress easement will be recorded on the remainder. This will be addressed in the projects conditions of approval.

Electricity will be provided to the project by the Turlock Irrigation District (TID). A referral response received from TID indicated that any existing TID infrastructure (irrigation or electric) that must be relocated as a result of the project shall be approved by TID and completed at the developer's expense.

**Mitigation:** None

**References:** Application; Referral response from Keyes Community Service District dated May 05, 2015 and June 28, 2016; Referral response from Local Agency Foundation Commission Organization dated March 15, 2016; Stanislaus County General Plan and Support Documentation<sup>1</sup>

| XVIII. MANDATORY FINDINGS OF SIGNIFICANCE --   | Potentially Significant Impact | Less Than Significant With Mitigation Included | Less Than Significant Impact | No Impact |
|--|--------------------------------|--|------------------------------|-----------|
| a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? |                                |  | X                            |           |
| b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)   |                                |  | X                            |           |
| c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?  |                                |  | X                            |           |

**Discussion:** Review of this project has not indicated any features, which might significantly impact the environmental quality of the site and/or adjacent areas.

<sup>1</sup>Stanislaus County General Plan and Support Documentation adopted in October 1994, as amended. Optional and updated elements of the General Plan and Support Documentation: **Agricultural Element** adopted on December 18, 2007; **Housing Element** adopted on August 28, 2012; **Circulation Element** and **Noise Element** adopted on April 18, 2006.



## Stanislaus County

### Planning and Community Development

1010 10th Street, Suite 3400  
Modesto, CA 95354

Phone: (209) 525-6330  
Fax: (209) 525-5911

## Mitigation Monitoring and Reporting Program

Adapted from CEQA Guidelines sec. 15097 Final Text, October 26, 1998

July 5, 2016

1. Project title and location:  
  
Vesting Tentative Subdivision Map Application No's.  
PLN2015-0101 – Keyes 19 North & PLN2015-0102 –  
Keyes 19 South  
  
5819 Washington Road & 4713, 4805 & 4707  
Norma Way, between Lucinda Avenue and Nunes  
Road, in the Community of Keyes.  
APN: 045-071-005, 045-021-008, 045-021-024,  
045-021-023 & 045-021-003.
2. Project Applicant name and address:  
  
C Valley Properties LLC, KD Land & Cattle  
Investments, LLC  
3465 Lochinar Ave #124  
Santa Clara, CA 95051
3. Person Responsible for Implementing  
Mitigation Program (Applicant Representative): Stanislaus County Department of Public Works
4. Contact person at County: Jeremy Ballard, Assistant Planner (209) 525-6330

### MITIGATION MEASURES AND MONITORING PROGRAM:

#### XVI. TRANSPORTATION/TRAFFIC

No.1 Mitigation Measure: The applicant shall pay the Keyes Community Plan Mitigation Funding Program fees for Low Density Residential (R-1) per the Keyes Community Plan Adopted on April 18, 2000. The fees were calculated in 2003 at \$178.92 per dwelling. With the fees adjusted for inflation using the Engineering News-Record index, the July 2015 fees are \$270.17 per dwelling. These fees will be paid prior to the issuance of any building permit for a single family dwelling.

|   |   |
|---|---|
| Who Implements the Measure:             | Applicant   |
| When should the measure be implemented: | Prior to issuance of each building permit.  |
| Who verifies compliance:                | Stanislaus County Planning and Community Development Department, Building Division. |
| Other Responsible Agencies:             | Agency or N/A   |

I, the undersigned, do hereby certify that I understand and agree to be responsible for implementing the Mitigation Program for the above listed project.

Signature on file  
Person Responsible for Implementing  
Mitigation Program

July 5, 2016  
Date

## MITIGATED NEGATIVE DECLARATION

**NAME OF PROJECT:** Vesting Tentative Subdivision Map Application Nos. PLN2015-0101 – Keyes 19 North & PLN2015-0102 – Keyes 19 South

**LOCATION OF PROJECT:** 5819 Washington Road & 4713, 4805 & 4707 Norma Way, between Lucinda Avenue and Nunes Road, in the Community of Keyes. APN: 045-071-005, 045-021-008, 045-021-024, 045-021-023, 045-021-003.

**PROJECT DEVELOPER:** C Valley Properties LLC, KD Land & Cattle Investments, LLC  
3465 Lochinar Ave #124  
Santa Clara, CA 95051

**DESCRIPTION OF PROJECT:** Request to subdivide five parcels totaling 19.9 acres to create 91 new parcels of at least 5,000 square feet in size in the Single-Family Residential, Urban Services (R-1 US) zoning district.

Based upon the Initial Study, dated June 30, 2016, the Environmental Coordinator finds as follows:

1. This project does not have the potential to degrade the quality of the environment, nor to curtail the diversity of the environment.
2. This project will not have a detrimental effect upon either short-term or long-term environmental goals.
3. This project will not have impacts which are individually limited but cumulatively considerable.
4. This project will not have environmental impacts which will cause substantial adverse effects upon human beings, either directly or indirectly.

The aforementioned findings are contingent upon the following mitigation measures (if indicated) which shall be incorporated into this project:

### XVI. TRANSPORTATION/TRAFFIC

No.1 Mitigation Measure: The applicant shall pay the Keyes Community Plan Mitigation Funding Program fees for Low Density Residential (R-1) per the Keyes Community Plan Adopted on April 18, 2000. The fees were calculated in 2003 at \$178.92 per dwelling. With the fees adjusted for inflation using the Engineering News-Record index, the July 2015 fees are \$270.17 per dwelling. These fees will be paid prior to the issuance of any building permit for a single family dwelling.

The Initial Study and other environmental documents are available for public review at the Department of Planning and Community Development, 1010 10th Street, Suite 3400, Modesto, California.

Initial Study prepared by: Jeremy Ballard, Assistant Planner

Submit comments to: Stanislaus County  
Planning and Community Development Department  
1010 10th Street, Suite 3400  
Modesto, California 95354

STANISLAUS COUNTY  
DEPARTMENT OF PLANNING AND  
COMMUNITY DEVELOPMENT  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, California 95354

FILED

2016 OCT 24 PM 3:55

STANISLAUS CO. CLERK-RECORDER  
Jennifer Mercado

---

### NOTICE OF DETERMINATION

Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the Public Resources Code

---

**Project Title:** Vesting Tentative Subdivision Map Application No. PLN2015-0102 – Keyes 19 South

**Applicant Information:** C Valley Properties, 3465 Lochinvar Ave. #124, Santa Clara, CA 95051.

**Project Location:** 5819 Washington Road, between Norma Way and Nunes Road, in the Community of Keyes, Stanislaus County. APN 017-060-002, 017-060-013, Portion 016-026-010

**Description of Project:** To subdivide a 6.7 +/- acre parcel into 27 single-family residential lots of at least 5,000 square feet.

**Name of Agency Approving Project:** Stanislaus County Board of Supervisors

**Lead Agency Contact Person:** Jeremy Ballard, Assistant Planner

**Telephone:** (209) 525-6330

This is to advise that the Stanislaus County Planning Commission on **October 18, 2016**, has approved the above described project and has made the following determinations regarding the above described project:


1. The project will not have a significant effect on the environment.
2. A Mitigated Negative Declaration was prepared for this project pursuant to the provisions of CEQA.

The **Mitigated Negative Declaration** and record of project approval may be examined at:  
Stanislaus County Department of Planning and Community Development  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, California 95354

3. Mitigation measures **were** made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan **was** adopted for this project.
5. A statement of Overriding Considerations **was not** adopted for this project.
6. Findings **were** made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the Negative Declaration, is available to the General Public @ <http://www.stancounty.com/planning/pl/agenda-min.shtm>

10/19/16  
Dated

  
Jeremy Ballard  
Assistant Planner

STANISLAUS COUNTY  
DEPARTMENT OF PLANNING AND  
COMMUNITY DEVELOPMENT  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, California 95354

FILED  
2016 OCT 24 PM 3:53  
STANISLAUS CO. CLERK-RECORDER  
Jennifer Mercado

### NOTICE OF DETERMINATION

Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the Public Resources Code

**Project Title:** Vesting Tentative Subdivision Map Application No. PLN2015-0101 – Keyes 19 North

**Applicant Information:** C Valley Properties, 3465 Lochinvar Ave. #124, Santa Clara, CA 95051.

**Project Location:** 4713, 4805, and 4707 Norma Way, between Lucinda Avenue and Norma Way, in the Community of Keyes. Stanislaus County. APN: 045-021-008, 045-021-024, 045-021-023, 045-021-003.

**Description of Project:** Request to subdivide four parcels totaling 13.2 ± into 64 single-family residential lots of at least 5,000 square feet.

**Name of Agency Approving Project:** Stanislaus County Board of Supervisors

**Lead Agency Contact Person:** Jeremy Ballard, Assistant Planner

**Telephone:** (209) 525-6330

This is to advise that the Stanislaus County Board of Supervisors on **October 18, 2016**, has approved the above described project and has made the following determinations regarding the above described project:


1. The project will not have a significant effect on the environment.
2. A Mitigated Negative Declaration was prepared for this project pursuant to the provisions of CEQA.

The **Mitigated Negative Declaration** and record of project approval may be examined at:  
Stanislaus County Department of Planning and Community Development  
1010 10<sup>th</sup> Street, Suite 3400  
Modesto, California 95354

3. Mitigation measures **were** made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan **was** adopted for this project.
5. A statement of Overriding Considerations **was not** adopted for this project.
6. Findings **were** made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the Negative Declaration, is available to the General Public @ <http://www.stancounty.com/planning/pl/agenda-min.shtm>

10/19/16  
Dated

  
Jeremy Ballard  
Assistant Planner

*This page intentionally left blank.*

## **EXHIBIT C**

### **Keyes CSD Will Serve Letter and CSA 26 Engineer's Report**

**KEYES COMMUNITY SERVICES DISTRICT**  
**5601 7<sup>TH</sup> STREET**  
**P O BOX 699**  
**KEYES, CA 95328**

December 11, 2018

Gold Star Investments, LLC  
528 E. Main Street  
Turlock, CA 95380

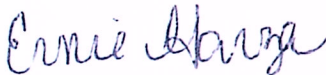
Re: Will Serve Letter Request for Property at 5819 Washington Road, Keyes, CA  
95328  
Keyes 19 South  
APN 045-071-005

To whom it may concern:

The Keyes Community Services District is willing to provide the requested water and sewer service on the following conditions:

1. All water service lines and sewer connections must be installed to District standards and according to plans approved by the District, at the expense of the owner.
2. All applicable District connection, facilities and inspection fees must be paid upon application for connections.
3. The owner must comply with all District rules and regulations.
4. This will-serve commitment will expire on December 11, 2019 unless construction has commenced by that date.
5. This Will Service Letter is valid only upon approval by Stanislaus County Local Agency Formation Commission (LAFCO).
6. This Will Serve Letter does not officially accept and approve the Layout as submitted with your application.

Sincerely,



Ernie Garza  
General Manager  
By: Michelle Harris

**COUNTY SERVICE AREA NO. 26  
ANNUAL ENGINEER'S REPORT**

**KEYES**

**FISCAL YEAR 2020-2021**



## **TABLE OF CONTENTS**

---

|  |           |
|--|-----------|
| <b>ENGINEER’S REPORT AFFIDAVIT</b>                 | <b>3</b>  |
| <b>INTRODUCTION</b>                                | <b>4</b>  |
| <b>PART I – PLANS AND SPECIFICATIONS</b>           | <b>4</b>  |
| <b>A. Description of the Service Area</b>          | <b>4</b>  |
| <b>B. Description of Improvements and Services</b> | <b>4</b>  |
| <b>PART II – METHOD OF APPORTIONMENT</b>           | <b>5</b>  |
| <b>A. Benefit Analysis</b>                         | <b>5</b>  |
| <b>B. Assessment Methodology</b>                   | <b>6</b>  |
| <b>PART III – BUDGET ANALYSIS</b>                  | <b>9</b>  |
| <b>A. Fund Balance</b>                             | <b>9</b>  |
| <b>B. Budget Formula</b>                           | <b>9</b>  |
| <b>PART IV – SERVICE AREA BUDGET</b>               | <b>11</b> |
| <b>PART V – ASSESSMENTS</b>                        | <b>12</b> |
| <b>EXHIBIT A – BOUNDARY MAP</b>                    |           |
| <b>EXHIBIT B – ASSESSOR MAP</b>                    |           |
| <b>EXHIBIT C – CSA MAP</b>                         |           |
| <b>EXHIBIT D – PARCEL LIST</b>                     |           |

## ENGINEER'S REPORT AFFIDAVIT

County of Stanislaus, State of California

### CSA NO. 26- KEYES

This report describes the CSA and all relevant zones therein including the budget(s), parcels and assessments to be levied for the Fiscal Year 2020-2021. 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 11<sup>th</sup> day of October, 2018



DAVID LEAMON, PE, INTERIM PUBLIC WORKS DIRECTOR  
Construction Administration/Operations  
Stanislaus County Department of Public Works



**COUNTY SERVICE AREA NO. 26  
ANNUAL ENGINEER'S REPORT  
FISCAL YEAR 2020-2021**

**INTRODUCTION:**

County Service Area No. 26 (CSA 26) was established in July 2009 to provide extended maintenance services for the storm drain system, landscaping at the storm drain basin, and landscaping of the park system. CSA's 6, 13, and 17 were dissolved and merged into CSA 26.

Government Code Section 25210.77(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 total of 1,223 parcels within CSA 26 consisting of: Bonita Ranch Estates subdivisions (Zone 1 with total of 1,130 lots) and Keyes 19 North and Keyes 19 South subdivisions (Zone 2 with total of 5 lots). On May 16, 2017, the Board of Supervisors approved improvements and release of services and maintenance of a new subdivision Bonita Ranch Estates, Unit #5, which is located at north-west of CSA 26. On October 30, 2018 the Board of Supervisors approved annexation of two subdivisions: Keyes 19 North and Keyes 19 South, which are located on the west side of Washington Road just north and south of Norma Way respectively. Currently, the CSA 26, Zone 1 is 332.3 acres and consisting of: 1049 residential parcels, 26 multi-family parcels, 1 undeveloped residential parcels, 4 parks, 1 park/streetscape, 2 park/storm basins, 3 storm basins, 3 schools, 6 congregation parcels, and 35 commercial/industrial parcels. The CSA 26, Zone 2 is 20.34 acres and consisting of: 5 planned residential development parcels, which eventually will be subdivided and consisting of: 91 residential parcels, 1 park/storm basin, and 1 storm basin. Assessor map attached hereto as exhibit "B" and "B1". The CSA 26 encompasses an area of land totaling approximately 352.64 acres. The boundary of CSA 26 is shown on Exhibit "A" that is attached hereto and made a part of this Engineer's Report. The Development is generally located:

**Zone 1**

- North of Keyes Road
- East of State Route 99
- West of Washington Road
- Southeast of Faith Home Road;

**Zone 2**

- North of Norma Way
- South of Norma Way
- West of Washington 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 system, storm drain basin, and parks. 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 the 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:

### Zone 1

- Periodic cleaning and maintenance (as needed) on 457 linear feet of 12" inch pipe, 7,156 linear feet of 18 inch pipe, 1525 linear feet of 24" pipe 632 linear feet 30 " pipe, and 38,940 linear feet of curb and gutter;
- One outfall pump and four lift station pumps;
- Periodic cleaning and maintenance of 68 catch basins and 41 manholes;
- Repair curb and gutter as needed to maintain the storm drain system (38,940 linear feet of curb and gutter);
- Periodic street sweeping to prevent buildup of silt and other damaging materials to the storm drain system. All debris is contained and hauled off site with containment bins;
- Annual repairs and general maintenance to storm drain basin (erosion control, weed spraying, grading/excavation as needed);
- Remove silt build up next to the wall of the separator with the use of the suction truck;
- The Parks and Recreation Department provides continual maintenance of all parks, park/basin public use areas, open lots, and streetscapes within the Service Area (i.e. irrigation, mowing, weed abatement, tree care, and playground equipment maintenance).

### Zone 2

- Periodic cleaning and maintenance (as needed) on 235 linear feet of 12" inch pipe, 655 linear feet of 18" pipe, 1,096 linear feet of 24" pipe, 1,515 linear feet of 24" perforated storm pipe, 15 bubble-up structures with Rip Rap, and 8,454 linear feet of curbs and gutters;
- Periodic cleaning and maintenance of 14 catch basins and 11 manholes;
- Repair curb and gutter as needed to maintain the storm drain system (8,454 linear feet of curb and gutter);

- Periodic street sweeping to prevent buildup of silt and other damaging materials to the storm drain system. All debris is contained and hauled off site with containment bins;
- Annual repairs and general maintenance to storm drain basins (erosion control, weed spraying, grading/excavation as needed, repair of the chain link fence as needed);
- Remove silt build up next to the wall of the separator with the use of the suction truck;
- Repair concrete sidewalks as needed (36,376 square feet of sidewalks);
- Repair 8- ft masonry wall as needed (562 linear feet of masonry wall);
- Repair chain-link fence as needed (approximately 1,258 linear feet of chain-link fence).
- The Parks and Recreation Department provides continual maintenance of all parks, park/basin public use areas, open lots, and streetscapes within the Service Area (i.e. irrigation, mowing, weed abatement, tree care, and playground equipment maintenance, masonry wall maintenance and repair).

## **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.

The storm drain basin and the parks are public property and treated as individual parcels. These public properties are being created for the sole purpose of providing benefit (storm drainage control and open space) to the residential lots. Services provided by CSA No. 26 are storm drain system services, park maintenance services for the storm drain basins in the CSA which are also landscaped as parks, maintenance of some community landscaping, and special additional benefit funding to provide landscape and maintenance services for

Hatch Park. All of these benefits are special benefits provided to the Keyes area that are over and above those provided to county wide property owners in general.

## **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 parcel within the CSA receives special benefits from all the improvements to be funded by annual assessments and based on the planned property development a single zone of benefits 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 parcels 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, multi-family 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 parcel 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/Undeveloped Residential Land      | 0.00 | Per Acre                       |
| Public Park                              | 0.40 | Per Acre                       |
| Public Storm Drain Basin                 | 0.40 | Per Acre                       |
| Public School                            | 2.20 | Per Acre                       |
| Commercial/Industrial Parcel             | 3.50 | Per Acre                       |
| Undeveloped Commercial/Industrial Parcel | 1.00 | Per Acre                       |
| Rural/ Agricultural                      | 1.00 | 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**

The estimated fund balance for Zone 1 as of June 30, 2020 is \$448,956. This includes a capital improvement reserve of \$163,132 for eventual replacement of the outfall pump and four lift pumps and \$25,000 for park equipment and/or vandalism related capital costs. 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 estimated fund balance for Zone 2 as of June 30, 2020 is \$0. A drain basin in the south subdivision is surrounded with the chain link fence that is approximately 1,258 linear feet long (Public Works maintenance). In order to replace the fence at the end of a 30-year life cycle, a capital reserve target of \$18,543 has been determined for Public Works. This includes the cost of the material and the labor required to complete the installation.

East side of the south subdivision has a masonry wall of approximately 562 linear feet (Park maintenance) that separates residential area from Washington Road and protects residential lots from traffic sound. In order to make a capital repair of the wall, a capital reserve target of \$50,400 has been determined for Parks. This includes the cost of the material and the labor required to complete the work.

The amount of \$856 was added to total budget of CSA 26, Zone 2. The objective of the reserve is to build up the capital reserve amount to the full cost of the fence and wall replacement/capital repair. When the full amount of the capital reserve is reached and becomes an available part of the fund balance, the addition of \$856 to budget of CSA 26, Zone 2 will be discontinued.

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 2020-2021. 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.

Fiscal Year's 2020-2021 assessment for Zone 1 is \$113.02 per Equivalent Benefit Unit (EBU), which is the same as the previous year's assessment. An amount of \$54,929 was used from available fund balance to offset operations and maintenance costs, thereby keeping the assessment equal to the previous year.

Fiscal Year's 2020-2021 assessment for Zone 2 is and \$571.75 per EBU. An amount of \$856 was added to the total CSA 26, Zone 2 budget to build up the capital reserve amount for the fence and wall replacement and/or capital repair.

The fiscal year is the 12-month period from July 1<sup>st</sup> through June 30<sup>th</sup> of the following year. The annual assessment is received with property taxes collected in December and April. This means that the fiscal year starts on July 1<sup>st</sup> 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, a reserve of \$95,059 for Zone 1 and \$14,580 for Zone 2, one half of the annual operating budget, will be carried forward from available fund balance to cover costs from July 1<sup>st</sup> to December 31<sup>st</sup>.

## **B. Budget Formula**

Proposition 218, a statewide initiative approved by the voters in November 1996 and which took effect July 1, 1997, 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 26 in 2008. A majority protest was not filed regarding the formula for calculating the annual assessment and the levy of the annual assessment to pay for the services provided by CSA 26. The property owners cast majority votes supporting the formula and levy of annual assessment to pay for the services provided by CSA 26. Therefore, the formula for calculating the annual assessment has been approved and is in place. The formula that is being used to calculate the assessment is the total cost to operate and maintain the storm drain system, parks, and streetscape within CSA 26.

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

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

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

The annual assessment calculated using the Method is proportional to the special benefit derived by each identified parcel in relationship to the cost of the service being provided by the CSA. Due to variation in the type of parcel use, each parcel benefits differently in the services provided. Therefore, the total cost to operate the CSA is based on the above method to determine the annual assessment for each parcel in the CSA. This method is proposed in order to support an equitable spread of assessments between residential lots, public properties, and developed commercial and industrial properties. The annual assessment is levied without regard to property valuation.

**Total Equivalent Benefit Units by Property Type - CSA No. 26 (Zone 1)**

| <b>PROPERTY TYPE (acres/parcels/units x EBU factor)</b> | <b>TOTAL EQUIVALENT BENEFIT UNIT (E.B.U.)</b> |
|---|---|
| Undeveloped Residential (1 parcel x 0)                  | .00   |
| Undeveloped Commercial                                  | .00   |
| Developed Residential (1049 parcels x 1)                | 1050.27                                       |
| Multi-Family Residential (69 units x 0.75)              | 51.75   |
| Multi-Family Residential (20 units x 0.5)               | 10.00   |
| Multi-Family Residential                                | 0.00  |
| Road Easement (0 x .55)                                 | 0.00  |
| Storm Water Basin (0.7 acres x 0.4)                     | .28   |
| Storm Water Basin / Park                                | .00   |
| Park (16.85 acres x .40)                                | 6.74  |
| Public School (10.95 acres x 2.2)                       | 24.09   |
| Streetscape (0.71 acres x 0.4)                          | .28   |
| Developed Commercial (12.51 acres x 3.5)                | 43.78   |
| Developed Commercial Church (2.56 acres x 3.5)          | 8.96  |
| Industrial (0 x 3.5)                                    | .00   |
| <b>Totals:</b>  | <b>1,196.15</b>                               |

**Total Equivalent Benefit Units by Property Type - CSA No. 26 (Zone 2)**

| <b>PROPERTY TYPE (acres/parcels/units x EBU factor)</b> | <b>TOTAL EQUIVALENT BENEFIT UNIT (E.B.U.)</b> |
|---|---|
| Planned Residential Development (5 parcel)              | 52.50   |
| <b>Totals:</b>  | <b>52.50</b>                                  |

**Assessment Per Equivalent Benefit Unit (E.B.U.). – CSA No. 26 (Zone 1)**

| <b>DESCRIPTION</b>                          | <b>AMOUNT</b>   |
|---|-----------------|
| Required Funds                              | 135,188.76      |
| Total Equivalent Benefit Units              | 1,196.15        |
| <b>Calculated Assessment Per Equivalent</b> | <b>\$113.02</b> |

**Assessment Per Equivalent Benefit Unit (E.B.U.) – CSA No. 26 (Zone 2)**

| <b>DESCRIPTION</b>                          | <b>AMOUNT</b>   |
|---|-----------------|
| Required Funds                              | 30,017.07       |
| Total Equivalent Benefit Units              | 52.50           |
| <b>Calculated Assessment Per Equivalent</b> | <b>\$571.75</b> |

## PART IV - SERVICE AREA BUDGET

CSA 26

Keyes  
Bonita Ranch  
Zone 1,  
Zone 2

| EXPENSE DESCRIPTION   | TOTAL BUDGET<br>Zone 1 | TOTAL BUDGET<br>Zone 2 |
|---|------------------------|------------------------|
|   | 94.2%                  | 5.8%                   |
| <u>ADMINISTRATION</u>                                       |                        |                        |
| County Administration                                       | \$ 1,030               | \$ 85                  |
| Miscellaneous/Other Admin Fees                              | \$ -                   | \$ -                   |
| Total   | \$ 1,030               | \$ 85                  |
| <u>PARKS &amp; RECREATION</u>                               |                        |                        |
| Parks Labor   | \$ 56,270              | \$ 9,500               |
| Parks Vandalism & Graffiti                                  | \$ 1,545               | \$ 567                 |
| Parks Utilities   | \$ 49,544              | \$ 7,500               |
| Parks Other Supplies  | \$ 5,150               | \$ 1,500               |
| Parks Maintenance Structure & Grounds                       | \$ 12,530              | \$ 771                 |
| Total   | \$ 125,039             | \$ 19,838              |
| <u>PUBLIC WORKS</u>   |                        |                        |
| SWRCB Permit Requirement                                    | \$ 5,645               | \$ 25                  |
| Pond Excavation   | \$ -                   | \$ -                   |
| Pump Replacement  | \$ -                   | \$ -                   |
| Cleaning Drainage System                                    | \$ 12,300              | \$ 800                 |
| Street Sweeping   | \$ 28,840              | \$ 7,446               |
| Curb & Gutter Repair  | \$ -                   | \$ -                   |
| Weed Spraying   | \$ 2,000               | \$ 94                  |
| Erosion Control   | \$ 4,900               | \$ 403                 |
| Separator Cleaning  | \$ 5,041               | \$ 415                 |
| Sidewalk Repair   | \$ -                   | \$ 1,200               |
| Utilities   | \$ 9,760               | \$ -                   |
| Total   | \$ 68,486              | \$ 10,383              |
| Capital Improvement Reserve                                 |                        |                        |
| General Benefit   | \$ (4,437)             | \$ (1,146)             |
| Total Administration, Parks & Rec, Public Works Budget      | \$ 190,118             | \$ 29,161              |
| <u>Fund Balance Information</u>                             |                        |                        |
| Beginning Fund Balance (Estimated for FY 2020-2021)         | \$ 448,956             | \$ -                   |
| Capital Improvement Reserve-Parks (-)                       | \$ (25,000)            | \$ (562)               |
| Capital Improvement Reserve-Public Works (-)                | \$ (163,132)           | \$ (294)               |
| Available Fund Balance                                      | \$ 260,824             | \$ (856)               |
| <u>Adjustments to Available Fund Balance</u>                |                        |                        |
| General Fund (or PW) Loan Repayment/Advance (+)             | \$ -                   |                        |
| Other Revenues/General Fund (Contributions I.e. Grants) (+) | \$ -                   |                        |
| 6 Months Operating Reserve (-)                              | \$ (95,059)            | \$ (14,580)            |
| Use of Fund Balance for FY20/21 (-)                         | \$ (54,929)            | \$ 856                 |
| Contingency Reserve (-)                                     |                        |                        |
| Total Adjustments   | \$ (149,988)           | \$ (13,724)            |
| Remaining Available Fund Balance                            | \$ 110,836             | \$ (14,580)            |
| Total Administration, Parks & Rec, Public Works Budget      | \$ 190,118             | \$ 29,161              |
| Use of Fund Balance (-)                                     | \$ (54,929)            | \$ 856                 |
| Balance to Levy   | \$ 135,189             | \$ 30,017              |
| <u>District Statistics</u>                                  |                        |                        |
| Total Parcels   | 1,130                  | 5                      |
| Parcels Levied  | 1,129                  | 5                      |
| Total EBU   | 1,196.15               | 52.5                   |
| Levy EBU  | \$ 113.02              | \$ 571.75              |
| Capital Reserve Target-Parks                                | \$ 25,000              | \$ 50,400              |
| Capital Reserve Target-PW                                   | \$ 163,132             | \$ 18,543              |

## **PART V – ASSESSMENTS**

2020-2021 Assessment Zone 1 =  $\$135,188.76 / 1,196.149 \text{ EBU} = \$113.02 \text{ per EBU}$

2019-2020 Assessment Zone 1 =  $\$135,188.76 / 1,196.149 \text{ EBU} = \$113.02 \text{ per EBU}$

2020-2021 Assessment Zone 2 =  $\$30,017 / 52.5 \text{ EBU} = \$571.75 \text{ per EBU}$

2019-2020 Assessment Zone 2 = \$0

Since a formula or method for calculating the annual assessment has been approved per Proposition 218, no ballot procedure is necessary to approve the change in assessment. Therefore, the Fiscal Year 2020-2021 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.

Additional Information can be found at:  
<http://www.stancounty.com/bos/agenda/2018/20181030/C04.pdf>

*This page intentionally left blank.*

**EXHIBIT D**

**LAFCO Resolution No. 2019-03**



*This page intentionally left blank.*

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** January 23, 2019

**NO.** 2019-03

**SUBJECT:** LAFCO Application No. 2018-08 & SOI Amendment 2018-08 – Keyes 19 North & South Reorganization to the Keyes Community Services District and County Service Area 26

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**, the applicant has requested to annex acreage into the Keyes Community Services District and is within its existing Sphere of Influence and annex acreage into CSA 26 which includes a Sphere of Influence modification;

**WHEREAS**, the Keyes Community Services District has provided a “Will Serve Letter” stating that the district is willing to provide water and sewer services to the project site;

**WHEREAS**, the Commission has conducted a public hearing to consider the proposal on January 23, 2019, and notice of said hearing was given at the time and in the form and manner provided by law;

**WHEREAS**, the territory is considered uninhabited as it contains less than 12 registered voters;

**WHEREAS**, the purpose of the proposal is to allow the subject territory to receive water and sewer services from the Keyes Community Services District and extended county services offered by County Service Area No. 26, including storm drainage, parks, a block wall landscaping and related maintenance and operations;

**WHEREAS**, Stanislaus County, as Lead Agency, prepared and subsequently approved Mitigated Negative Declarations for the proposal in compliance with the California Environmental Quality Act (CEQA);

**WHEREAS**, the proposal would not result in the loss of agricultural land, as the development is considered “infill”; and,

**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 October 30, 2018, the Stanislaus County Board of Supervisors adopted Resolution No. 2018-0540 supporting the annexation to County Service Area No. 26;

**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 January 23, 2019.

**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;

**NOW, THEREFORE, BE IT RESOLVED** that the Commission:

1. Certifies, in accordance with CEQA, as a Responsible Agency, that it has considered the Mitigated Negative Declarations prepared by Stanislaus County.
2. Determines that: (a) the subject territory is within the Keyes Community Services District's Sphere of Influence and will be within the County Service Area 26 Sphere of Influence with approval of the modification; (b) approval of the proposal is consistent with all applicable spheres of influence, overall Commission policies and local general plans; (c) there are less than twelve (12) registered voters within the territory and it is considered uninhabited; (d) all the owners of land within the subject territory have given their written consent to the annexation; (e) no subject agencies have submitted written protest to a waiver of protest proceedings; and (f) the proposal is in the interest of the landowners within the territory.
3. Approves the proposal subject to the following terms and conditions:
  - a. The applicant shall pay State Board of Equalization fees, pursuant to Government Code Section 54902.5.
  - b. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void or annul LAFCO's action on a proposal or any action relating to or arising out of such approval, and provide for the reimbursement or assumption of all legal costs in connection with that approval.
  - 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 or taxes of the Keyes Community Services District and County Service Area 26.

- d. The effective date of the change of organization shall be the date of recordation of the Certificate of Completion.
  - e. The application submitted has been processed as a reorganization consisting of annexation to the Keyes Community Services District and County Service Area 26.
4. Designates the proposal as the "Keyes 19 North and South Reorganization to the Keyes Community Services District and County Service Area 26".
  5. Waives the protest proceedings pursuant to Government Code Section 56662(d) and orders the change of organization subject to the requirements of Government Code Section 57200 et. seq.
  6. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203, upon receipt of a map and legal description prepared pursuant to the requirements of the State Board of Equalization and accepted to form by the Executive Officer, subject to the specified terms and conditions.

**ATTEST:**

\_\_\_\_\_  
Sara Lytle-Pinhey  
Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT  
JANUARY 23, 2019**

TO: LAFCO Commissioners

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

**SUBJECT: INITIATION OF DISSOLUTION PROCEEDINGS FOR INACTIVE  
RECLAMATION DISTRICT NUMBERS 1602, 2031, AND 2101**

---

**RECOMMENDATION**

Staff recommends that, in accordance with Government Code section 56042, the Commission adopt a resolution initiating dissolution proceedings for the following inactive districts identified by the State Controller's Office: Reclamation District No. 1602 (Del Puerto aka Patterson Ranch), Reclamation District No. 2031 (Elliot), and Reclamation District No. 2101 (Blewett). As required by State law, Staff will return to the Commission within 90 days to conduct a public hearing regarding the dissolutions.

**DISCUSSION**

In 2017, the Governor signed Senate Bill 448 which defines "inactive districts" and requires the State Controller's Office to annually publish a list of these districts with notification given to LAFCOs. LAFCOs are then required to initiate dissolution of the inactive districts within 90 days.

On November 9, 2018, Stanislaus LAFCO received a notice from the State Controller's Office identifying three reclamation districts in Stanislaus County as inactive and eligible for dissolution. Government Code section 56042 defines an inactive district as meeting all the following:

- a. The special district is as defined in Section 56036 (within LAFCO's purview for changes of organization)
- b. The special district has had no financial transactions in the previous fiscal year
- c. The special district has no assets and liabilities
- d. The special district has no outstanding debts, judgements, litigation, contracts, liens, or claims

In accordance with Government Code Section 56042, the Commission must adopt a resolution initiating dissolution of inactive districts meeting the above definition within 90 days of notice from the State Controller's Office. Following adoption of the resolution, the Commission must then hold a public hearing on the dissolution within an additional 90 days. Unless evidence is provided that qualifies the district as being active, the Commission must dissolve the district.

In December, Staff sent letters to the last known contact and underlying property owner for each affected district informing them of the dissolution process and requesting additional information should the district not meet the definition of "inactive" as defined in Government Code section 56042.

Staff also conducted research regarding each of the inactive districts, their formation, and any last known filings with the Stanislaus County Clerk of the Board of Supervisors. Given the length of time that each has been inactive, LAFCO had little record of the districts, beyond a historical listing from the County. Research obtained from the Clerk of the Board of Supervisors identified formation dates and last known records with the County as detailed below:

| <b>Reclamation District</b>            | <b>Date Formed</b> | <b>Last Known Record with the Clerk of the Board</b>  |
|--|--------------------|---|
| #1602 (Del Puerto aka Patterson Ranch) | January 13, 1914   | Letter dated July 17, 1987 stating the District has no board and is inactive                                  |
| #2031 (Elliot Ranch)                   | July 22, 1919      | Letter dated July 10, 1987 stating the district is inactive and does not collect taxes or have a bank account |
| #2101 (Blewett Ranch)                  | March 17, 1964     | No additional records following formation in 1964   |

There is no evidence of the inactive reclamation districts functioning as government agencies since the dates listed above and as originally intended by their formation. Additionally, there are no known financial or planning records (e.g. audits, budgets, capital plans) for the districts. As a result, none of the districts file annual reports with the State Controller's Office. According to LAFCO records, none of the districts have a LAFCO-adopted sphere of influence or were identified in LAFCO's special district studies occurring since 1984, likely due to their inactivity.

As part of the dissolution proceedings, Staff will continue to reach out to the District contacts and other interested parties to verify there are no assets, liabilities, debts, judgements, etc. Should there be additional information provided, Staff will present this as part of the public hearing to be scheduled within 90 days.

## **CONCLUSION**

Staff recommends that the Commission initiate dissolution proceedings for the three reclamation districts identified by the State Controller as mandated by Government Code section 56042. Staff will return to the Commission within 90 days to conduct a required public hearing and provide the Commission with a full report on the dissolutions.

*Attachments:* Draft Resolution 2019-02  
Letter from the State Controller's Office Dated November 6, 2018  
Map of Inactive Districts

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** January 23, 2019

**NO.** 2019-02

**SUBJECT:** Initiation of Dissolution Proceedings for Inactive Reclamation Districts Numbers 1602, 2031, and 2101

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**, on November 9, 2018, Stanislaus LAFCO received a letter from the State Controller's Office informing LAFCO that Reclamation District numbers 1602 (Del Puerto aka Patterson Ranch), 2031 (Elliot), and 2101 (Blewett) are inactive and must be dissolved pursuant to Government Code section 56879;

**WHEREAS**, in accordance with Government Code section 56375(a)(2)(G), LAFCO may initiate a dissolution of an inactive district pursuant to Government Code section 56879;

**WHEREAS**, the State Controller has identified the subject Reclamation Districts as inactive, as defined in Government Code section 56042 and the Commission has been presented with no other evidence that conflicts with the determination that the Districts are inactive;

**WHEREAS**, pursuant to Government Code Section 56879, the Commission must initiate dissolution proceedings within 90 days of notice by the State Controller and conduct a public hearing within 90 days of adopting a resolution initiating proceedings;

**WHEREAS**, the Commission determined, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the proposed dissolutions are exempt pursuant to section 15320 of the CEQA guidelines.

**NOW, THEREFORE, BE IT RESOLVED** that the Commission:

1. Initiates dissolution proceedings for Reclamation District numbers 1602 (Del Puerto aka Patterson Ranch), 2031 (Elliot), and 2101 (Blewett).
2. Directs the Executive Officer to schedule a public hearing within 90 days for dissolution of the districts.

**ATTEST:**

\_\_\_\_\_  
Sara Lytle-Pinhey  
Executive Officer



**BETTY T. YEE**  
**California State Controller**

November 6, 2018

Sara Lytle-Pinhey  
1010 10th Street, 3rd Floor  
Modesto, CA, 95354

**SUBJECT: Amended Notification of Inactive Special Districts in County**

Dear Ms. Lytle-Pinhey:

This is a follow-up to the letter we sent you dated October 31, 2018 (see enclosed). The State Controller's Office (SCO) discovered that some special districts were not included in the original notice sent to you on October 31, 2018 due to a coding error in our database. The enclosed document provides an amended list of the special districts within your jurisdiction that are inactive, based on financial data in each special district's fiscal year 2016-17 Financial Transactions Report. The complete list of California inactive special districts may be found here: [https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html).

Pursuant to Government Code (GC) 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. The Commission is required to notify the SCO if it determines that a district does not meet the criteria for dissolution in GC 56042. Once the dissolution process is complete, please notify SCO using the contact information below.

Please accept our apologies for this error. If you have questions or need to notify us of a district's status, please contact Derek Miller by phone at (916) 322-5579, or email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,

A handwritten signature in blue ink, reading "Phillip Pangilinan", is written over the printed name.

PHILLIP PANGILINAN

Manager  
Local Government Reporting Section

Enclosures: October 31, 2018 letter  
2016-17 County Inactive Districts List (amended)





**BETTY T. YEE**  
**California State Controller**

October 31, 2018

Sara Lytle-Pinhey  
Stanislaus Local Agency Formation Commission  
1010 10th Street, 3rd Floor  
Modesto, CA 95354

**SUBJECT: Notification of Inactive Special Districts in County.**

Dear Mrs. Lytle-Pinhey:

Chapter 334, Statutes of 2017 (Senate Bill 448) added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. SB 448 requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Reports (FTR), publish the list of inactive special districts on its website annually, and notify a local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" meets all of the following:

- (a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) The special district has no outstanding debts, judgments, litigation, contracts, liens, or claims.

Within 90 days of receiving this notice, the commission is required to initiate dissolution of inactive special district(s), unless you determine that the district(s) does not meet the criteria set forth in GC section 56042. The commission shall also notify the SCO if you determine that the district(s) does not meet the criteria set forth in GC section 56042.

The enclosed document lists the special districts within your jurisdiction that are inactive, based on financial data in the special district's fiscal year 2016-17 FTR. The complete list of inactive special districts is found here: [https://www.sco.ca.gov/ard\\_local\\_rep\\_freq\\_requested.html](https://www.sco.ca.gov/ard_local_rep_freq_requested.html)

Sara Lytle-Pinhey  
October 31, 2018  
Page 2

If you have any questions or need assistance, please contact Derek Miller by telephone at (916) 322-5579, or by email at [dmiller@sco.ca.gov](mailto:dmiller@sco.ca.gov).

Sincerely,



PHILLIP PANGILINAN  
Manager  
Local Government Reporting Section

Enclosure: 2016-17 County Inactive Districts List

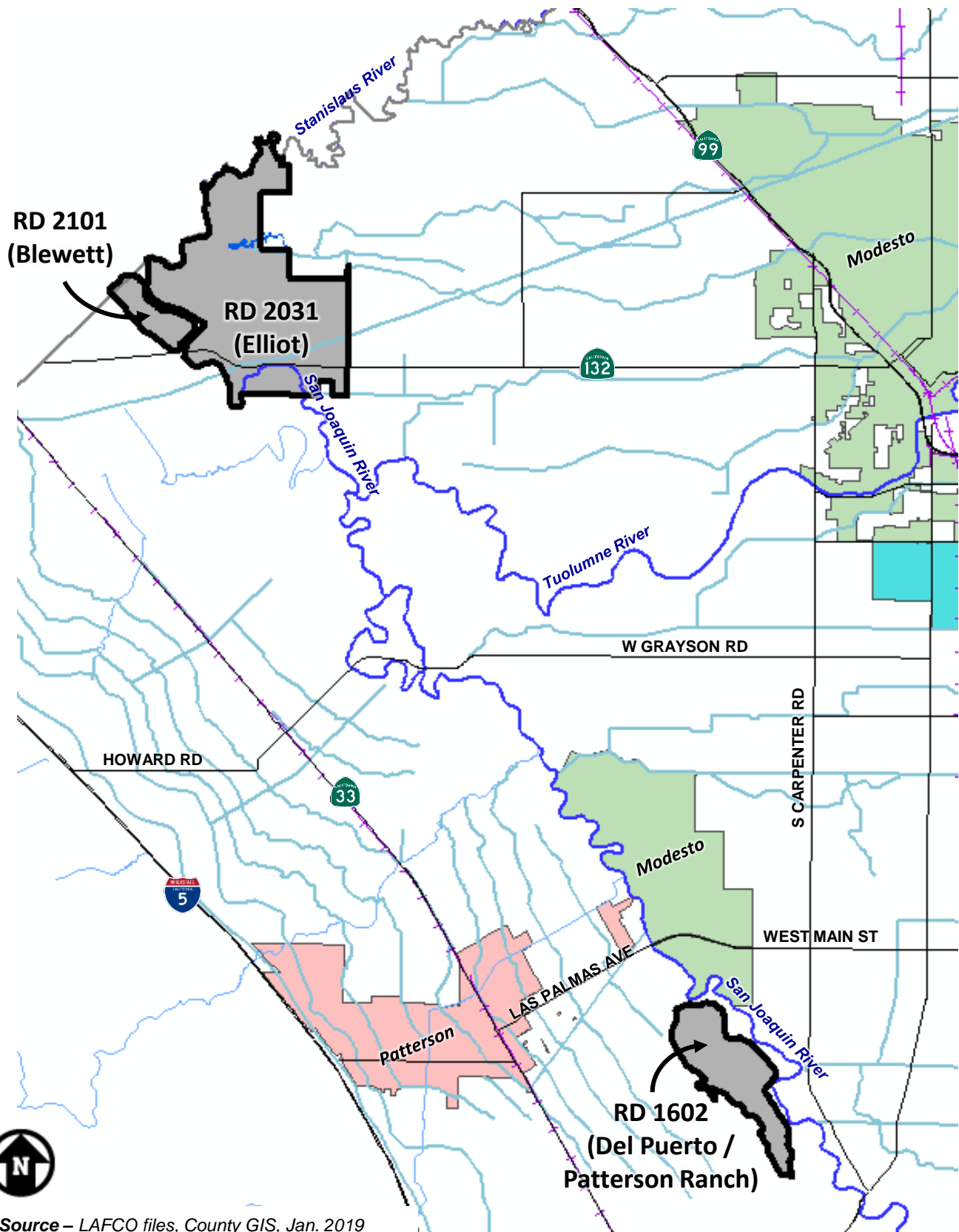
**State Controller's Office**  
**2016-17 Inactive Districts for Stanislaus County**

| County Name | District Name                    | District Type | Email Address          | Street Address 1           | Street Address 2 | P.O. Box | City      | Zip            |
|-------------|----------------------------------|---------------|------------------------|----------------------------|------------------|----------|-----------|----------------|
| Stanislaus  | Reclamation District<br>No. 1602 | Dependent     | robertsd@ldschurch.org | 2012 Apple<br>Avenue       |                  |          | Patterson | 95363          |
| Stanislaus  | Reclamation District<br>No. 2031 | Dependent     |                        | 10555 Maze Blvd.           |                  |          | Modesto   | 95358          |
| Stanislaus  | Reclamation District<br>No. 2101 | Dependent     |                        | 6130 Huntingdale<br>Circle |                  |          | Stockton  | 95219-<br>1906 |

Note: Email Address belongs to the Financial Transactions Report preparer; in some cases this may be an outside consultant.

# Inactive Districts

## Reclamation District Numbers 1602, 2031, 2101



Source – LAFCO files, County GIS, Jan. 2019

**EXECUTIVE OFFICER'S AGENDA REPORT  
JANUARY 23, 2019**

TO: LAFCO Commissioners

FROM: Jennifer Goss, Commission Clerk

**SUBJECT: Annual Election of Officers (Chairperson and Vice-Chairperson)**

---

**BACKGROUND**

The Commission's adopted Policies and Procedures includes Rules of Order, which establishes the terms and rotation schedule for the annual election of the Chairperson and Vice-Chairperson. The established annual term of office for these officers is from February 1<sup>st</sup> through January 31<sup>st</sup>.

Based on the current rotation of officers, as established in the adopted Rules of Order (Rule 4), the Office of Chairperson and Vice-Chairperson shall be rotated among the members according to the following sequence: Chairperson – City Member and Vice-Chairperson – County Member. Alternate members are not eligible to be officers.

Thus, Commissioner Michael Van Winkle, as the current Vice-Chair is eligible for Chairperson, as well as Commissioner Amy Bublak, and the Vice-Chairperson would be selected from the two Regular County Members, Commissioner Withrow and Commissioner DeMartini. (See attached Rotation Schedule.)

**RECOMMENDATION**

If your Commission agrees with the terms of office and the rotation of officers as per Rule 4, it is recommended that the Commission adopt the attached Resolutions selecting a new Chairperson (City Member) and a Vice-Chairperson (County Member) for the annual term of February 1, 2019 to January 31, 2020.

Attachments: LAFCO Resolution No. 2019-01a & 2019-01b  
Rotation Schedule

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** January 23, 2019

**NO.** 2019-01a

**SUBJECT:   Annual Election of Officers (Chairperson)**

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

|             |                |
|-------------|----------------|
| Ayes:       | Commissioners: |
| Noes:       | Commissioners: |
| Ineligible: | Commissioners: |
| Absent:     | Commissioners: |

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, in accordance with Government Code Section 56334 and Commission Rules of Order, the members of the Commission shall elect a chairperson at the first meeting in January of each year;

**WHEREAS**, the Commission's Rules of Order, under Rule 4, provides for the systematic rotation of the Chairperson among its members;

**WHEREAS**, the terms of the present officer expires on January 31, 2019; and,

**WHEREAS**, based on adopted Commission Policies and Procedures, the rotation of its members for the Chairperson, a City Member is in line for this office seat, respectively.

**NOW, THEREFORE, BE IT RESOLVED** that the Commission:

1. Elects Commissioner \_\_\_\_\_ as Chairperson for a term of office commencing February 1, 2019 through January 31, 2020.

**ATTEST:**

\_\_\_\_\_  
Sara Lytle-Pinhey  
Executive Officer

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** January 23, 2019

**NO.** 2019-01b

**SUBJECT:   Annual Election of Officers (Vice-Chairperson)**

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

|             |                |
|-------------|----------------|
| Ayes:       | Commissioners: |
| Noes:       | Commissioners: |
| Ineligible: | Commissioners: |
| Absent:     | Commissioners: |

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, in accordance with Government Code Section 56334 and Commission Rules of Order, the members of the Commission shall elect a Vice-Chairperson at the first meeting in January of each year;

**WHEREAS**, the Commission's Rules of Order, under Rule 4, provides for the systematic rotation of the Vice-Chairperson among its members;

**WHEREAS**, the terms of the present officer expires on January 31, 2019; and,

**WHEREAS**, based on adopted Commission Policies and Procedures, the rotation of its members for the Vice-Chairperson, a County Member is in line for this office seat, respectively.

**NOW, THEREFORE, BE IT RESOLVED** that the Commission:

1. Elects Commissioner \_\_\_\_\_ as Vice-Chairperson for a term of office commencing February 1, 2019 through January 31, 2020.

**ATTEST:**

\_\_\_\_\_  
Sara Lytle-Pinhey  
Executive Officer

## **COMMISSIONER ROTATION SCHEDULE**

### **Rotation**

|                 |                                 |                       |                  |   |
|-----------------|---------------------------------|-----------------------|------------------|---|
| 2/2009 - 1/2010 | Chairperson<br>Vice-Chairperson | Lane<br>DeMartini     | City<br>County   | A |
| 2/2010 - 1/2011 | Chairperson<br>Vice-Chairperson | DeMartini<br>Saletta  | County<br>Public | B |
| 2/2011 - 1/2012 | Chairperson<br>Vice-Chairperson | Saletta<br>Goeken     | Public<br>City   | C |
| 2/2012 - 1/2013 | Chairperson<br>Vice-Chairperson | Goeken<br>O'Brien     | City<br>County   | D |
| 2/2013 - 1/2014 | Chairperson<br>Vice-Chairperson | O'Brien<br>Bublak     | County<br>City   | E |
| 2/2014 - 1/2015 | Chairperson<br>Vice-Chairperson | Bublak<br>DeMartini   | City<br>County   | A |
| 2/2015 - 1/2016 | Chairperson<br>Vice-Chairperson | DeMartini<br>Hawn     | County<br>Public | B |
| 2/2016 - 1/2017 | Chairperson<br>Vice-Chairperson | Hawn<br>Bublak        | Public<br>City   | C |
| 2/2017 - 1/2018 | Chairperson<br>Vice-Chairperson | Bublak<br>Withrow     | City<br>County   | D |
| 2/2018 - 1/2019 | Chairperson<br>Vice-Chairperson | Withrow<br>Van Winkle | County<br>City   | E |
| 2/2019 – 1/2020 | Chairperson<br>Vice-Chairperson |                       | City<br>County   | A |