



**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 Michael Van Winkle**, City Member  
**Vice Chair, Jim DeMartini**, County Member  
Terry Withrow, 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, May 22, 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 April 24, 2019 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. Memo Regarding Availability of Support Documentation for Upcoming Application: Crossroads West Change of Organization to the City of Riverbank.

- C. "In the News."

**5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

**6. CONSENT ITEM**

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

- A. **MUNICIPAL SERVICE REVIEW NO. 2019-03 AND SPHERE OF INFLUENCE UPDATE NO. 2019-03 - RESOURCE CONSERVATION DISTRICTS.** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the East Stanislaus and West Stanislaus Resource Conservation Districts. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to sections 15306 and 15061(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2019-12.)

**7. PUBLIC HEARINGS**

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. 2019-07 - MCHENRY-CORALWOOD REORGANIZATION TO THE CITY OF MODESTO.** The City of Modesto has requested to annex approximately 12.86 acres located at 4024 McHenry Avenue to the City and detach the area from the Stanislaus Consolidated Fire Protection District. The property consists of a mobile home park within an unincorporated island meeting the criteria for annexation pursuant to Government Code section 56375.3. Annexation is intended to fulfill a condition of approval from LAFCO Resolution 2018-20, following a request from the property owner to obtain City sewer services. The Commission, as a Responsible Agency, will also consider the finding of the City of Modesto, as Lead Agency, that the project is within the scope of the General Plan Master Environmental Impact Report, pursuant to the California Environmental Quality Act (CEQA). (Staff Recommendation: Adopt Resolution No. 2019-11, approving the reorganization.)

- B. **FINAL LAFCO BUDGET FOR FISCAL YEAR (FY) 2019-2020.** The Commission will consider the adoption of the final LAFCO budget consistent with Government Code Sections 56380 and 56381. (Staff Recommendation: Approve the final budget and adopt Resolution No. 2019-10.)

**8. OTHER BUSINESS**

None.

**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 June 26, 2019.

B. Adjournment.

---

**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:** LAFCO meetings are conducted in English. Please make arrangements for an interpreter if necessary.

---



**DRAFT**

## STANISLAUS LOCAL AGENCY FORMATION COMMISSION

### MINUTES

April 24, 2019

#### 1. CALL TO ORDER

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

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

Commissioners Present: Michael Van Winkle, Chair, City Member  
Jim DeMartini, Vice Chair County Member  
Amy Bublak, City Member (arrived at 6:02 pm)  
Bill Berryhill, Public Member  
Richard O'Brien, Alternate City Member  
Brad Hawn, Alternate Public Member

Staff Present: Sara Lytle-Pinhey, Executive Officer  
Javier Camarena, Assistant Executive Officer  
Jennifer Goss, Commission Clerk  
Alice E. Mimms, LAFCO Counsel

Commissioners Absent: Terry Withrow, County Member  
Vito Chiesa, Alternate County Member

#### 2. PUBLIC COMMENT

None.

#### 3. APPROVAL OF MINUTES

- A. Minutes of the March 27, 2019 Meeting.

Motion by Commissioner Berryhill, seconded by Commissioner O'Brien and carried with a 4-0 vote to approve the Minutes of the March 27, 2019 meeting by the following vote:

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



#### 4. CORRESPONDENCE

A. Specific Correspondence.

1. Item 7A – Letter from Dan Pangrazio, Ceres Unified School District, dated April 24, 2019.

B. Informational Correspondence.

1. Governance Best Practices Free Workshop Flier.

C. “In the News”

#### 5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

#### 6. CONSENT ITEM

A. **LEGISLATIVE UPDATE AND POSITION LETTERS** – (Staff Recommendation: Accept and authorize Executive Officer to submit position letters.)

Motion by Commissioner Berryhill, seconded by Commissioner O’Brien, and carried with a 4-0 vote to authorize the Executive Officer to submit position letters, by the following vote:

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

**Commissioner Bublak arrived on the dais at 6:02 pm**

#### 7. PUBLIC HEARINGS

A. **LAFCO APPLICATION NO. 2019-03 WHITMORE RANCH REORGANIZATION TO THE CITY OF CERES**: Request to annex approximately 94 acres at the southeast corner of Whitmore Avenue and Moore Road within the City’s Sphere of Influence to the City of Ceres and detach from the Ceres Fire Protection District. The Commission, as a Responsible Agency, will also consider the Final Environmental Impact Report (FEIR), as prepared by the City of Ceres, as Lead Agency under the California Environmental Quality Act (CEQA). (Staff Recommendation: Adopt Resolution No. 2019-08, approving the reorganization.)

Javier Camarena, Assistant Executive Officer, presented the item with a recommendation of approval.

Chair Van Winkle opened the Public Hearing at 6:12 p.m.

Tom Westbrook, Director of Community Development for the City of Ceres, spoke in favor of project and answered questions of the Commission.

Chair Van Winkle closed the Public Hearing at 6:21 p.m.

Motion by Commissioner Bublak, seconded by Commissioner Berryhill, and carried with a 4-0 vote to adopt Resolution No. 2019-08, by the following vote:

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

- B. **PROPOSED LAFCO BUDGET FOR FISCAL YEAR (FY) 2019-2020.** The Commission will consider the adoption of the proposed LAFCO budget consistent with Government Code Sections 56380 and 56381. (Staff Recommendation: Approve the proposed budget and adopt Resolution No. 2019-09.)

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

Chair Van Winkle opened the Public Hearing at 6:30 p.m.

No one spoke.

Chair Van Winkle closed the Public Hearing at 6:30 p.m.

Motion by Commissioner DeMartini, seconded by Commissioner Bublak, and carried with a 4-0 vote to adopt Resolution No. 2019-09, by the following vote:

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

**8. OTHER BUSINESS**

None.

**9. COMMISSIONER COMMENTS**

None.

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

None.

**11. EXECUTIVE OFFICER'S REPORT**

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

- The Commission has a new legal counsel. Alice E. Mimms is taking the place of

Robert J. Taro as he has accepted a position as Assistant County Counsel.

- Upcoming items for May will include the Final Budget. Staff is expecting to receive an annexation application for the Modesto Mobile Home Park.

## **12. ADJOURNMENT**

- A. Chair Van Winkle adjourned the meeting at 6:33 p.m.

---

Sara Lytle-Pinhey, Executive Officer

DATE: May 15, 2019

TO: LAFCO Commissioners

FROM: Sara Lytle-Pinhey, Executive Officer

SUBJECT: **Availability of Support Documentation for Upcoming Application:  
Crossroads West Change of Organization to the City of Riverbank**

---

This memo is intended to inform the Commission of the availability of support documentation for an upcoming application known as the Crossroads West Change of Organization to the City of Riverbank. A public hearing for this item will be held at the Commission's June 26, 2019 meeting.

#### Project Description

The City of Riverbank has requested to annex approximately 403.79 acres at the northwest corner of Claribel Road and Oakdale Road to the City of Riverbank. The annexation is within the City's Sphere of Influence and is meant to accommodate the Crossroads West Specific Plan which proposes a mix of retail, mixed uses, parks, open space, potential school sites and residential uses.

#### Review Documents

In order to allow ample time for review, the following documents are available on the Public Notice section of our website (<http://www.stanislauslafco.org/info/PublicNotices.htm>):

- City's Annexation Application
- Crossroads West Specific Plan
- Draft Environmental Impact Report (EIR) & Appendices
- Final EIR
- Mitigation Monitoring and Reporting Plan
- Plan for Services
- Plan for Agricultural Preservation
- City Council Project Resolutions (including environmental determinations, rezoning, authorization of application, etc.)
- Letter from Best Best & Krieger on behalf of Stanislaus Consolidated Fire Protection District dated May 10, 2019

Please review the documents as they will be referenced in the June 26<sup>th</sup> staff report. Additional correspondence, as received, will be added on the public notice page. Should you have any questions regarding this information, please contact the office at 525-7660.

**CORRESPONDENCE – IN THE NEWS**

**Newspaper Articles**

- Riverbank News, April 23, 2019, “Fire district, city to continue talks.”
- The Modesto Bee, April 24, 2019, “Harder unveils bill funding Valley water projects, including reservoir near Patterson.”
- The Turlock Journal, April 23, 2019, “More homes on the way for Turlock.”
- West Side Index, April 25, 2019, “Final Newman residential lots building out.”
- West Side Index, April 25, 2019, “Del Puerto allocation inches upward; still short of 100 percent.”
- Riverbank News, May 8, 2019, “Developer fee talks aim for deadline deal.”
- The Modesto Bee, May 10, 2019, “Oakdale is ending contract with Stanislaus Consolidated. What’s next for fire service?”

## FIRE DISTRICT, CITY TO CONTINUE TALKS

Following a special meeting on Thursday, April 18, the Stanislaus Consolidated Fire Protection District was able to reach an agreement with the City of Riverbank to continue negotiations and prevent, or at least delay, a suit by the district.

The conflict comes over the city's planned developer fees in the Crossroads West annexation area that was recently approved by the city council. The fees at issue are the charges to new businesses and residents for fire service on those 380 acres.

The SCFPD would need to buy property there to build an additional station, as well as equip and staff it.

The statutory deadline to file suit was 5 p.m. on Friday, April 19, so the fire district held its meeting last Thursday. It was a deadline to make a claim against the city over the fire impact fees and slow the annexation process. The district is concerned the city is setting fees too low to cover costs for additional fire service in that area.

The plan area is just west of current Riverbank city limits. It stretches from Claribel Road in the south to the MID canal, north of Morrill Road and from Oakdale Road, west to an MID canal.

At the Thursday meeting, legal counsel and board members of SCFPD did not know if they were going to be able to reach a 'tolling agreement' with the city, partially because it was not known if City Hall would be open on that Friday. It is normally closed on alternating Fridays.

One source defines the arrangement as "a tolling agreement, that waives a right to claim that litigation should be dismissed due to the expiration of a statute of limitations. Its purpose is typically to allow parties additional time to assess and determine the legitimacy and viability of their claims and/or the amount of their damages without the necessity of filing an action. During this period, the parties waive any defense by way of any statute of limitations which would otherwise arise during such period."

Just after the deadline time, legal counsel for the district released a statement saying the two parties had reached an agreement to postpone the deadline to May 12, and continue their negotiations.

It reads, "The City of Riverbank and the District have agreed to a tolling agreement to extend the statutory period for the District to potentially file suit for the City's failure to properly analyze fire service impacts associated with the Crossroads West Project. The District remains hopeful that the City will comply with the law and address fire safety impacts to ensure the safety of all current and future residents."

As discussed in the public informational meeting on Thursday, the parties have serious differences in opinions about the amount of the assessment necessary to fully fund the needed services.

Several times during the discussion, board president Susan Zanker wondered why the process didn't include the establishment of a Community Services District for fire. It could establish the necessary fees to provide fire services much like landscaping and lighting districts do in other parts of Riverbank.

So, ultimately, the result of last week's discussion and action by the board and the city establishes a new deadline for them to complete their negotiations and set fees that both parties feel are appropriate.

In its special meeting, the SCFPD board was just able to meet its quorum requirement.

Of the five board members, only President Susan Zanker, and directors Steve Green, representing Waterford, and Greg Bernardi, an at-large director, were present.

Vice President Dave Woods, who represents Empire, and Michelle Guzman, of Riverbank, were absent.

**IN THE NEWS – Riverbank News, April 23, 2019 (Continued Page 2)**

Public hearings were held last month by the City of Riverbank as part of the resolutions adopted to proceed with the annexation project. With no apparent objection shown in those earlier meetings, the city was hoping to get the project in front of the Local Agency Formation Commission (LAFCo) in time to get an answer back by mid-June.

It is not known how this new deadline might impact that schedule.

# Harder unveils bill funding Valley water projects, including reservoir near Patterson

By Ken Carlson

Rep. Josh Harder, D-Turlock, thinks there is a better way to find water solutions for California's Central Valley and to stop squandering water in wet years that's needed in dry years.

His bipartisan water legislation unveiled Wednesday promises federal support for storage and innovation projects to address shortages that too often plague Valley agriculture and communities. Representatives from water districts, agriculture, local and state government and other groups joined the freshman congressman on the Tuolumne River bank in Modesto to announce the bill.

"We know the next drought is just around the corner," Harder said. Because water infrastructure fell behind the state's exploding population and agricultural industry in the past 100 years, much of the heavy runoff from wet winters can't be saved for beneficial purposes, he said.

A roundtable of Valley interests contributed ideas for the S.A.V.E Water Resources Act. The bill would invest federal dollars in additional water storage projects such as Sites Reservoir near Colusa in the Sacramento Valley, expansion of San Luis Reservoir and a dam creating a reservoir in Del Puerto Canyon west of Patterson. According to information provided, the bill would fund feasibility studies for the storage projects.

Part of the \$100 million for increased storage would fund projects to recharge groundwater aquifers and store water underground. The water bill also includes \$100 million for recycling and reclamation efforts and would create a monetary prize for developing sustainable water technology.

Federal funding of water reuse and recycling efforts would jump from \$50 million to \$500 million.

Stanislaus County Supervisor Vito Chiesa said water is vitally important and the legislation, if it passes, would have benefits for the county. Also speaking in support of the bill was Amy Bublak, mayor of Turlock, which has tried to find an affordable alternative to wells for city water customers.

Anthea Hansen, general manager of Del Puerto Water District, fleshed out some details of a proposal for a reservoir in Del Puerto Canyon in the hills west of Patterson. The \$500 million project backed by her district and Central California Irrigation District would store up to 85,000 acre-feet of water in an 800-acre lake.

The reservoir tied into the Delta-Mendota Canal and possibly the California Aqueduct could hold water secured by local irrigation districts and also store highly treated wastewater from the North Valley Regional Recycled Water Program. The envisioned benefits include better delta water management and water supply reliability, a refuge water supply, renewable power generation, recreational benefits and environmental enhancements along Del Puerto Creek.

Hansen said the proposal is in the preliminary study phase with an aim to start construction in 2021. Harder's bill has potential for providing funding for a storage project that could stir reaction from West Side residents who like the picturesque canyon.

Patterson Councilman Dennis McCord said Wednesday he was not aware that anyone had discussed the reservoir proposal with the city. "We need the water but that is our recreation area up there," he said. "I would need to know a lot more about what they want to do and how that is going to affect Patterson."

Frederico Barajas, director of the San Luis & Delta-Mendota Water Authority, said full storage in reservoirs meant that additional storm flows this year could not be pumped from the San Joaquin-Sacramento Delta for use in dry years. Many farmers who rely on the federal Central Valley Project were cut to zero water allocations in the last drought.



**IN THE NEWS – The Modesto Bee, April 24, 2019 (Continued Page 2)**

Harder is pushing for 21st Century solutions such as using the federal Bureau of Reclamation, a major dam-developer in the last century, to identify groundwater recharge sites. Evaporation eliminates a percentage of storage in reservoirs each year.

His bill would reauthorize the Rural Water Supply Act to work with rural communities in western states to assess drinking water supply needs and identify options. The federal program expired in 2016.

Federal assistance could help small communities like Monterey Park Tract in Stanislaus County supply clean water to residents.

## More homes on the way for Turlock

By Angelina Martin

Another well-established Turlock neighborhood will soon see five brand new homes built in the area, as a local developer is constructing his first-ever housing development in town.

Turlock resident Craig Campbell has been building homes since he earned his contractor's license in 1992, developing homes in Ceres and one home in Turlock. Most recently, Campbell is working on his first multiple-home site in town, constructing five single-family dwellings on Greenboro Street in Turlock.

"There's been a piece of land there that's sat undeveloped for a for a long time, so when we came across it we purchased it and decided to build some homes here," Campbell said. "If I find something like this that's ready to go, I'll do it."

Of the five homes, one is already completed while two more are nearly finished, he added. The homes are "California custom style," featuring tile roofing and a combination of stucco and rock exterior. According to Campbell, the homes range in price from \$489,000 to \$530,000.

"I notice a need for more housing in general everywhere...people are desperate for something," Campbell said. "These aren't first-time buyer homes by any means...these are more geared toward second-time homebuyers."

The land on Greenboro Street, which is in between West Minnesota Avenue and East Tuolumne Road, is located near stores like Wal Mart Neighborhood Market and Save Mart, as well as fast food locations like McDonald's and Burger King. It's an ideal location for new homes, Campbell said, and he believes Turlock is the ideal town to live in.

"Turlock is a great community and has everything anyone could need, like great schools, great people. It's nice to live here," he said. "I can't imagine living anywhere else."

The five-home development is just one of many housing construction sites in the area, including a nine-home development on Hawkeye and a large-scale subdivision near Monte Vista Crossings, as well as several developments in and around Denair.

Campbell said just one of the five homes has been sold, and the other four are still available. While construction has begun on some, one property still has the ability to be customized by a potential buyer. Those interested can contact realtor Cary Pope at 209-456-6297.

## Final Newman residential lots building out

NEWMAN - Several years of steady new home construction appear to be winding down to a conclusion as the few lots remaining in existing subdivisions build out.

Mike Brinkman, the city's building official, told Mattos Newspapers that he believes permits have been pulled for all remaining lots within active subdivisions.

Brinkman, who is the Central Valley inspection services manager for CSG Consultants, the firm which provides building department services for Newman, said new home construction in local subdivisions has occurred at a fairly steady rate over the past five years.

"For us, and for a city the size of Newman, it has been a comfortable pace," Brinkman commented.

Since he joined the profession in 2004, Brinkman has seen the feast and famine of the cyclical real estate market and home-building industry.

The pace of new-home construction through recent years has been about half that of the mid-2000s, when homes were being built at a torrid pace to meet the demands of a white-hot housing market.

But after the housing market imploded, Brinkman said, Newman went two to three years with no new home construction.

No permits were pulled for single family home construction in 2012 or 2013, Brinkman said. Building resumed at a modest pace in 2014 when 16 permits were issued.

That number climbed steadily for the next three years - to 42 permits in 2015, 69 in 2016 and 95 in 2017, the high point in the latest round of building activity.

Fifty-two more permits were issued last year, and in 2019 three more permits have been pulled as remaining lots fill.

More lots are in the pipeline.

City Manager Michael Holland said about 120 "paper lots" exist in three residential projects that have various degrees of approval but are not yet finalized.

Most, around 100, are in a subdivision at the southern edge of the city, west of Highway 33, in a project for which a final map has been approved but not yet recorded, said Holland.

The same is true of a map with about 10 semi-custom lots at T and Orestimba, according to the city manager, and another project of approximately eight lots at the north end of Real Court has tentative map approval.

Development interest will likely drive the time frame on those projects, according to Holland.

"It is a matter of somebody wanting to come in and build them," Holland remarked.

He acknowledged that there may be a period of time in which new home construction comes to a standstill - which would not come as a surprise.

"We did anticipate a period of time where we could potentially be without an inventory of lots to build on," Holland told Mattos Newspapers.

The city's planned Northwest Newman project may well be the next site of large-scale home-building. That project, which includes a mix of commercial, light industrial/business park and residential uses, is still in the annexation process.

While the initial focus has been on the job-generating potential of Northwest Newman, Holland said, the city will also look to that project to help meet demand for residential development.

"We want the jobs that go with Northwest Newman, but there is also a deficiency of land available (elsewhere) in the community," he explained. "We would like to get more land prepared and ready so that if the development community wants to come in we can evaluate their projects and see if they are a good fit for Newman."

## **IN THE NEWS – West Side Index, April 25, 2019 (Continued Page 2)**

Holland agreed that the rate of growth seen in Newman has been comfortable. The homes built in recent years have been in long-planned subdivisions which did not require extension of infrastructure, he noted.

"The next one will be a little more of a leap because we are moving more to the periphery of the existing community," he told Mattos Newspapers.

The city is planning accordingly, Holland added, as it is stubbing in both water and sewer service to the Northwest Newman plan area.

City officials are also discussing the feasibility of expanding Jensen Road to a full two lanes from Highway 33 to Fig Lane in the early stages of Northwest Newman to more fully set the stage for development.

"We are trying to get some preliminary cost estimates of what it would take. There are some constraints," Holland commented. "We have to get through the annexation process before we get too deeply into that."

## Del Puerto allocation inches upward; still short of 100 percent

Abundant winter rain and snowfall was not enough to deliver a full allocation of irrigation water to farmers in a federal district running along the Interstate 5 corridor from Vernalis to Santa Nella.

The latest water allocation update puts the allocation for the Del Puerto Water District and similar south-of-the-delta agencies at 65 percent – a 10 percent bump from the previous allocation but well short of a full contract quota.

Growers in the sprawling Central California Irrigation District, which stretches from near Crows Landing to Mendota on the valley floor, by contrast will receive a 100 percent allocation this year.

Anthea Hansen, director of the Del Puerto District, acknowledged that she was hoping for a 100 percent allocation in the wake of a particularly wet winter.

Now, she said, that appears unlikely.

"I do expect as we get into May and maybe even June that, depending on how circumstances line up, there could be more," she told Mattos Newspapers. "Do I think we will get to 100 percent? No, not at this point.

"I'm really disappointed," Hansen stated. "it is just more evidence that the regulatory environment and the complications with meeting the requirements of the biological opinions and the Endangered Species Act really make it difficult for agencies to provide a 100 percent supply south of the (Sacramento-San Joaquin) delta."

A 100 percent contract allocation to the district delivers 3.1 acre-feet of water per acre, or about 37 inches. That amount would be sufficient to nurture the crops in the 45,000-acre district, Hansen said.....but 100 percent allocations are a rarity.

The last time that happened was in 2017, breaking an 11-year stretch without a full allocation. During the depths of California's drought years, the district sometimes received no contract water supplies at all.

Last year, the district received 50 percent of its full contract water allocation.

Helping the growers this year is a recently-completed recycling program which makes treated wastewater from Modesto available to Del Puerto. That system, which was completed a year ago, will deliver a little more than four inches per acre to the district, Hansen said earlier this year. A few inches of water are critical when supply is short, but that water comes at a premium.

The district does have an adequate supply of supplemental water to meet the needs of its growers this year, Hansen said, but that water will likely be in the range of \$200 an acre-foot, or about twice what growers pay for contract supply water.

"I am happy to say that Del Puerto has ample supplemental supplies available. Nobody should be short this year," she reported. "It is not sustainable long-term (at the higher price), but we are thankful that this year it is available if we need it."

Growers who work open land for row and forage crops have the option of fallowing their fields in the event that water is in short supply or prohibitively expensive, Hansen noted, but much of the district's acreage is in permanent crops such as almonds....representing expensive, long-term investments which must be preserved and protected.

In penciling out costs, Hansen said, she encourages growers to average out expenses across all the water supply sources.

Looking to the future, Hansen reported, efforts to resolve some of the challenges of delivering water to south-of-the-delta are encouraging.

"The positive side of what is happening right now with the current leadership is that solutions are being sought that would be long-term in nature," she told Mattos Newspapers. "I do have faith in the efforts being undertaken by the Bureau of Reclamation and Department of the Interior, and others who are

## **IN THE NEWS – West Side Index, April 25, 2019 (Continued Page 2)**

working very hard to not just put a Band-Aid on the problem but to make some common sense, minimal changes that could have a long-term, positive impact.”

A Reclamation news release announcing the 65 percent allocation acknowledged the challenges of providing higher allocations to south-of-the-delta users.

“Even in above average water years, threatened and endangered species requirements, storage limitations and lost conveyance capacity from land subsidence pose challenges on Reclamation’s ability to export water south-of-the-delta,” the news release stated. “Reclamation is currently engaged in several processes to improve its ability to meet the water supply needs of the Central Valley Project in an environmentally and economically sound manner.”

Congressman Josh Harder was expected to announce new, comprehensive legislation yesterday (Wednesday) addressing the water crisis in the Central Valley.

## DEVELOPER FEE TALKS AIM FOR DEADLINE DEAL

While the City of Riverbank and the directors of the board of the Stanislaus Consolidated Fire Protection District continue to meet, the clock also continues to tick down toward a self-imposed deadline for agreement on developer fees.

The SCFPD board threatened to sue the city back in the middle of April, on the day of the deadline for the Environmental Impact Report for the proposed Crossroads West project, to be submitted to the Local Agency Formation Commission (LAFCO) for approval of the annexation.

At the last minute, and on a Friday when city hall offices were closed, lawyers for the two groups agreed to a postponement of the deadline, to May 12. The two sides met on Thursday, May 2, for the first of what may be several roundtable workshops aimed at bridging the gap between what the city thinks the fire fees should be and that of the SCFPD.

The pair held a study session prior to its special meeting last week. The meeting began at 5 p.m. with representatives of the Crossroads West developers, the city attorney's office, architects, land owners and the fire district board in attendance.

The board didn't have a quorum present when the workshop began, but it was not necessary since it was not a meeting where official action would be taken. Director Michelle Guzman, representing Riverbank, and President Susan Zanker, an at-large representative, were present, with Steve Green arriving later, in time for the official special meeting that was to start at 6 p.m.

Board members Dave Woods, Vice President from Empire, and Greg Bernardi, at-large director, were both absent.

The differing issue reportedly is the gap between amounts in the city's studies and those of the fire district. The city maintains that the proposed service area would generate \$7.5 million in capital fees, including special assessment fees and ongoing property taxes.

As stated in the workshop, the fire district maintains that the cost of purchasing property, building a 5,000 square-foot fire station, equipping it and then staffing it would be much higher.

"The meeting was positive overall," said Riverbank City Manager Sean Scully. "A compromise has not been reached yet but there was a substantial amount of good conversation regarding fees and Fire District needs relating to infrastructure (new station and equipment. We hope to solidify more details on any potential agreement at the next meeting."

The meeting ended with setting of another session this Thursday, May 9 for a workshop, with both sides expected to hone down their figures.

# Oakdale is ending contract with Stanislaus Consolidated. What's next for fire service?

By Ken Carlson

The city of Oakdale is cutting ties with Stanislaus Consolidated Fire Protection District. And less than two months remain on a service agreement between the fire protection agency and Oakdale's rural fire district.

Unless something happens to salvage these relationships, residents can expect to see significant changes in emergency response in parts of eastern Stanislaus County.

The Oakdale council decided Wednesday to end an agreement with Stanislaus Consolidated, which has provided emergency service in and around Oakdale since 2014. Stanislaus Consolidated also provides service under a soon-to-expire contract with Oakdale Rural Fire Protection District, whose board members have demanded better terms in any renewal agreement.

The Stanislaus Consolidated board decided Thursday evening to make one more offer to preserve its partnership with the city. But Oakdale's top administrator said Friday the Cowboy Capital needs to explore other options before the June 30 sunset date for the five-year agreement.

"We have limited time to get something done by July 1," City Manager Bryan Whitemyer said.

The City Council had sought a one-year extension to carve out time for renegotiating issues that both parties were unhappy with. But the fire district did not agree to the extension, Whitemeyer said.

Council members were forced into the decision of heading for the exit or getting stuck with a bad renewal agreement, he said.

At its board meeting Thursday, Stanislaus Consolidated decided to offer modified terms to Oakdale that did not include an extension. "I would make one more attempt to get an agreement with them," Board Member Steve Green of Waterford said.

The proposed changes included a 3-year renewal agreement with annual reviews instead of five years; chief or staff attendance at Oakdale council meetings; and meetings every other month for the three partners to discuss matters.



Another unresolved item was the cost for Oakdale to cover an unfunded payroll liability for firefighters.

A fire district staff member was to personally deliver the offer to the city Friday.

Under the contracts that expire in June, Stanislaus Consolidated has responded to fires and medical emergencies in the city and the 324-square-mile Oakdale rural district, whose boundaries encompass Valley Home, Knights Ferry and areas north of Modesto Reservoir and north of Woodward Reservoir.

Based in Riverbank, Stanislaus Consolidated also responds from stations within its boundaries to incidents in Modesto, Empire, Waterford and La Grange.

After the recession, Oakdale was struggling to maintain its fire service when the city and rural Oakdale district sought a partnership with Stanislaus Consolidated, ultimately signing agreements that will cost the city \$2.42 million in the 2018-19 budget year.

As the end of the five-year deals approached, the Oakdale agencies wanted major changes in renewal agreements; the concerns included the financial situation of Stanislaus Consolidated, cost ramifications of a contract with district firefighters and frequent vacancies in the fire chief's position.

The city and Oakdale rural proposed a joint powers authority giving them seats on the board and influence over budget decisions, labor and management issues. Leaders of Stanislaus Consolidated said a JPA was studied before the parties chose service agreements as the better option five years ago.

As the partners exchanged proposals this year, Whitemyer said he heard comments the city wasn't paying enough for the emergency services but an increase in payments was never put on the table.

Whitemyer said the city could hold discussions with another potential agency partner. Another option is restoring the city fire department and making it ready to respond to calls July 1. A contact for Oakdale rural could not be reached Friday to discuss the district's future with Stanislaus Consolidated.

The city and Oakdale rural are expected to hire back 21 firefighters, employed by Stanislaus Consolidated, in the event their fire departments are brought back to life.

Stanislaus Consolidated board president Susan Zanker talked of holding a special meeting next week to discuss the service contracts. With two county staff members sitting in the audience, Zanker and two other board members favored making the final offer to Oakdale.

Dave Woods, vice president of the five-member board, disagreed with the majority, saying the city made its decision and “we need to move one and work on improving the district.”

**TO: LAFCO Commissioners**

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

**SUBJECT: MSR NO. 2019-03, SOI UPDATE 2019-03: MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE EAST AND WEST STANISLAUS RESOURCE CONSERVATION DISTRICTS**

### **INTRODUCTION**

This proposal was initiated by the Local Agency Formation Commission in response to State mandates that require the Commission to conduct municipal service reviews and sphere of influence updates for all cities and special districts at least once every five years. The current review covers the East and West Stanislaus Resource Conservation Districts. The previous update for these districts was adopted August 27, 2014.

### **DISCUSSION**

Both the East and West Stanislaus Resource Conservation Districts (RCDs) are independent "single purpose" special districts organized under the State Public Resources Code, Division 9 (Sections 9000-9078). Each district has a locally appointed volunteer board of directors made up of landowners in that District. Under the Code, a Resource Conservation District may be formed for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and improvement of land capabilities, wildlife habitat restoration, forest fuel management, conservation education and much more.

The Municipal Service Review and Sphere of Influence Update process provides an opportunity for the Districts to share accurate and current data, accomplishments and information regarding the services they provide. LAFCO Staff sent the previously approved Municipal Service Review and Sphere of Influence document to each of the RCDs for their comments, revisions and updated information. LAFCO Staff also reviews the Districts' most recent audits, current budget, and previous five years of reports from the State Controller's office. Once this data was collected, a revised Municipal Service Review and Sphere of Influence Update document was drafted.

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

### **ENVIRONMENTAL REVIEW RECOMMENDATION**

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

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

As there are no land use changes, boundary changes, or environmental impacts associated with the Municipal Service Review and Sphere of Influence Update, a Notice of Exemption is the appropriate environmental document.

**ALTERNATIVES FOR COMMISSION ACTION**

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

- Option 1:** APPROVE the Municipal Service Review and Sphere of Influence Update for the East and West Stanislaus Resource Conservation Districts.
- Option 2:** DENY one or more of the updates.
- Option 3:** If the Commission needs more information, it should CONTINUE this matter to a future meeting (maximum 70 days).

**RECOMMENDED ACTION**

**Approve Option 1.** Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the East and West Stanislaus Resource Conservation Districts. Therefore, Staff recommends that the Commission adopt Resolution No. 2019-12, which:

1. Determines that the Municipal Service Review and Sphere of Influence Update qualifies for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulations §15306 and §15061(b)(3);
2. Makes determinations related to the Municipal Service Review and Sphere of Influence Update as required by Government Code §56425 and §56430; and,
3. Determines that the Spheres of Influence for the East and West Stanislaus Resource Conservation Districts should be affirmed as they currently exist.

*Attachments:*

*Exhibit 1* - Municipal Service Review and Sphere of Influence Update for the East and West Stanislaus Resource Conservation Districts

*Exhibit 2* - Draft Resolution No. 2019-12 (East & West Stanislaus Resource Conservation District)

## ***MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR***



## **RESOURCE CONSERVATION DISTRICTS IN STANISLAUS COUNTY**

*Prepared By:*

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

***Adopted: \_\_\_\_\_***

---

# **STANISLAUS**

## **LOCAL AGENCY FORMATION COMMISSION**

---

### **COMMISSIONERS**

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

### **STAFF**

Sara Lytle-Pinhey, Executive Officer  
Javier Camarena, Assistant Executive Officer  
Jennifer Goss, Commission Clerk  
Alice E. Mimms, Legal Counsel

---

## TABLE OF CONTENTS

---

<b>Introduction .....</b>	<b>1</b>
Municipal Service Review Factors to be Addressed .....	1
Sphere of Influence Update Process .....	2
Background .....	2
Authority .....	2
 <b>Municipal Service Review - East Stanislaus RCD .....</b>	 <b>3</b>
Formation .....	3
Purpose .....	3
Governance .....	3
Mission Statement .....	3
Location and Size .....	4
Personnel .....	4
Support Agencies .....	5
Funding Sources .....	5
Services .....	5
<b>Determinations .....</b>	<b>6</b>
Growth and Population Projections .....	6
Location and Characteristics of Disadvantaged Unincorporated Communities .....	6
Present and Planned Capacity of Public Facilities, Adequacy of Public Services .....	7
Financial Ability of Agencies to Provide Services .....	7
Status of, and Opportunities for, Shared Facilities .....	7
Accountability for Community Service Needs .....	7
Any Other Matter Related to Effective or Efficient Service Delivery .....	7
 <b>Municipal Service Review - West Stanislaus RCD .....</b>	 <b>8</b>
Formation .....	8
Purpose .....	8
Governance .....	8
Mission Statement .....	8
Location and Size .....	8
Personnel .....	8
Funding Sources .....	8
Long Range Planning .....	9
Services .....	9
<b>Determinations .....</b>	<b>10</b>
Growth and Population Projections .....	10
Location and Characteristics of Disadvantaged Unincorporated Communities .....	10
Present and Planned Capacity of Public Facilities, Adequacy of Public Services .....	10
Financial Ability of Agencies to Provide Services .....	10
Status of, and Opportunities for, Shared Facilities .....	10
Accountability for Community Service Needs .....	11
Any Other Matter Related to Effective or Efficient Service Delivery .....	11

---

## TABLE OF CONTENTS (Cont.)

---

<b>Sphere of Influence Update – East Stanislaus RCD .....</b>	<b>12</b>
<b>Determinations .....</b>	<b>13</b>
Present and Planned Land Uses .....	13
Present and Probable Need for Public Facilities and Services.....	13
Present Capacity of Public Facilities and Adequacy of Public Services .....	13
Communities of Interest in the Area.....	14
Need for Public Facilities in Disadvantaged Unincorporated Communities .....	14
 <b>Sphere of Influence Update – West Stanislaus RCD .....</b>	 <b>15</b>
<b>Determinations .....</b>	<b>15</b>
Present and Planned Land Uses .....	15
Present and Probable Need for Public Facilities and Services.....	15
Present Capacity of Public Facilities and Adequacy of Public Services .....	15
Communities of Interest in the Area.....	16
Need for Public Facilities in Disadvantaged Unincorporated Communities .....	16
 Appendix A: East Stanislaus RCD Summary Profile .....	 17
<b>Map 1: East Stanislaus RCD Sphere of Influence Boundary.....</b>	<b>18</b>
Appendix B: West Stanislaus RCD Summary Profile.....	19
<b>Map 2: West Stanislaus RCD Sphere of Influence Boundary.....</b>	<b>20</b>
Appendix C: References .....	21



# **Municipal Service Review and Sphere of Influence Update for the East Stanislaus and West Stanislaus Resource Conservation Districts**

## **Introduction**

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

The legislative authority for conducting a municipal service review is provided in Government Code Section 56430 of the CKH Act. The Act states, that "in order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area..." MSRs must have written determinations that address the following factors in order to update a Sphere of Influence. These factors were recently amended to include identification of disadvantaged unincorporated communities within or contiguous to the sphere of influence of an agency.

## **Municipal Service Review Factors to be Addressed**

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

State Guidelines and Commission policies encourage cooperation among a variety of stakeholders involved in the preparation of a municipal service review. This MSR will analyze both the East Stanislaus and West Stanislaus Resource Conservation Districts (RCDs), and will also provide a basis for the Districts and LAFCO to evaluate, and if appropriate, make changes to the Sphere of Influence.

## **Sphere of Influence Update Process**

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

The previous sphere of influence update for the East Stanislaus and West Stanislaus Resource Conservation Districts was adopted in 2014 and proposed no changes to the Districts' SOIs. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOIs for each district.

## **Background**

Resource Conservation Districts emerged in California during the 1930s as a way to prevent the soil erosion problems of the Dust Bowl from reoccurring. Formed as independent local liaisons between the federal government and landowners, conservation districts have always worked closely with the United States Department of Agriculture (USDA) Natural Resources Conservation Services (formerly the Soil Conservation Service).

California has 103 resource conservation districts (RCDs) most of which are funded largely through grants. A few of the RCD's receive limited funds through county property tax revenues. The Department of Conservation and the Natural Resources Conservation Service provide training and in-kind support, as well as a watershed grant program for districts.

There are two resource conservations districts in Stanislaus County: East Stanislaus and West Stanislaus. Each RCD is responsible for its own decision-making process and the concerns addressed by the Eastside RCD are somewhat different than those addressed by the Westside RCD. For example, Eastside concerns include such issues as nitrates in the water supply, wind erosion, and animal waste management. Westside concerns include implementing water conservation measures, and improving irrigation and drain water quality.

## **Authority**

In California, RCDs are "single purpose special districts" organized under the State Public Resources Code, Division 9. Each district has a locally elected or appointed volunteer board of directors made up of landowners in that district. Under the Code, a resource conservation district may be formed for the control of runoff, the prevention or control of soil erosion, the development and distribution of water, and improvement of land capabilities, wildlife habitat restoration, forest fuel management, conservation education and much more.

Today's RCDs work in urban areas, as well as with farmers and ranchers on agricultural-related concerns. California's size and geographical diversity, along with an ever-growing population, make natural resources stewardship a great challenge in the Golden State.

## **Municipal Service Review – East Stanislaus RCD**

### **Formation**

In 1996, the East Stanislaus Resource Conservation District (RCD) was formed through the consolidation of the following RCDs: Salida, S.T. & J., and portions of the Ballico and La Paloma RCDs in Stanislaus County. The reorganization provided an increased level of service to the properties included within the East Stanislaus RCD and reduced the duplication of effort by the participating districts.

### **Purpose**

The East Stanislaus RCD was established to improve riparian habitats, reduce soil erosion and sedimentation, conserve irrigation water, improve water quality, and provide District growers with information on the proper management of their natural resources. To meet established goals, the District serves as a focal point for landowners and growers to seek information on technical assistance, cost-sharing and administrative assistance on individual and community natural resource conservation efforts.

The District promotes the following:

- Bringing together parties with common goals and interests.
- Creating integrated management models to encourage best “multiple” resource uses.
- Preventing pollution of waterways and groundwater from pesticide run-off, sediment and nutrient buildup.
- Reducing losses of habitat and diversity, both in wildlife and plant species.

### **Governance**

Five District Trustees are appointed by the Stanislaus County Board of Supervisors and represent the landowners within the District. Meetings are held on the fourth Thursday of every month at 1:00pm, in the USDA Modesto Service Center Conference Room, located at 3800 Cornucopia Way, Suite E, Modesto, and are open to the public.

The Board of Directors volunteer their time to establish priority soil and water resource conservation projects and conduct the business of the District. The District has Memoranda of Understandings (MOUs) with the United States Department of Agriculture (USDA) and State Natural Resources Conservation Service. These MOUs provide a framework for providing technical and financial assistance to the District.

## **Mission Statement**

The following is the mission statement of the District: “The East Stanislaus Resource Conservation District is committed to conserving, improving, and sustaining the natural resources, environment, and economy of Eastern Stanislaus County.”

The East Stanislaus Resource Conservation District (RCD) also has seven primary mission areas:

1. Soil Erosion (on-site and off-site effects)
2. Nitrates from irrigated agriculture (on-site and off-site effects)
3. Groundwater (quality and quantity)
4. Systems approach to salmon management (buffers, easement)
5. Air Quality (reduction of PM 10)
6. Water Quality (best management practices)
7. Natural Resource Education and Outreach

## **Location and Size**

The District's boundary consists of those areas formerly within the Salida, S.T. & J., and portions of the Ballico and La Paloma RCDs. This consists of non-contiguous areas throughout the northcentral portion of the County along the Stanislaus River and along the southern boundary of the County in the East Keyes Road and Montpelier Road area. Previous hand-drawn maps of the East Stanislaus RCD boundary incorrectly labeled the entire easterly half of the County as being within the District's boundary and this was long assumed to be the case. Although the remainder of eastern Stanislaus County may benefit from the RCD's services, the area has not yet been annexed by the District

When the District was formed (LAFCO Resolution 96-04), the Sphere of Influence included all the unincorporated territory east of the San Joaquin River within Stanislaus County, excluding areas within city limits and a neighboring RCD. However, since this time, the Commission has recognized the entirety of Eastern Stanislaus County as representing the District's Sphere of Influence, in anticipation of future annexation (see Map 1 - East Stanislaus RCD Boundary and Sphere of Influence).

## **Personnel**

The East Stanislaus RCD employs an Executive Director who runs the day-to-day operations of the RCD. The Executive Director reports to the Board of Directors at the monthly board meetings. The District also employs additional personnel as needed such as an Agricultural Conservationist, Irrigation Specialist, Soil Health Coordinator, Conservation Outreach Coordinator, Education Outreach Coordinator, Watershed Coordinator as well as Administrative Assistance, Technicians, Project Managers, Project Assistants, and Interns as needed to support various grants and agreements and dependent on available funding. Additionally, the RCD has an established network of support agencies to accomplish its locally developed plans and priorities.

## **Support Agencies**

The District provides and obtains services from many different entities. It maintains a positive collaborative relationship with numerous local, state and federal agencies including the following: United States Department of Agriculture (USDA), State Natural Resources Conservation Service, Secretary of State California's Resources Agency, City and County of San Francisco, Friends of the Tuolumne, Tuolumne River Preservation Trust, water and irrigation districts, UC Cooperative Extension Service, Western United Dairymen, California Poultry Foundation, California State Resource Conservation District, and the West Stanislaus RCD.

## **Funding Sources**

Funding sources for the District include a combination of in-kind services provided by the Board of Directors, volunteers, USDA and other agencies. Additional financial support includes grants from local, state and federal agencies and non-profit foundations, contracted administrative and technical services, fee-for-service programs, and service fees.

Only the former Ballico RCD portion of the consolidated East Stanislaus RCD has a small, but steady revenue source as it receives a portion of the property tax revenue collected. The other portions of the consolidated District rely on volunteers, in-kind staff services, donations and grants obtained from local, state, and federal agencies and non-profit foundations.

## **Services**

The East Stanislaus Resource Conservation District provides the following services:

- Coordinates with local, state and federal agencies and non-governmental organizations to improve irrigation and drainage practices on agricultural lands within the Eastern Stanislaus RCD.
- Assists landowners with installation and management of water conservation and water quality practices to reduce soil erosion, sediment delivery and other non-point source pollution of the impaired lower Stanislaus River, lower Tuolumne River and the middle San Joaquin River in Stanislaus County.
- Seeks out financial and technical support for landowners to voluntarily reduce salt, boron, pesticides, sediment, nutrients and other constituents that contribute to low dissolved oxygen to the impaired San Joaquin River.
- Assists landowners and irrigation/water districts in implementing water conservation through irrigation and drain water management and systems efficiency evaluations. It also administers and operates a low cost Mobile Irrigation Lab Program and Drain Water Analysis Program.
- Provides an Information and Education Program to enhance the awareness of its programs to the public, as well as assists local schools and other groups (such as 4-H) in conservation activities.

- Maintains a website ([www.eaststanrkd.org](http://www.eaststanrkd.org)) with a description of the District, its programs, and current events.
- Continues to support conservation education activities by seeking volunteers or funding for RCD employees to coordinate with local groups, agencies and schools.
- Maintains relationships with the local news media by providing information and /or interviews as requested. Examples include publishing its Annual Report in local newspapers, as well as providing timely news articles on the District's conservation activities to the local news media.

### **Determinations – East Stanislaus RCD**

The following are determinations related to the seven factors required by Section 56430 for a Service Review for the East Stanislaus Resource Conservation District:

#### **1. Growth and Population Projections for the Affected Area**

The District serves areas in the eastern half of Stanislaus County, consisting of urban, rural, and agricultural uses. The majority of population growth is expected to occur within the existing cities and unincorporated communities of eastern Stanislaus County.

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

As the District's Sphere of Influence encompasses the entirety of the County located east of the San Joaquin River, it includes numerous areas that meet the criteria for a disadvantaged unincorporated community (DUC). These include the Riverdale Park Tract, West Modesto (inclusive of the Robertson Road Neighborhood), Empire, the remainder of the Shackelford area, and the Bret Harte, Airport, Rouse, and Parklawn Neighborhoods, all within the City of Modesto's Sphere of Influence. Other disadvantaged unincorporated communities include the Bystrum Neighborhood (within the Sphere of Influence of the City of Ceres), the Cowan Tract, the Monterey Park Tract, and Keyes.

No DUCs have been identified within or contiguous to the current District boundary as defined in Section 56033.5 of the CKH Act.

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

At the present time, the District has both the ability and the capacity to serve its service area. As the RCD does not provide water, sewer, or fire protection services, the District is not responsible for assuring that these services are adequately provided to communities within the District's boundaries.

**4. Financial Ability of Agencies to Provide Services**

The District appears to have adequate financial resources to deliver services. As the District is grant funded, the budget is planned based on grants and/or agreements currently in place or anticipated for the upcoming year and personnel is budgeted accordingly. The District has been successful in obtaining grant funding for its programs.

**5. Status of, and Opportunities for, Shared Facilities**

The District has a long history of developing partnerships with local, state and federal agencies to assist the RCD to accomplish locally developed plans and priorities.

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

The District is governed by a five (5) member Board of Directors appointed by the Board of Supervisors. The District has an accessible website, and conforms to the provisions of the Brown Act requiring open meetings. The District employs an Executive Director who runs the day-to-day operations of the RCD. No other relevant issues concerning this factor have been identified.

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

None.

## **Municipal Service Review – West Stanislaus RCD**

### **Formation**

The West Stanislaus Resource Conservation District (RCD) was formed through consolidation of the Orestimba (1952) and Patterson (1958) Soil Conservation Districts and through the annexation of adjacent lands in Stanislaus County, west of the San Joaquin River in 1980.

### **Purpose**

The West Stanislaus RCD was initially established to reduce soil erosion and sedimentation, conserve and preserve irrigation water, improve water quality, and provide District growers with information on the proper management of their natural resources. To meet these goals, the RCD acts as a focal point for landowners and growers to seek information, technical assistance, cost sharing, and administrative assistance on individual and community natural resource conservation concerns.

### **Governance**

The District's governing board consists of seven (7) landowners within the District, who are appointed by the Stanislaus County Board of Supervisors. The District holds regular open public meetings on the second Wednesday of each month in their office located at 301 South First Street, in Patterson.

### **Mission Statement**

The District's mission statement is as follows: "The West Stanislaus Resource Conservation District is committed to conserving, improving, and sustaining the natural resources, environment, and economy of Western Stanislaus County."

### **Location and Size**

The West Stanislaus RCD includes the area west of the San Joaquin River to the Santa Clara County line and is bordered by San Joaquin County to the north and Merced County to the south. The West Stanislaus Resource Conservation District encompasses approximately 380,000 total acres (or roughly 594 square miles).

### **Personnel**

The District currently employs one part-time staff member: a secretary.

### **Funding Sources**

The District receives a limited amount of funds from Stanislaus County property tax revenues. Other funding sources for the District include a combination of in-kind services provided by the Board of Directors, volunteers, USDA and other agencies. Additional financial support includes grants from local, state and federal agencies and non-profit foundations and service fees.



## **Long-Range Planning**

The District developed a Long-Range Plan in 2017 that prioritized local resource conservation concerns and the implementation of planned activities to assist District cooperators, land users and landowners with technical and financial assistance such as cost-sharing, administrative assistance and representation at various workshops, meetings and public hearings. One of the most important tasks the Board undertakes is to set priorities on programs and activities to be accomplished within the district and to request the assistance of the USDA, Natural Resources Conservation Service and other local, state and federal cooperating agencies and groups so that these programs and activities will be completed.

## **Services**

The following are the services provided by the West Stanislaus RCD:

- Provides assistance with installation and management of water conservation and water quality practices to reduce soil erosion, sediment delivery and other non-point source pollution of the San Joaquin River.
- Seeks out financial and technical support for District cooperators to voluntarily reduce salt, boron, selenium, pesticides, sediment and other constituents that contribute to low dissolved oxygen to the San Joaquin River.
- Assists cooperators and irrigation/water districts in implementing water conservation through irrigation and drain water management and systems efficiency evaluations.
- Assists growers to improve irrigation and drain water quality on the Westside, as dictated by federal, state, regulatory agencies and keeps District cooperators abreast of their progress in water quality improvements.
- Operates the Rangeland Management Program to reduce soil erosion and reduce non-point source pollution originating on the lands at the top of the watershed and to improve forage rangeland within the District. As part of this program, the District holds an annual “Ranchers Meeting,” now in its 30<sup>th</sup> year.
- Maintains relationships with the local news media by providing information and /or interviews as requested. Examples include publishing its Annual Report in local newspapers, as well as providing timely news articles on the District’s conservation activities to the local news media.
- Has a website that provides basic information on District services and programs (<https://sites.google.com/site/weststanrcd/>).
- Provides local support and facilitation for Patterson CIMIS Station. The District is working with the Department of Water Resources (DWR) to find an appropriate location for a new CIMIS Station on the west side. DWR is responsible for installation, maintenance, and data for the CIMIS Station.

- The District currently contracts with the East Stanislaus Resource Conservation District (ESRCD) for a Resource Technician and has partnered with the ESRCD to apply for grants that benefit countywide implementation.

### **Determinations – West Stanislaus RCD**

The following are determinations related to the seven factors required by Section 56430 for a Service Review for the West Stanislaus Resource Conservation District:

#### **1. Growth and Population Projections for the Affected Area**

The District serves the western half of Stanislaus County, consisting of urban, rural, and agricultural uses. The majority of population growth is expected to occur within the existing cities and unincorporated communities of eastern Stanislaus County.

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

The District includes a large area encompassing nearly the entire western half of the County, west of the San Joaquin River. This area includes the communities of Westley and Grayson, which are considered disadvantaged unincorporated communities.

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

At the present time, the District has both the ability and the capacity to serve its service area. As the RCD does not provide water, sewer, or fire protection services, the District is not responsible for assuring that these services are adequately provided to communities within the District's boundaries.

#### **4. Financial Ability of Agencies to Provide Services**

The District appears to have adequate financial resources to fund adequate levels of service within the District's boundaries.

#### **5. Status of, and Opportunities for, Shared Facilities**

The District has a long history of developing partnerships with local, state and federal agencies to assist the RCD to accomplish locally developed plans and priorities. The West Stanislaus RCD Board and Staff have worked with the East Stanislaus RCD to provide a program that will help to cover the whole county. West Stanislaus RCD will provide funding to ensure that growers on the Westside will benefit from Mobile Lab Services.

The Mobile Lab Irrigation program will provide West Stanislaus growers with distribution uniformity analysis and then provide the results and recommendations to the grower afterwards. Currently, the mobile lab is also set up to do pump testing for growers.

The District also plans to work with the East Stanislaus RCD to help promote the program and work to complete 10 irrigation evaluations with Westside Growers.

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

The District is governed by seven (7) landowner “Directors” appointed to 4-year terms by the Board of Supervisors. The District has an accessible website, and conforms to the provisions of the Brown Act requiring open meetings. The District employs a part-time Secretary who runs the day-to-day operations of the RCD. No other relevant issues concerning this factor have been identified.

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

None.

## **Sphere of Influence Update for the East Stanislaus and West Stanislaus Resource Conservation Districts**

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

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

The following determinations are made consistent with Government Code Section 56425 and local Commission policy for the Resource Conservation Districts in Stanislaus County.

## **SOI Update – East Stanislaus RCD**

The following determinations for the East Stanislaus Resource Conservation District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

### **Determinations:**

#### **1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The predominate land use is agriculture, as the District is agriculturally based. The District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by the County and individual cities.

#### **2. Present and Probable Need for Public Facilities and Services in the Area**

The East Stanislaus RCD performs a unique and vital service to eastern Stanislaus County. It was established to improve riparian habitats, reduce soil erosion and sedimentation, conserve irrigation water, improve water quality, and provide District growers in eastern Stanislaus County with necessary information on the proper management of their natural resource.

The East Stanislaus RCD is presently meeting the needs of the residents and growers within their boundaries. The District's Long-Range Plan includes specific actions to prepare for present and probable facility and service needs within the District and is prepared to meet the needs of their constituents in the years to come.

The present and future public service needs of the lands within the District are characteristic of agricultural areas. The District provides services that will enhance the use of the land for agricultural purposes. The levels of traditional types of urban (municipal) services do not apply to this agriculturally based district.

#### **3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The District provides and/or obtains services from many different entities. It maintains positive collaborative relationships with many entities such as: the United States Department of Agriculture (USDA), Farm Service Agency, State Natural Resources Conservation Service, State of California's Resources Agency, City and County of San Francisco, Friends of the Tuolumne, Tuolumne River Preservation Trust, Water and Irrigation Districts, UC Cooperative Extension Service, Western United Dairywomen, California Poultry Foundation, California State Resource Conservation District, and West Stanislaus RCD.

The District has adopted a Long-Range Plan that addresses its commitment towards providing services and facilities (such as the Mobile Irrigation Lab), to conserve, improve, and sustain the natural resources in Eastern Stanislaus County.

**4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

There are no social and economic communities of interest affecting the District's ability to provide services to the communities within the District boundaries.

**5. For an Update of a Sphere of Influence of a City or Special District That Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, the Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence**

As the District does not provide services related to sewers, municipal and industrial water or structural fire protection, this factor is not applicable.

## **SOI Update - West Stanislaus RCD**

The following determinations for the West Stanislaus Resource Conservation District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

### **Determinations:**

#### **1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands**

The predominant land use is agriculture, as the District is agriculturally based. The District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within their boundaries. The responsibility for land use decisions within the District boundaries is retained by the County and individual cities.

#### **2. Present and Probable Need for Public Facilities and Services in the Area**

The West Stanislaus Resource Conservation District performs a unique and vital service to western Stanislaus County. It was established to reduce soil erosion and sedimentation, conserve and preserve irrigation water, improve water quality, and provide the District growers in western Stanislaus County with necessary information on the proper management of their natural resource.

The West Stanislaus RCD is presently meeting the needs of the residents and growers within their boundaries. The territory is located in the unincorporated portion of western Stanislaus County and as such does not provide traditional urban type services.

The present and future public needs within the District are characteristic of agricultural areas. The District provides services that will enhance the use of the land for agricultural purposes. The levels of traditional types of urban (municipal) services does not apply to this agriculturally based district.

#### **3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide**

The District provides and/or obtains services from many different entities. It maintains positive collaborative relationships with the USDA Natural Resources Conservation Service (NRCS), Farm Service Agency (FSA), University of California Cooperative Education (UCCE), Irrigation/Water and Drainage Districts, private landowners, the cities/communities on the west side and the County Public Works Department.

The District has adopted an Annual Plan that addresses its commitment of providing services and facilities that assist in conserving, improving, and sustaining the natural resources within eastern Stanislaus County.

#### **4. The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines That They are Relevant to the Agency**

The District's territory and sphere of influence is within unincorporated agricultural areas of the County and therefore, there are no communities of interest in the area.

**5. For an Update of a Sphere of Influence of a City or Special District That Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, the Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence**

As the District does not provide services related to sewers, municipal and industrial water or structural fire protection, this factor is not applicable.



## APPENDIX “A” DISTRICT SUMMARY PROFILE

**District:** **EAST STANISLAUS RESOURCE CONSERVATION DISTRICT**

**Office Location:** 3800 Cornucopia Way, Suite E, Modesto, CA 95358

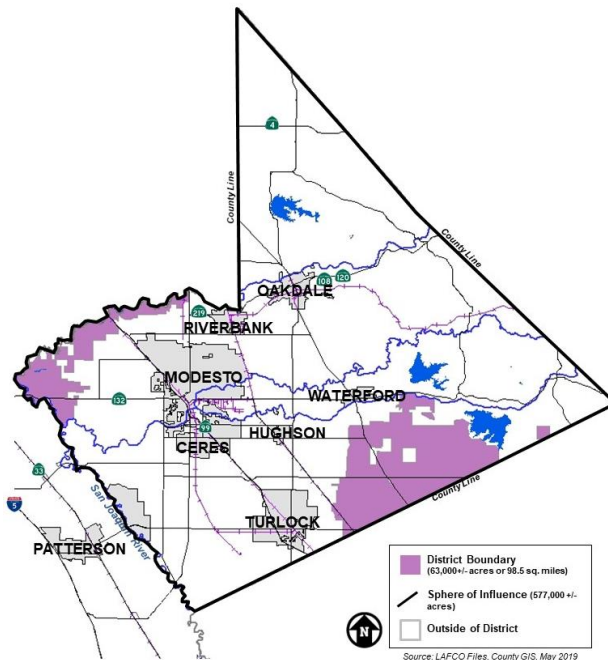
**Service Area:** 577,000± acres  
(District  
Boundaries / SOI)

**Square Miles:** 901± square  
miles  
(District  
Boundaries / SOI)

**Land Use:** Majority  
Agricultural, with  
urban and rural  
areas

**Date of Formation:** April 2, 1996

**Enabling Act:** California Public  
Resources Code,  
Division 9,  
Sections 9000-  
9978



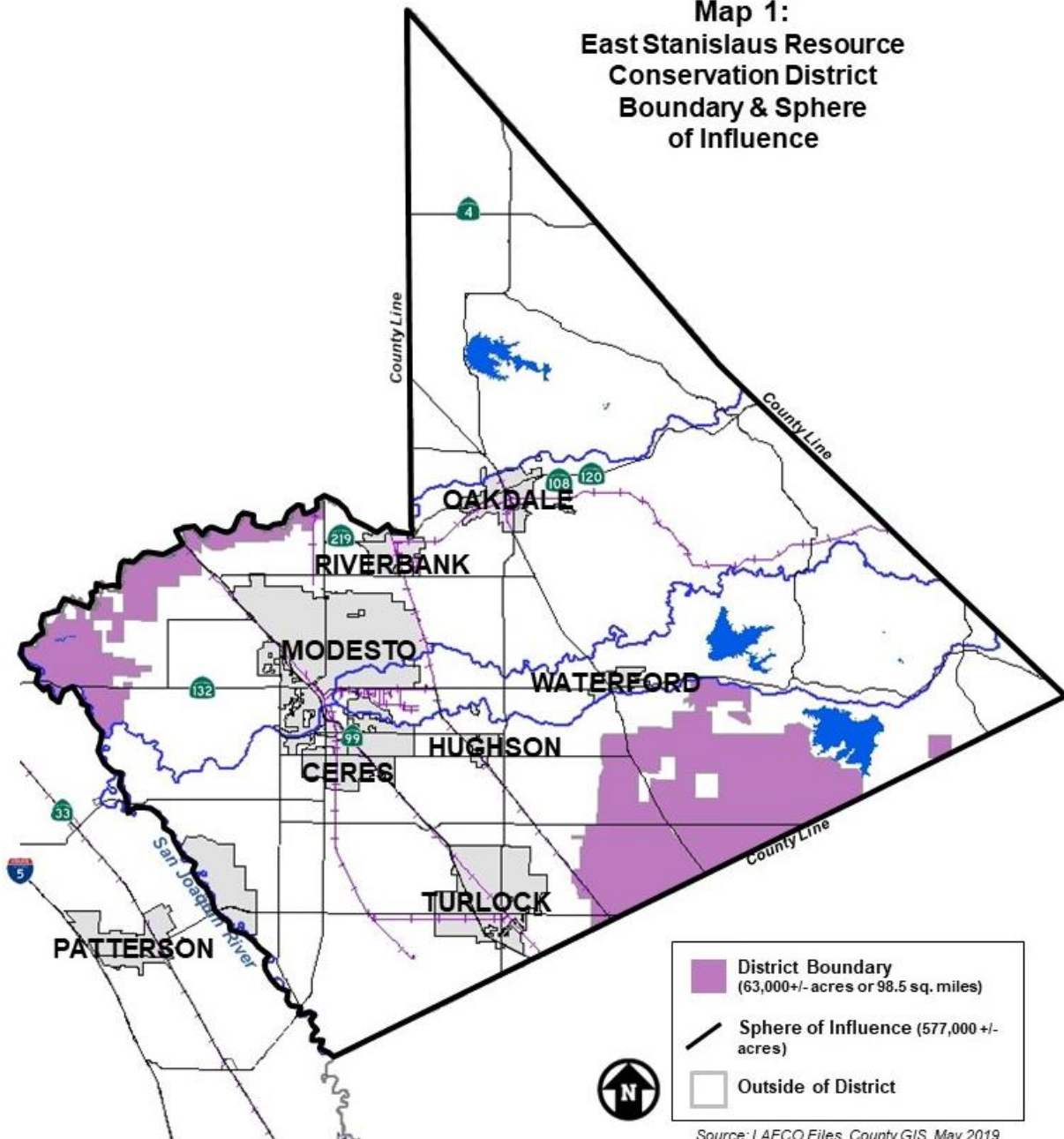
**Governing Body:** 5 District Trustees –  
Must be Landowners within District Boundaries Appointed by the  
Stanislaus County Board of Supervisors

**Administration:** The District is administered is by a paid Executive Director and Five (5)  
Trustees, appointed by the Board of Supervisors.

**District Services:  
(Duties)** Conservation management techniques of water and soil in concert with  
other public agencies

**Sources:** *East Stanislaus RCD, Stanislaus County Board of Supervisors, and Stanislaus LAFCO*

**Map 1:  
East Stanislaus Resource  
Conservation District  
Boundary & Sphere  
of Influence**



## **APPENDIX “B” DISTRICT SUMMARY PROFILE**

**District:** **WEST STANISLAUS RESOURCE CONSERVATION DISTRICT**

**Office Location:** 301 South First Street, Patterson, CA 95363  
(Mailing: P.O. Box 193, Patterson, CA 95363)

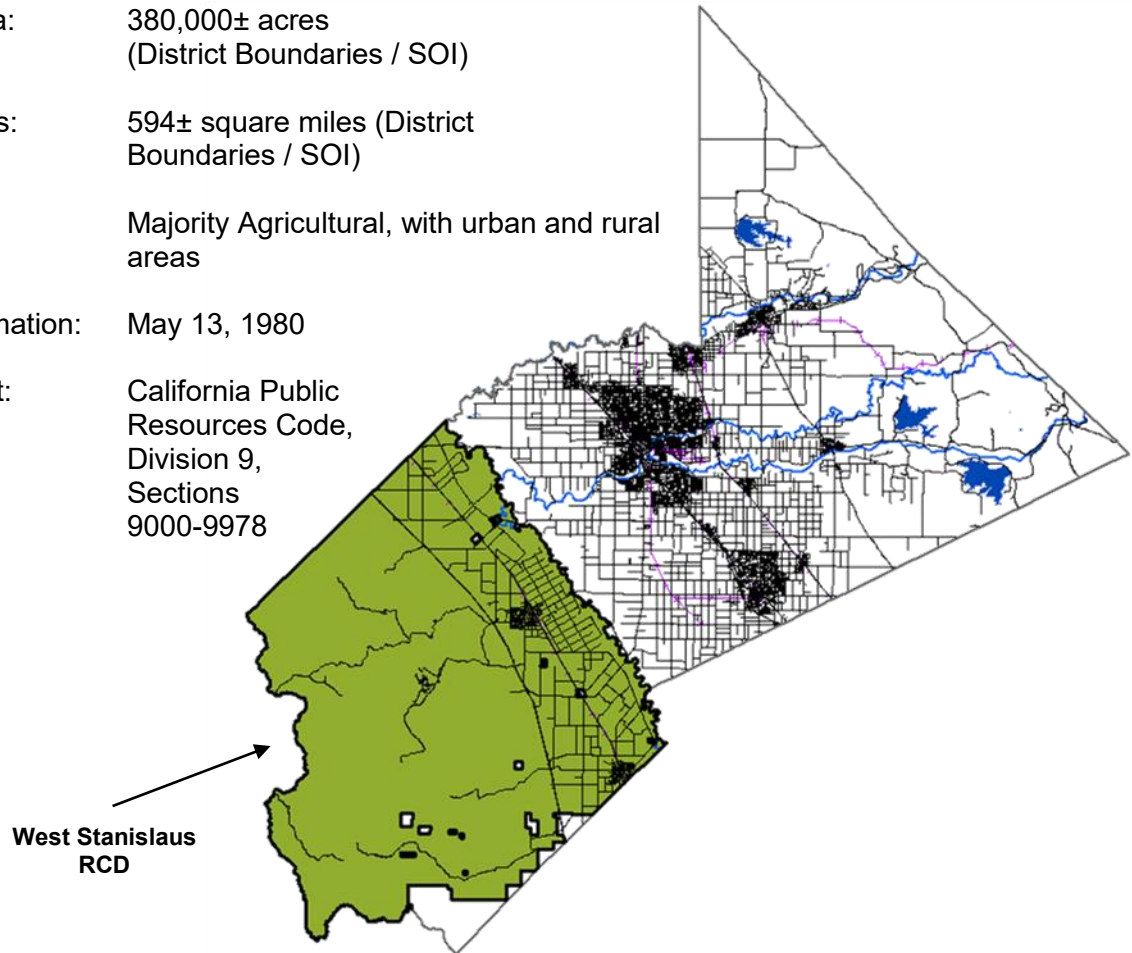
**Service Area:** 380,000± acres  
(District Boundaries / SOI)

**Square Miles:** 594± square miles (District Boundaries / SOI)

**Land Use:** Majority Agricultural, with urban and rural areas

**Date of Formation:** May 13, 1980

**Enabling Act:** California Public Resources Code, Division 9, Sections 9000-9978



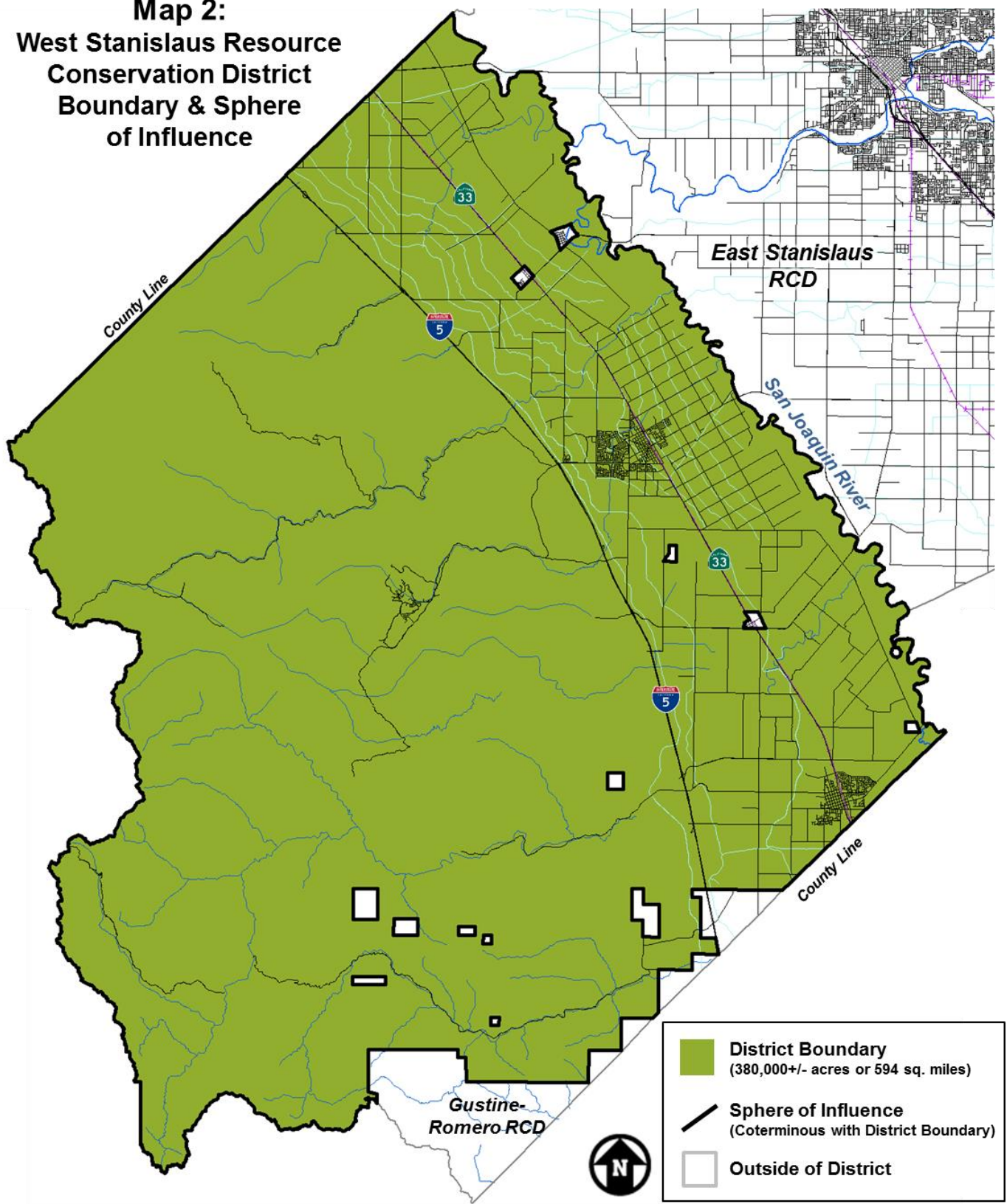
**Governing Body:** 7 Directors –  
Must be Landowners within District Boundaries Appointed by the Stanislaus County Board of Supervisors

**Administration:** 1 – Part time Secretary

**District Services:  
(Duties)** Conservation management techniques of water and soil in concert with other public agencies

*Sources: West Stanislaus RCD, Stanislaus County Board of Supervisors, and Stanislaus LAFCO*

**Map 2:  
West Stanislaus Resource  
Conservation District  
Boundary & Sphere  
of Influence**



Source: LAFCO Files, County GIS, June 2014



## APPENDIX “C”

---

### REFERENCES

---

1. California Association of Resource Conservation Districts (CARCD). *A District Runs Through it - A Guide to Locally Led Conservation Projects*. November 2005.
2. California Association of Resource Conservation Districts (CARCD). *Strategic Plan*. November 2012.
3. California Association of Resource Conservation Districts (CARCD). Website ([www.carcd.org](http://www.carcd.org)). Accessed June 9, 2014.
4. East Stanislaus Resource Conservation. *Fiscal Year 2018-2019 Budget*. June, 28, 2018.
5. East Stanislaus Resource Conservation District. *Long Range Strategic Plan*. 2017-2021.
6. East Stanislaus Resource Conservation District. Website ([www.eaststanrcd.org](http://www.eaststanrcd.org)). Accessed May 1, 2019.
7. Stanislaus LAFCO. *Municipal Service Review and Sphere of Influence Update for the East Stanislaus and West Stanislaus Resource Conservation Districts*. August 27, 2014.
8. West Stanislaus Resource Conservation District. *Financial Statements*. June 30, 2011 and 2012.
9. West Stanislaus Resource Conservation District. *Long Range Plan*. January 1, 2019.

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** May 22, 2019

**NO.** 2019-12

**SUBJECT:** Municipal Service Review No. 2019-03 and Sphere of influence Update No 2019-03: East and West Stanislaus Resource Conservation Districts

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

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, a Service Review mandated by California Government Code Section 56430 and a Sphere of Influence Update mandated by California Government Code Section 56425, has been conducted for the East and West Stanislaus Resource Conservation Districts, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

**WHEREAS**, at the time and in the form and manner provided by law, the Executive Officer has given notice of the May 22, 2019 public hearing by this Commission on this matter;

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

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

**WHEREAS**, the Commission has duly considered the draft Municipal Service Review and Sphere of Influence Update on the East and West Stanislaus Resource Conservation Districts and the determinations contained therein;

**WHEREAS**, the East and West Stanislaus Resource Conservation Districts were established to provide resource conservation services within their boundaries;

**WHEREAS**, pursuant to Government Code Section 56425(i), the range of services provided by the East and West Stanislaus Resource Conservation Districts are limited to those as identified above, and such range of services shall not be changed unless approved by this Commission; and

**WHEREAS**, no changes to the Districts' Spheres of Influence are proposed or contemplated through this review.

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

1. Certifies that the project is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines.
2. Approves the Service Review prepared in compliance with State law and update of the East and West Stanislaus Resource Conservation Districts' Spheres of Influence, and written determinations prepared by the Staff and contained herein.
3. Determines that except as otherwise stated, no new or different function or class of services shall be provided by the Districts, unless approved by the Commission.
4. Determines, based on presently existing evidence, facts, and circumstances filed and considered by the Commission, that the Spheres of Influence for the East and West Stanislaus Resource Conservation Districts should be affirmed as they currently exist, as more specifically described on the maps contained within the Service Review document.
5. Directs the Executive Officer to circulate this resolution depicting the adopted Sphere of Influence Update to all affected agencies, including the East and West Stanislaus Resource Conservation Districts.

**ATTEST:**

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

*This page intentionally left blank*



**LAFCO APPLICATION 2019-07 –  
MCHENRY- CORALWOOD REORGANIZATION  
TO THE CITY OF MODESTO**

**PROPOSAL**

The City of Modesto has requested to annex approximately 12.86 acres located at 4024 McHenry Avenue to the City and detach the area from the Stanislaus Consolidated Fire Protection District. The proposed annexation is currently within the City's Sphere of Influence and Primary Area.

1. Applicant: City of Modesto

2. Location: 4024 McHenry Avenue, northeast of McHenry Avenue and Coralwood Road (See Exhibit A - Maps)

3. Parcels of Land Involved and Acreage:  
One parcel (Assessor's Parcel Number 052-060-002) and the associated right-of-way along McHenry Avenue for a total of 12.86 acres

4. Reason for Request: The property consists of a mobile home park within an unincorporated island that meets the criteria for annexation pursuant to Government Code section 56375.3. Annexation fulfills a condition of approval from LAFCO Resolution 2018-20 (attached as Exhibit B), following a request from the property owner to obtain City sewer services.



**BACKGROUND**

In 1998, the City of Modesto annexed approximately 83.5 acres surrounding the Modesto Mobile Home Park site in a proposal known as the Coffee-Claratina Reorganization to the City of Modesto. At that time, Staff had recommended the inclusion of the mobile home park to avoid creation of an island. However, the former owner of the park cited concerns with the cost of connecting to the City's sewer system and requested to be left out of the annexation area.

The mobile home park has since identified issues with its on-site septic system and last year, the property owner requested to connect to the City's sewer system. An out-of-boundary application was submitted to LAFCO and, in December of 2018, the Commission conditionally approved the request. Citing a preference for annexation, the approval was conditioned upon the property owner submitting an annexation application and fees to the City of Modesto prior to connection to the sewer service. Shortly thereafter, an application was submitted to the City of Modesto, who approved a resolution of application to LAFCO for annexation of the territory.

### **ISLAND ANNEXATION CRITERIA**

The State legislature and Commission policies both encourage the elimination of unincorporated island areas, with the intent of promoting orderly growth and efficient government services in these areas. Further, State law provides a streamlined island annexation process for those proposals meeting specific criteria. For unincorporated island areas meeting these criteria, the Commission must approve the change of organization or reorganization and waive protest proceedings. The criteria for streamlined annexation, pursuant to Government Code section 56375.3, is summarized below:

- The annexation is proposed by resolution adopted by the affected city.
- The proposed area does not exceed 150 acres in size, is surrounded or substantially surrounded by the city, and does not contain prime agricultural land.
- The area is substantially developed and there are nearby services and improvements.
- The area would benefit from or is receiving benefits from the annexing city.

Staff has determined that the current proposal meets each of the criteria for streamlined island annexation pursuant to 56375.3.

### **FACTORS**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 typically requires several factors to be considered by a LAFCO when evaluating a proposal (Government Code section 56668). In this case, the Commission's discretion is limited and, pursuant to Government Code section 56375(a)(4), the Commission is prohibited from disapproving an island proposal as described previously. However, the following discussion pertaining to the factors is provided for informational purposes:

***a. Population and population density; land area and land use; assessed land valuation; and the likelihood of significant growth in the area during the next 10 years.***

The property is developed with a 150-space mobile home park. Currently there are only five (5) vacant spaces and no new development is proposed. There are 88 registered voters and it considered an inhabited annexation.

Upon annexation, the property taxes and revenues will be shared in accordance with the City/County North McHenry Corridor Agreement. The subject territory is located in Tax Rate Area 109-001. The current total assessed land value of the territory is \$3,095,386.

***b. The need for organized community services and present cost and adequacy of governmental services.***

Essential governmental services which are provided to the subject area at the present time, and which will be provided after the reorganization is finalized, are summarized in the following chart:

Type	Current Service Provider	Future Service Provider (Following Reorganization)
Law Enforcement	Stanislaus County Sheriff	City of Modesto Police Dept.
Fire Protection	Stanislaus Consolidated Fire Protection District	City of Modesto Fire Dept.
Planning & Building Inspection	Stanislaus County	City of Modesto
School District	Modesto City Schools	Same
Water (Potable)	On-site well	Same (until connection to City)
Sewer	Septic (in process of connecting to City)	City of Modesto
Roads	Stanislaus County	City of Modesto
Mosquito Abatement	Eastside Mosquito Abatement	Same

#### Plan for Services

The City submitted a Plan for Services (attached as Exhibit C) that states the City can provide the necessary services to the subject territory. The City of Modesto is a full provider of municipal services, including sewer, water, police and fire. The proposal does not have the potential to significantly diminish the level of services within the City's current boundaries. Additional information regarding the proposed services to the area is discussed further in factors "j" and "k."

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

The proposed annexation would facilitate implementation of the Modesto Urban Area General Plan. As indicated in the previous chart, many of the services currently provided will continue with the same provider upon annexation, while the remaining will transfer to the City of Modesto. There are no known negative impacts to existing County structures, adjacent areas or social and economic interests.

- 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.***

LAFCO policies and priorities are intended to guide development away from existing prime agricultural lands and encourage development of existing vacant or nonprime agricultural land for urban uses within the existing jurisdiction of a local agency or within the sphere of influence of a local agency. The proposed annexation area has been determined to have no impact to agricultural lands and is considered consistent with Commission policies for providing planned, orderly, and efficient patterns of urban development.

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

There are no agricultural uses or Williamson Act contracts within the boundaries of the proposed annexation. The site is bordered by existing City Limits to the north, east and south, as well as existing development within the unincorporated area of the County and would have no impact on agricultural lands. As the proposal would not impact agricultural lands, it is considered exempt from the requirement that the applicant prepare a Plan for Agricultural Preservation, consistent with Commission Policy 22.

***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 property involved, Assessor's Parcel Number (APN) is 052-060-002, is 90% surrounded by current City limits. The annexation would eliminate this unincorporated island and allow for the continuation of the City's boundary along McHenry Avenue. The boundaries of the annexation area are also consistent with the Commission's adopted Policy 20, that states:

*The Commission encourages the creation of logical boundaries and proposals which do not create islands and would eliminate existing islands, corridors, or other distortion of existing boundaries. Proposals which are orderly and will either improve or maintain the agency's logical boundary are encouraged.*

***g. A regional transportation plan adopted pursuant to Section 65080 and consistency with city or county general and specific plans.***

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as the strategies for investing in the region's transportation system. The RTP was considered as part of the City's environmental review and it was concluded that the project does not appear to conflict with StanCOG's currently adopted Regional Transportation Plan or any specific plans. The proposal is consistent with both the City and County general plans.

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

The property is currently zoned A-2-10 (General Agriculture) in the Stanislaus County Zoning Ordinance and designated as Urban Transition (UT) in the General Plan. The mobile home park is considered a legal non-conforming use under the existing zoning. The City of Modesto has rezoned the territory as Specific Plan (P-SP) with a designation of Regional Commercial (RC) as part of its Coffee-Claratina Specific Plan. Annexation is consistent with the City's General Plan.

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

The territory is within the City of Modesto's Sphere of Influence and Primary Area. In addition, it is within the Sphere of Influence of the following agencies: Stanislaus

Consolidated Fire Protection District, Eastside Mosquito Abatement District, and the Modesto Irrigation District. Upon annexation, the area will detach from the Stanislaus Consolidated Fire Protection District and also be removed from the District's Sphere of Influence. (Further discussion regarding detachment from the District can be found in in Factor "j".)

**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. Affected agencies were also notified during the City's process of adopting environmental documentation and rezoning for the project. Staff has received a "no-comment" letter from the Stanislaus County Environmental Review Committee. No other agency comments were received as of the drafting of this report.

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

The City of Modesto will provide municipal services to the area, such as: domestic water, sanitary sewer, storm drainage, street construction/maintenance, police protection and street lighting. Services will be financed through applicable utility, services and permit fees, as well as property tax revenues and general fund resources.

Wastewater Collection and Treatment – Sewer service will be provided via an 8-inch sewer line along Coralwood Road that will connect to a 10-inch sewer line on McHenry Avenue. The lines have adequate capacity to serve the site.

Storm Drainage – The mobile home park addresses its onsite storm drainage with onsite dry wells. Offsite storm drainage drains to offsite catch basins.

Water Delivery – The mobile home park is currently served by a private well and is not connected to the City water system. Future connection to the City water system would be to the existing 10-inch water main on Coralwood Road or the 10-inch water main on McHenry Avenue. There is adequate capacity in either of the two water mains according to the City's Plan for Services.

Fire Protection Services – The annexation area will detach from the Stanislaus Consolidated Fire Protection District and will be served by the City of Modesto Fire Department after annexation. Two stations are located less than two miles from the annexation area. Station No. 7 is located at 1800 Mable Avenue and is approximately 1.9 miles east of the territory. Station No. 11 is located at 4225 Carver Road and is approximately 1.75 miles west of the territory. No adverse impacts to staffing or response times would be anticipated with the annexation.

Police Protection – The area will be served by the City of Modesto Police Department. The Police Department has not expressed any concerns with impacts to staffing or response times upon annexation.

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

As mentioned previously, the mobile home park is currently served by a private well and is not connected to the City of Modesto for water service. Future connection to the City system may be made to either the existing water main in Coralwood Road or McHenry Avenue once permits are obtained through the City of Modesto.

***m. The extent to which the proposal will affect a city or cities and the county in achieving their respective fair share of the regional housing needs.***

The site is already fully developed and occupied as a mobile home park.

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

Staff received one email from a resident at the mobile home park. The resident had concerns regarding the ongoing construction activity at the mobile home park. Construction is currently occurring on the property via a private contractor. Staff provided information about the annexation process to the resident and also shared their concerns regarding the construction with the property owner's representative. No additional comments have been received at the time of this staff report.

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

The property is currently zoned A-2-10 (General Agriculture) in the Stanislaus County Zoning Ordinance and designated as Urban Transition (UT) in the General Plan. The mobile home park is considered a legal non-conforming use, having existed since 1963. The City of Modesto has rezoned the territory for Specific Plan (P-SP) and designated the site for Regional Commercial (RC) under the Specific Plan in the area.

***p. The extent to which the proposal will promote environmental justice (fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services).***

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 as proposed, the reorganization would not likely 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.

***q. Information contained in a local mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.***

The project site has not been identified as being within a very high fire hazard severity zone.

### **ENVIRONMENTAL REVIEW**

The City of Modesto, as "Lead Agency" prepared an initial study for the project which determined that the project is within the scope of the City's General Plan Master Environmental Impact Report (MEIR) and will have no additional significant environmental effect, as defined in the California Environmental Quality Act (CEQA) Section 21158, that was not identified in the MEIR. LAFCO, as a Responsible Agency, must certify that it has considered the environmental documentation prepared by the City of Modesto (attached as Exhibit D).

### **COMMISSION ACTION**

State law declares that the purpose of LAFCO includes discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (Government Code Section 56301). Pursuant to the provisions of Government Code Section 56375 and 56375.3, the Commission must approve the proposed reorganization and waive subsequent protest proceedings.

Following the opening of the public hearing and any testimony or evidence presented, Staff has prepared Resolution 2019-11 (Exhibit E) for the Commission's adoption, which:

1. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
2. Determines that the proposal meets the criteria for an unincorporated island pursuant to Government Code section 56375.3 and is to be processed as such;
3. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by the City of Modesto as Lead Agency;
4. Waives protest proceedings pursuant to Government Code Section 56375.3; and,
5. Approves LAFCO Application No. 2019-07 – McHenry-Coralwood Reorganization to the City of Modesto subject to the standard conditions as outlined in the resolution.

Respectfully submitted,

  
\_\_\_\_\_  
Javier Camarena  
Assistant Executive Officer

Attachments - Exhibit A: Maps (pg. 9)  
Exhibit B: LAFCO Resolution No. 2018-20 (pg. 13)  
Exhibit C: City Council Resolution No. 2019-162 & Plan for Services (pg. 17)  
Exhibit D: Finding of Conformance to General Plan Master EIR &  
Notice of Determination (pg. 27)  
Exhibit E: Draft LAFCO Resolution No. 2019-11 (pg. 71)

*This page intentionally left blank*



## **EXHIBIT A**

### **Maps**

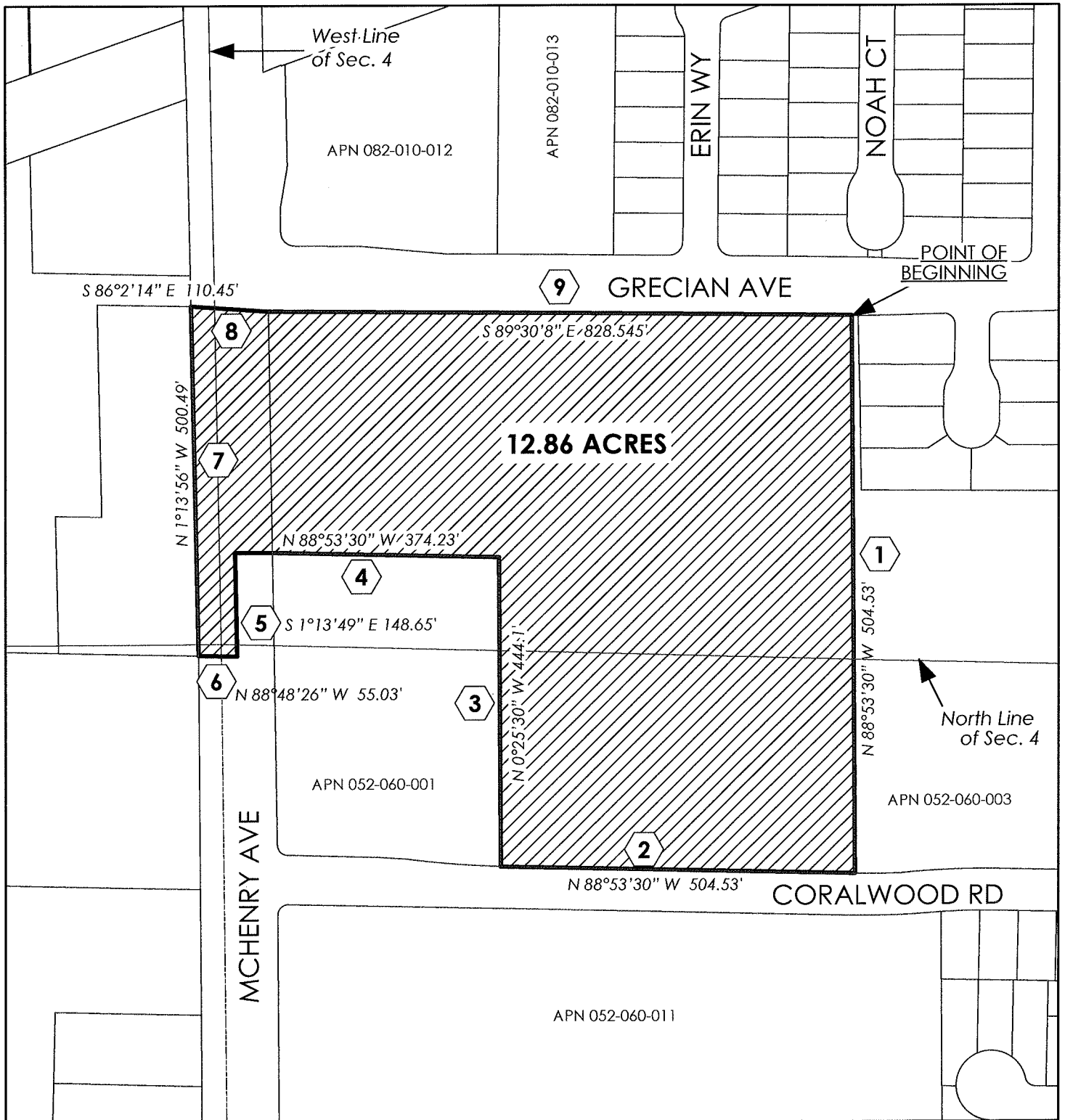
# MCHENRY-CORALWOOD REORGANIZATION TO THE CITY OF MODESTO

10



Source: LAFCO Files, County GIS, April 2019

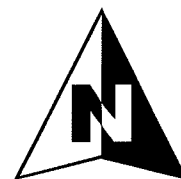




# MCHENRY-CORALWOOD REORGANIZATION

PLAT TO ACCOMPANY LEGAL DESCRIPTION

Being a portion of the Southwest 1/4 of Section 4,  
and a portion of the North 1/2 of the Northwest 1/4  
of Section 9, Township 3 South, Range 9 East,  
Mount Diablo Meridian



Community and Economic Development  
Planning Division  
March 12, 2019

**Legal Description: McHenry-Coralwood Reorganization**

All that portion of the Remainder Parcel of the Parcel Map filed on March 18, 1977 in Volume 24 of Parcel Maps at Page 76, Stanislaus County Records, described as follows:

1. Beginning at the northeast corner of said Remainder Parcel, thence South 0° 25' 30" East 799 feet;
2. thence North 88° 53' 30" West 504.53 feet;
3. thence North 0° 25' 30" West 444.1 feet;
4. thence North 88° 53' 30" West 374.23 feet;
5. thence South 1° 13' 49" East 148.65 feet;
6. thence North 88° 48' 26" West 55.03 feet
7. thence North 1° 13' 56" West 500.49 feet
8. thence South 86° 2' 14" East 110.45 feet
9. thence South 89° 30' 8" East 828.545 to the Point of Beginning.

Containing 12.86 acres, more or less.

APN 052-060-002

**EXHIBIT B**

**LAFCO Resolution No. 2018-20**

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** December 5, 2018

**NO.** 2018-20

**SUBJECT: OUT-OF-BOUNDARY APPLICATION FOR THE MODESTO MOBILE HOME PARK  
(CITY OF MODESTO)**

On the motion of Commissioner O'Brien, seconded by Commissioner Berryhill, and approved by the following:

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, the City of Modesto has submitted an out-of-boundary service application requesting to provide sewer service to a property located at 4024 McHenry Avenue, just outside the current City limits and within its Sphere of Influence;

**WHEREAS**, the site is otherwise identified as Assessor's Parcel Number 052-060-002;

**WHEREAS**, Government Code Section 56133 states that a city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county;

**WHEREAS**, Government Code Section 56133 further states that the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and within its sphere of influence in anticipation of a future change of organization;

**WHEREAS**, the Commission has adopted specific policies (Policy 15) to guide its evaluation of out-of-boundary service applications, consistent with Government Code Section 56133;

**WHEREAS**, the City of Modesto has indicated that it has the ability to serve the site with sewer service;

**WHEREAS**, the project is considered exempt pursuant to Section 15301(b) of California Environmental Quality Act which allows for minor connections to existing sewer lines to serve existing development and Staff has determined with certainty that there is no possibility the service connection would have a significant impact on the environment;

**WHEREAS**, the Commission has considered the environmental determination; and,

**WHEREAS**, the Commission has, in evaluating the proposal, considered the report submitted by the

Executive Officer, consistency with California Government Code Section 56133 and the Commission's adopted policies, and all testimony and evidence presented at the meeting held on December 5, 2018.

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

1. Finds that the proposed extension of sewer service is consistent with the Commission's adopted policies and California Government Code Section 56133.
2. Certifies that it has considered the exempt environmental determination pursuant to CEQA.
3. Authorizes the City of Modesto to provide the requested sewer service, subject to the following terms and conditions:
  - A. Prior to connection, the property owner must submit the appropriate annexation application and fees in a form acceptable to the City of Modesto.
  - B. This approval allows for the extension of sewer service to accommodate an existing mobile home park only.
  - C. The City shall not allow additional sewer service connections outside the City's boundary and beyond mobile home park without first requesting and securing approval from LAFCO.
4. Directs the Executive Officer to forward a copy of this resolution to the City of Modesto.

ATTEST: Sara Lytle-Pinhey  
Sara Lytle-Pinhey, Executive Officer

*This page intentionally left blank*



**EXHIBIT C**

**City Council Resolution 2019-162 &  
Plan for Services**

**MODESTO CITY COUNCIL  
RESOLUTION NO. 2019-162**

**RESOLUTION APPROVING THE FILING OF AN APPLICATION WITH THE STANISLAUS LOCAL AGENCY FORMATION COMMISSION FOR THE MCHENRY CORALWOOD REORGANIZATION CONSISTING OF ANNEXATION TO THE CITY OF MODESTO AND SIMULTANEOUS DETACHMENT FROM THE STANISLAUS CONSOLIDATED FIRE PROTECTION DISTRICT OF APPROXIMATELY 12.7 ACRES LOCATED EAST OF MCHENRY AVENUE AND NORTH OF CORALWOOD ROAD (OWNER-INITIATED—INHABITED)**

WHEREAS, the CTC Investors, LLC (“Applicant”) is the owner of approximately 11.7 acres of real property at 4024 McHenry Avenue, located east side of McHenry Avenue and north of Coralwood Road, and

WHEREAS, the City has received a request from the Applicant to initiate reorganization of the property at 4024 McHenry Avenue and adjacent right-of-way on McHenry Avenue, a total of 12.7 acres (“Property”), to annex the Property to the City of Modesto and simultaneously detach the Property from the Stanislaus Consolidated Fire Protection District under the Cortese-Knox-Hertzberg Local Reorganization Act of 2000, California Government Code Section 56000, et seq, and

WHEREAS, the Resolution of Application is proposed pursuant to the Cortese-Knox-Hertzberg Local Reorganization Act of 2000, California Government Code Section 56000, et seq, and

WHEREAS, the Property proposed for reorganization is inhabited as defined by Government Code Section 56046 (twelve or more registered voters), and a description of the boundaries of the subject Property is set forth in **Exhibits “A” and “B”**, attached hereto and by this reference incorporated herein, and

WHEREAS, the Property is an unincorporated island the meet the special criteria set forth in Government Code Section 56375.3 and qualifies for streamlined processing through Stanislaus Local Agency Formation Commission (“LAFCO”), and

WHEREAS, the Property proposed for reorganization is within Stanislaus County, is contiguous to the existing City limits, and is within the Sphere of Influence of the City of Modesto as adopted by LAFCO, and

WHEREAS, the property was prezoned to Specific Plan (P-SP) with a Regional Commercial designation as part of the Coffee Claratina Specific Plan adopted in 1998, and

WHEREAS, the proposed Property is not subject to a Williamson Act contract, and

WHEREAS, the proposed Property is covered by the North McHenry Corridor Agreement that address tax sharing entered into between the County of Stanislaus and City of Modesto which was approved on December 8, 1998, and

WHEREAS, the reorganization area received a Measure M advisory vote approval in November 2015, and

WHEREAS, the reasons for this proposed reorganization are as follows:

1. Staff received an application for the proposed reorganization from the Applicant;
2. The proposed reorganization is consistent with the Urban Area General Plan and can be serviced by City services;
3. The proposed reorganization will result in planned, orderly and efficient development of the area and provision for services; and

WHEREAS, pursuant to Government Code Section 56653, a plan for providing services is set forth in **Exhibit “C”**, attached hereto and by this reference incorporated herein, and

WHEREAS, on March 4, 2019, City of Modesto Planning Commission held a duly noticed public hearing in the Chambers, Tenth Street Place, 1010 Tenth Street, Modesto, California, at which time both oral and documentary evidence were received and considered, and

WHEREAS, after said public hearing, the City of Modesto Planning Commission adopted Resolution No. 2019-05, recommending to the City Council that they adopt the Resolution of Application for an reorganization to annex the Property to the City of Modesto and simultaneously detach the Property from the Stanislaus Consolidated Fire Protection District, and

WHEREAS, said matter was set for public hearing of the City Council to be held on April 9, 2019, in the Tenth Street Place Chambers located at 1010 10<sup>th</sup> Street, Modesto, California, at which date and time said duly noticed public hearing of the Council was held for the purpose of receiving public comment on the proposed annexation.

NOW, THEREFORE, the Council of the City of Modesto hereby finds and determines as follows:

1. The reorganization area is part of the Coffee Claratina Specific Plan approved in 1998 which provided a comprehensive plan consistent with the Modesto Urban Area General Plan Policy III.D. The requested reorganization implements the Coffee Claratina Specific Plan by annexing the last area of the Coffee Claratina Specific Plan into the City and is consistent with the General Plan.
2. The Property was rezoned to Specific Plan (P-SP) with a Regional Commercial designation as part of the Coffee Claratina Specific Plan adopted in 1998
3. The requested reorganization will result in an orderly and logical addition of land because it will extend the boundary of the City to eliminate an unincorporated island.

4. The Property is located within Stanislaus County, within the City's adopted Sphere of Influence, is contiguous to the existing City limits and can be most efficiently served with City services.
5. The Property proposed to be annexed to the City of Modesto is inhabited as defined by Government Code Section 56046 (twelve or more registered voters) and a description of the boundaries of the subject Property is set forth in **Exhibits "A" and "B"**, attached hereto and by this reference incorporated herein.
6. The Property is an unincorporated island that meets the special criteria set forth in Government Code Section 56375.3 and qualifies for streamlined processing through LAFCO.
7. The Property is covered by the North McHenry Corridor Agreement for the sharing of property tax, sales tax, business and mill tax, and utility tax between the County of Stanislaus and City of Modesto which was approved December 8, 1998.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby adopts this Resolution Authorizing Application for reorganization to annex the Property to the City of Modesto, and simultaneously detach of the Property from the Stanislaus Consolidated Fire Protection District.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that this Resolution of Application includes annexation of the Property to the Modesto Sewer District No. 1.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that, pursuant to Government Code section 56653, the City Council submit the Plan for Services as set forth in **Exhibit "C"**, attached hereto and by this reference incorporated herein.

BE IT FURTHER RESOLVED that the project applicant shall indemnify, defend, and hold harmless the City of Modesto, its agents, officers, and employees from any and all claims, actions, or proceedings against the City of Modesto, its agents, officers, and employees to attack, set aside, void, or annul, any approval by the City of Modesto and

its advisory agency, appeal board, or a legislative body concerning the reorganization for the Property. The City of Modesto shall promptly notify the applicant of any claim, action, or proceeding.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9<sup>th</sup> day of April, 2019, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following votes:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

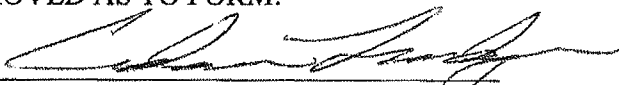
NOES: Councilmembers: None

ABSENT: Councilmembers: None


ATTEST:   
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:   
ADAM U. LINDGREN, City Attorney

APPROVED AS TO LEGAL DESCRIPTION

By:   
Community & Economic Development Department  
Planning Division

## EXHIBIT "C"

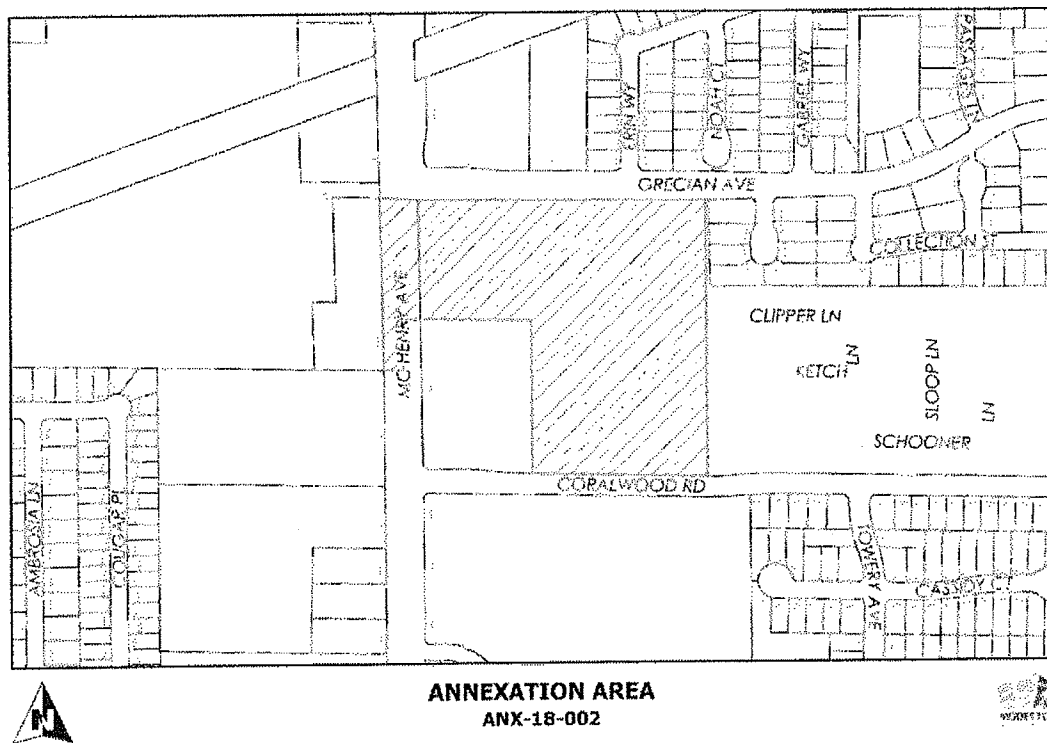
### PLAN FOR SERVICES

#### MCHENRY CORALWOOD ANNEXATION TO THE CITY OF MODESTO

##### Background:

The McHenry Coralwood Annexation proposes to annex the Modesto Mobile Home Park located at 4024 McHenry Avenue. The annexation area consists of one parcel with 11.7 acres located on the east side of McHenry Avenue and north of Coralwood Road, as shown on the map below. This is an existing mobile home park with 150 spaces. Including adjacent street right-of-way, the annexation area is 12.7 acres total. The proposed annexation area was rezoned as Specific Plan (P-SP) as part of the Coffee Claratina Specific Plan adopted in 1998.

The purpose of the annexation is to connect to city sewer because the private septic system is failing. The parcel is fully developed as a mobile home park and no new development is proposed.



Pursuant to Government Code Section 56653, the following Plan for Services to be extended to the affected territory has been prepared for the McHenry Coralwood Annexation to the City of Modesto:

**A. Project Area and Service Agreements**

1. Traffic and Circulation: The annexation area is bounded by City of Modesto jurisdiction to the north, east and south and is identified as an unincorporated island. No roadway dedication or improvements are required as a part of the annexation. Transit services are provided by the Modesto Area Express (MAX), which has a bus stop on McHenry Avenue adjacent to the site.
2. Waste Water Collection: Sewer service to the Modesto Mobile Home Park would be provided via the 8-inch sewer line along Coralwood Road that that will connect to a 10-inch sewer line on McHenry Avenue. The lines have adequate capacity to serve the site.
3. Water Delivery: Modesto Mobile Home Park is currently served by a private well and is not connected to the City water system. Future connection to the City water system would be to the existing 10-inch water main on Coralwood Road or the 10-inch water main on McHenry Avenue. There is adequate capacity in either of the two water mains.
4. Storm Water Drainage: Modesto Mobile Home Park addresses its onsite storm drainage with onsite dry wells. Offsite storm drainage drains to offsite catch basins.
5. Solid Waste Disposal: The annexation area is currently serviced by the Bertolotti Disposal Company but will change to Gilton after annexation. No change to the level of service already provided is anticipated.
6. Fire Protection: The annexation area will detach from the Stanislaus Consolidated Fire District and will be served by the City of Modesto Fire Department after annexation. Two stations are located less than two miles from the annexation area. Station No. 7 is located at 1800 Mable Avenue is approximately 1.9 miles east of the annexation area. Station No. 11 is located at 4225 Carver Road is approximately 1.75 miles to the west. No adverse impacts to staffing or response times would be anticipated with the annexation.
7. Police Protection: Upon annexation, the area will be served by the City of Modesto Police Department. The Police Department has not expressed any concerns with impacts to staffing or response times upon annexation.

**B. Level and Range of Services**

The City of Modesto is a full service provider of municipal services. The City will provide full services to the area upon annexation.

**C. When Can Services Be Provided?**

The services described above will be provided or available upon the effective date of annexation.



**D. Improvements Required as a Condition of Annexation**

No improvements are required as a condition of annexation.

**E. How Will Services be Financed?**

Services will be financed through applicable utility and service fees and permit fees provided by property, as well as by property tax revenues and general fund resources.

*This page intentionally left blank.*

## **EXHIBIT D**

### **Finding of Conformance to the General Plan Master EIR & Notice of Determination**

# **City of Modesto**

## **Finding of Conformance to General Plan Master EIR:**

### **Initial Study Environmental Checklist C&ED No. 2019-09**

**For the proposed:**

**McHenry Coralwood Annexation**

**Prepared by:  
City of Modesto  
Community & Economic Development Department  
Planning Division**

**January 30, 2019**

# **City of Modesto**

## **Master EIR Initial Study Environmental Checklist**

### **I. PURPOSE**

CEQA allows for the limited environmental review of subsequent projects under the City's Master Environmental Impact Report ("Master EIR" or "MEIR"). This Initial Study Environmental Checklist ("Initial Study") is used in determining whether McHenry Coralwood Annexation is "within the scope" of the project analyzed in the Modesto Urban Area General Plan Master EIR (SCH# 2007072023) (Public Resources Code section 21157.1). When the Initial Study supports this conclusion, the City will issue a finding of conformance.

A subsequent project is "within the scope" of the Master EIR when:

1. it will have no additional significant effects on the environment that were not addressed as significant effects in the Master EIR; and
2. no new or additional mitigation measures or alternatives are required.

"Additional significant effects" means a project-specific effect that was not addressed as a significant effect in the Master EIR. [Public Resources Code Section 21158(d)]

The determination must be based on substantial evidence in the record. "Substantial evidence" means facts, reasonable assumptions predicated upon facts, or expert opinion based on facts. It does not include speculation or unsubstantiated opinion. (CEQA Guidelines Section 15384)

### **II. PROJECT DESCRIPTION**

- A. Title: McHenry Coralwood Annexation
- B. Address or Location: 4024 McHenry Avenue
- C. Applicant: Margot Roen
- D. City Contact Person: Paul Liu, Senior Planner

Project Manager: Paul Liu  
Department: Community and Economic Development Department  
Phone Number: 209 577 5282  
E-mail address: pliu@modestogov.com

- E. Current General Plan Designation(s): Regional Commercial
- F. Current Zoning Classification(s): Prezone Specific Plan
- G. Surrounding Land Uses:
  - North: Commercial and residential
  - South: Commercial
  - East: Residential

West: Commercial

- H. Project Description, including the project type listed in Section II.C (Anticipated Future Projects) of the Master EIR (Attach additional maps/support materials as needed for complete record):

This is a proposal to annex approximately 12.7 acres into the City of Modesto and Modesto Municipal Sewer District No. 1 and simultaneously detach the area from the Stanislaus Consolidated Fire District. This site includes an 11.7 acre parcel located on the east side of McHenry Avenue and north of Coralwood Road plus approximately one acre of McHenry Avenue street right-of-way. The parcel has been occupied by the Modesto Mobile Home Park since 1963 with 150 existing spaces. The property was rezoned to Specific Plan (P-SP) with a Regional Commercial designation as part of the Coffee Claratina Specific Plan adopted in 1998. No new development is proposed. The main reason for annexation is to connect to City Sewer due to a failing private septic system.

- I. Other Public Agencies Whose Approval is Required:  
Stanislaus County Local Agency Formation Commission

### **III. FINDINGS/DETERMINATION (SELECT ONE ON THE BASIS OF THE ANALYSIS IN SECTION IV)**

1. **X** **Within the Scope** - The project is within the scope of the Master EIR and no new environmental document or Public Resources Code Section 21081 findings are required. All of the following statements are found to be true:
- A. The subsequent project will have no additional significant effect on the environment, as defined in subdivision (d) of Section 21158 of the Public Resources Code, that was not identified in the Master EIR.
  - B. No new or additional mitigation measures or alternatives are required.
  - C. The subsequent project is within the scope of the project covered by the Master EIR.
  - D. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
  - E. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.
2.        **Mitigated Negative Declaration Required** - On the basis of the above determinations, the project is not within the scope of the Master EIR. A mitigated negative declaration will be prepared for the project. The following statements are all found to be true:
- A. The subsequent project is within the scope of the project covered by the Master EIR.

- B. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
- C. The project will have one or more potential new significant effects on the environment that were not addressed as significant effects in the Master EIR. New or additional mitigation measures are being required of the project that will reduce the effects to a less-than-significant level.
- D. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

3. **Focused EIR Required-** On the basis of the above determinations, the project is not within the scope of the Master EIR. A Focused EIR will be prepared for the project. All of the following statements are found to be true:

- A. The subsequent project is within the scope of the project covered by the Master EIR.
- B. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
- C. The project will have one or more new significant effects on the environment that were not addressed as significant effects in the Master EIR. New or additional mitigation measures or alternatives are required as a result.
- D. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

Paul Lee  
Project Manager

Senior Planner  
Title

1-30-19  
Date

#### 4. Within the Scope Analysis of this Document:

The Master EIR allows projects to be found within the scope of the MEIR if certain criteria are met. If the following statements are found to be true for all 21 impact categories included in this Initial Study, then the proposed project is addressed by the MEIR analysis and is within the scope of the MEIR. Any "No" response must be discussed.

		YES	NO
(1)	The lead agency for subsequent projects shall be the City of Modesto or a responsible agency identified in the Master EIR.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(2)	City policies which reduce, avoid, or mitigate environmental effects will continue to be in effect and, therefore, would be applied to subsequent projects where appropriate. The policies are described in the list of policies in place and mitigation measures attached to the Initial Study template. Project impacts would be mitigated to a less-than-significant level using MEIR mitigations only.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(3)	Federal, State, regional, and Stanislaus County regulations do not change in a manner that is less restrictive on development than current law (i.e., would not offer the same level of protection assumed under the Master EIR).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(4)	No specific information concerning the known or potential presence of significant resources is identified in future reports, or through formal or informal input received from responsible or trustee agencies or other qualified sources.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(5)	The development will occur within the boundaries of the City's planning area as established in this Urban Area General Plan.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(6)	Development within the project will comply with all appropriate mitigation measures contained and enumerated in the 2008 General Plan Master EIR.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### 5. Currency of the Master EIR Document

The MEIR should be reviewed on a regular basis to determine its currency, and whether additional analysis/mitigation should be incorporated into the MEIR via a Supplemental or Subsequent EIR (CEQA Section 21157.6). Staff has reviewed Sections 1 through 21 of this document in light of the criteria listed below to determine whether the MEIR is current. The analysis contained within the Master EIR is current as long as the following circumstances have not changed. Any "no" response must be explained.

		YES	NO
(1)	Certification of the General Plan Master EIR occurred less than five years prior to the filing of the application for this subsequent project.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2)	This project is described in the Master EIR and its approval will not affect the adequacy of the Master EIR for any subsequent project because the City can make the following findings:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(a)	No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(b)	No new information, which was not known and could not have been known at the time the Master EIR was certified as complete, has become available.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c)	Policies remain in effect which require site-specific mitigation, and avoidance or other mitigation of impacts as a prerequisite to future development.	<input checked="" type="checkbox"/>	<input type="checkbox"/>



### Discussion:

- (1) The General Plan Master EIR was certified on October 14, 2008, so more than five years has passed since the MEIR was certified. However, the analysis contained in the MEIR is still adequate for subsequent projects, as documented in the discussion below.
- (2) The project is consistent with the analysis contained in the MEIR. This is documented in the discussion of the individual issue areas of this initial study.
  - (2)(a) There have been no substantive changes to the General Plan since the MEIR was certified that would create additional significant environmental effects that were not analyzed by the MEIR.
  - (2)(b) There has been no new information that would affect the adequacy of the analysis contained in the MEIR.
  - (2)(c) All policies contained in the MEIR that require site-specific mitigation or avoidance of impacts remain in effect and will be applied to the project as appropriate.

## **IV. ENVIRONMENTAL ANALYSIS**

This Initial Study, in accordance with Section 21157.1(b) of the Public Resources Code, discloses whether the proposed project may cause any project-specific significant effect on the environment that was not examined in the Final Master EIR (MEIR) for the General Plan and whether new or additional mitigation measures or alternatives may be required as a result. The Initial Study thereby documents whether or not the project is “within the scope” of the Master EIR.

Pursuant to Public Resources Code Section 21157.1, no new environmental document or findings are necessary for projects that are determined to be within the scope of the MEIR. Adoption of the findings specified in Section III.1, above after completion of the Initial Study fulfills the City’s obligation in that situation.

All environmental effects cited reflect 2025 conditions resulting from the Urban Area General Plan, as identified in the Master EIR.

The environmental impact analysis in the Master EIR for the Urban Area General Plan is organized in twenty-one subject areas. The following analysis is based on the impact analyses contained in Chapter V of the Master EIR. For ease of reference, the sections are numbered in the same order as the analyses in Chapter V.

## **1. TRAFFIC AND CIRCULATION**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable traffic and circulation impacts expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: Increased automobile traffic will result in roadway segments (see MEIR on Table 1-7, pages V-1-32 to V-1-34) operating at LOS D, Modesto's significance threshold for automobile traffic, or lower (LOS E or F).

Effect: The substantial increase in traffic relative to the existing load and capacity of the street system will cause, either individually or cumulatively, the violation of automobile service standards established by StanCOG's Congestion Management Plan for designated roads and highways.

Effect: A substantial increase in automobile vehicle miles traveled and automobile vehicle hours of travel and a decrease in average automobile vehicle speed (see MEIR Table 1-6, page V-1-31).

#### **Cumulative Impacts**

Effect: Potential for growth inducement or acceleration of development resulting from highway and local road projects.

Effect: Substantial increase in traffic in relation to the existing traffic load and capacity of the street system, including a violation, either individually or cumulatively, of an automobile LOS standard established by the Congestion Management Plan for designated roads and highways.

Effect: Increased demand for capacity-enhancing alterations to existing roads or automobile traffic reduction.

Other impact categories affected by Traffic and Circulation are addressed throughout this Initial Study (see also Section 2, Degradation of Air Quality; Section 3, Generation of Noise; Section 7 Loss of Sensitive Wildlife and Plant Habitat; Section 8, Disturbance of Archaeological/Historic Sites; Section 14 Increased Demand for Fire Services; Section 18, Energy; Section 19, Visual Resources; Section 20, Land Use and Planning, and Section 21, Climate Change).

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Traffic and Circulation mitigation measures pertinent to this project are found on MEIR pages V-1-9 through V-1-28. All mitigation measures appropriate to the project, including any new measures, will be incorporated into or made conditions of approval of this project and are listed in Section V, Mitigation Measures Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the MEIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### c. Project-Specific Effects

Section V-1.B of the Master EIR provides analysis of Traffic and Circulation impacts of development of the General Plan, the following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: A subsequent development project will have a new significant effect on the environment if it would exceed the following criteria:

<b>1. TRAFFIC AND CIRCULATION</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project exceeds traffic generation assumptions in the Master EIR for the site by 100 trips or more and City Engineering and Transportation staff has determined that the project would have additional potentially significant project-specific effects that are not avoided or reduced by the Master EIR's mitigation measures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would cause additional roadway segments in the General Plan area to exceed LOS D and/or cause additional violations of standards in the Congestion Management Plan, and/or cause an increase in automobile vehicle miles or vehicle hours of travel or a decrease in automobile travel speed, as compared to the impacts disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would cause emergency response times to exceed acceptable standards established by the Fire Department, as compared to impacts disclosed in the Master EIR (see Section 14, Increased Demand for Fire Services).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The proposed project would result in less parking than required by the Municipal Code or as determined by staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) The proposed project would conflict with adopted policies, plans, or programs that support alternative transportation, including, but not limited to the Regional Transportation Plan, the Sustainable Communities Strategy, the Bicycle Action Plan, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7) The proposed project would result in an increase in automobile vehicle miles traveled on a per capita basis, in excess of that considered in the Urban Area General Plan MEIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Discussion:

- (1-3) The proposed project to annex an existing mobile home park into the City is for the purpose of connecting to City sewer. No new development is proposed. Therefore, there will be no increase in traffic.
- (4) Police and Fire Staff have reviewed the project and indicated no concerns with emergency access.
- (5) There will be no impact to parking because no change is proposed to the existing development.
- (6) The project would not conflict with adopted policies, plans, or programs that support alternative transportation, including, but not limited to the Regional Transportation Plan, the Sustainable Communities Strategy, the Bicycle Action Plan.
- (7) The project will not be any increase in vehicle miles traveled.

## **2. DEGRADATION OF AIR QUALITY**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable air quality impacts expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: Expected automobile traffic will result in increased operational emissions of reactive organic gases (ROG) and oxides of nitrogen (NO<sub>x</sub>) (see MEIR Table 2-8, page V-2-27).

Effect: Expected automobile traffic will result in increased emissions of particulate matter 10 microns or less (PM<sub>10</sub>) and 2.5 microns or less in diameter (PM<sub>2.5</sub>) (see MEIR Table 2-8, page V-2-27).

Effect: Expected automobile traffic will result in increased carbon monoxide (CO) levels in the project area (see MEIR Table 2-7, page V-2-26, and Table 2-8, page V-2-27).

#### **Cumulative Impacts**

The Master EIR indicates the same impacts identified as direct impacts above will contribute to regional impacts on air quality for the criteria pollutants ROG, NO<sub>x</sub>, PM<sub>10</sub>, and PM<sub>2.5</sub>.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Air quality mitigation measure(s) pertinent to the proposed project are found on pages V-2-13 through V-2-24 of the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project and are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

The appropriate mitigation to be applied to this project includes none from the MEIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

**c. Project-Specific Effects**

Section V-2.B of the Master EIR is the analysis of air quality impacts resulting from development of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project -specific effect not analyzed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>2. DEGRADATION OF AIR QUALITY</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project exceeds the project-level emissions thresholds established for CO, ROG, NO <sub>x</sub> , PM <sub>10</sub> , and PM <sub>2.5</sub> by the San Joaquin Valley Air Pollution Control District (SJVUAPCD) and is not consistent with the development assumptions for the project site, as established in the Urban Area General Plan and Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project does not incorporate the best management practices established by the SJVAPCD for CO, ROG, NO <sub>x</sub> , PM <sub>10</sub> , and PM <sub>2.5</sub> .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project does not comply with the air quality policies in the Modesto Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would expose sensitive receptors to pollutant concentrations in excess of those expected to occur as a result of implementation of the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The proposed project would create objectionable odors affecting a substantial number of people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposal to annex the project site is consistent with the Urban Area General Plan policies. There is no development or change proposed that would increase traffic volumes and emissions.
- (2) There is no new development or other activity associated with the project that would affect air quality.
- (3) The project does not conflict with the air quality policies in the Urban Area General Plan.

- (4) The project would not result in pollutant concentrations in excess of those expected to occur as a result of the implementation of the Urban Area General Plan.
- (5) The project will not produce objectionable odors.

### **3. GENERATION OF NOISE**

#### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable noise impacts expected after application of mitigations / policies:

##### **Direct Impacts**

Effect: Future automobile traffic noise levels and roadway construction and maintenance activities resulting from development of the Urban Area General Plan will exceed the City's noise thresholds at various locations, but particularly in areas adjacent to heavily traveled roadways (see MEIR Table 3-3, page V-3-10, and Figure VII-2 and Table 3-6, pages V-3-18 and V-3-19).

Effect: Expected noise from airport operations and airport construction projects may expose up to 468 dwellings and three churches to noise levels of 65 dB CNEL and up to eight dwellings to noise levels of 70 dB CNEL.

Effect: Expose noise-sensitive land uses to noise from the construction of bicycle and transit projects.

Effect: Expose noise-sensitive land uses to noise from freight and passenger rail operations.

##### **Cumulative Impacts**

Effect: Traffic from development in the City of Modesto would, when combined with traffic from new development in the County and other cities, contribute to a cumulative increase in roadside noise levels on major roads and highways throughout Stanislaus County.

#### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Noise policies and mitigation measures pertinent to the project being analyzed in this Initial Study are found on pages V-3-11 through V-3-15 of the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project and any new measures are listed in Section V, Mitigation Applied to Project.

##### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

#### **c. Project-Specific Effects**

Section V-3.B of the MEIR discloses noise impacts resulting from development of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project -specific effect not analyzed in the Master EIR.

**Significance Criteria:** Determination of the proposed project's effects are based on the following thresholds. Project-specific effects will be less than significant unless:

<b>3. GENERATION OF NOISE</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project will exceed the standards for noise level and hours of operation established by the Modesto noise ordinance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project will not comply with the noise policies of, or otherwise be inconsistent with, the Modesto Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project will result in an increase in ambient noise levels in the project vicinity above those disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project will result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels disclosed in the Master EIR implementation of the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- (1-4) The project would not cause noise above levels already existing as part of the existing mobile home park.

## **4. EFFECTS ON AGRICULTURAL LANDS**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on agricultural lands expected after application of mitigations / policies:

#### **Direct Impacts**

**Effect:** Between 1995 and 2025, development of the Urban Area General Plan may convert up to approximately 26,000 acres of farmland in various categories in the Planned Urbanizing Area to urban uses.

**Effect:** Approximately 1,200 acres of urban development along a 28.5-mile boundary 350 feet wide between urban and agricultural uses could be affected by continued agricultural operations, including noise, dust, and chemical overspray or drift.

#### **Cumulative Impacts**

Effect: Growth within Modesto's planning area would contribute considerably to the loss of agricultural land within Stanislaus County, accounting for the conversion of as much as approximately 26,000 acres of farmland in various categories in the Planned Urbanizing Area from 1995 to 2025.

## **b. Master EIR and/or New Mitigation Measures Pertinent to the Project**

Agricultural land mitigation measures pertinent to the proposed project are found on pages V-4-6 to and V-4-8 of the Master EIR. All mitigation measures appropriate to the project and any new mitigation to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project.

### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

## **c. Project-Specific Effects**

Section V-4.B of the Master EIR discloses the impacts resulting from the implementation of the Urban Area General Plan on agricultural lands. The following is an analysis of whether the proposed project would result in a new, significant, project -specific effect not previously analyzed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>4. EFFECTS ON AGRICULTURAL LANDS</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the Urban Area General Plan's policies relating to agricultural land.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project will either directly or indirectly result in the development of land outside the 2008 Urban Area General Plan's planning area boundary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project will conflict with existing zoning for agricultural use, or there is an existing Williamson Act contract on the project site.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project will involve other changes in the existing environment not anticipated in the Master EIR which, due to their location or nature, could result in conversion of farmland to non-agricultural use.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Discussion:



- (1-4) The project site and surrounding area is developed with urban uses. The site is not zoned for agricultural uses, nor is subject to a Williamson Act contract. The project would not cause the conversion of farmland to a non-agricultural use.

## **5. INCREASED DEMAND FOR LONG-TERM WATER SUPPLIES**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on long-term water supplies expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts have been disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: Operational yields of the Modesto and Turlock subbasins, both of which underlie the City of Modesto, are unknown, although the City is participating in a study with the United States Geological Survey in order to quantify the operational yields of both subbasins. Groundwater withdrawals from both basins by the City, when combined with other users' withdrawals, may result in overdrafting both subbasins.

Effect: Despite available options, during drought years, significant water shortages are forecast for the San Joaquin River basin, which includes both the Modesto and Turlock subbasins, by 2020. Modesto would make a cumulatively considerable contribution to the cumulative impact on water supply under drought conditions.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Water supply mitigation measures pertinent to the proposed project are found on pages V-5-6 through V-5-12 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### **c. Project-Specific Effects**

Section V-5.B of the Master EIR discloses impacts on long-term water supplies resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>5. INCREASED DEMAND FOR LONG-TERM WATER SUPPLIES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with water supply policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Water demand for the proposed project will exceed estimates for similar projects or for development on the project site anticipated in the Urban Area General Plan or sufficient water supplies are not otherwise available to serve the project from existing entitlements and resources.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would deplete groundwater supplies to a greater degree than anticipated in the Urban Area General Plan or would interfere with groundwater recharge.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project would be consistent with the Water Supply policies of the General Plan.
- (2) The existing mobile home park is presently served by a private water well and there has not been a request to connect to City water. When there is a request to connect to City water, there will be adequate capacity to serve the existing mobile home park. Water demand for the project will not exceed estimates anticipated in the General Plan.
- (3) The proposed project is consistent with the land uses and water demands assumed in the General Plan. The project would not have a significant effect on ground water recharge or depletion of long-term water supplies.

## **6. INCREASED DEMAND FOR SANITARY SEWER SERVICES**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on sanitary sewer services after application of mitigations / policies:

#### **Direct Impacts**

Effect: Development resulting from implementation of the Urban Area General Plan will require substantial new sewage treatment and disposal capacity, treatment plant improvements, sewer mains and collection lines, and pump stations. The Wastewater Master Plan anticipates the need for these facilities and its EIR evaluates the impact of developing those facilities. Potential impacts include degradation of water quality through erosion and chemical releases; localized flooding; and construction noise. All of these impacts are mitigated to a less-than-significant level.

Additional impacts that are not mitigated to a less-than-significant level include loss of farmland caused by construction of the Phase IA tertiary treatment facility at the Jennings Road Secondary Treatment Facility, an increase in pollutant loads from increased wastewater flows to the San Joaquin

River, and an increase in noise and criteria air pollutants due to construction activities, including traffic.

## Cumulative Impacts

Effect: No additional cumulative impacts were identified in the Master EIR.

### b. Master EIR and/or New Mitigation Measures Applied to the Project

Sewer service mitigation measures pertinent to the proposed project are found on pages V-6-3 through V-6-8 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### c. Project-Specific Effects

Section V-6.B of the Master EIR discloses impacts on the Increased Demand for Sanitary Sewer Service resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>6. INCREASED DEMAND FOR SANITARY SEWER SERVICES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with wastewater policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project will generate sewage flows greater than those anticipated in the Urban Area General Plan for the project site.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3) The proposed project will result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### Discussion:

- (1) The proposed project would be consistent with the wastewater supply policies in the General Plan.
- (2-3) The mobile home park owner has requested connection to the City sewer system. The City sewer system has sufficient capacity to serve this property. Sewer connection can occur to an existing line on McHenry Avenue or Coralwood Road. The proposed project will not generate sewage flows greater than those anticipated in the Urban Area General Plan for the project site.

## **7. LOSS OF SENSITIVE WILDLIFE AND PLANT HABITAT**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on sensitive wildlife and plant habitat expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant impacts on sensitive wildlife and plant habitat are expected to occur with the application of the policies contained in the Urban Area General Plan.

#### **Cumulative Impacts**

Effect: Implementation of the Urban Area General Plan will contribute to the cumulative impact of habitat loss in the San Joaquin Valley. Requiring denser development than has occurred in the past or that is expected in the future would minimize the City's contribution to the cumulative loss of habitat. Nonetheless, this is a significant and unavoidable impact.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Wildlife and plant habitat mitigation measures pertinent to the proposed project are found on pages V-7-17 through V-7-24 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### **c. Project-Specific Effects**

Section V-7.B of the Master EIR discloses impacts on the Loss of Sensitive Wildlife and Plant Habitat resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>7. LOSS OF SENSITIVE WILDLIFE AND PLANT HABITAT</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The project is inconsistent with the policies pertaining to the loss of sensitive wildlife and plant habitat contained in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Consultation with the California Department of Fish and Game or the U.S. Fish and Wildlife Service determines that the project would have a significant effect on a candidate, sensitive, or special status species in excess of the impact disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act through direct removal, filling, hydrological interruption, or other means, in excess of the impact disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would substantially interfere 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.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) Conflict with local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) The proposed project would conflict with provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the General Plan policies related to the loss of sensitive wildlife and plant habitat. The site has been developed since 1963.
- (2) The project site is not a biologically sensitive site as defined by Figures V-7-1, sheet 2, of the MEIR. The California Department of Fish and Game and the U.S. Fish and Wildlife Service were consulted in the production of the MEIR.
- (3) The site does not qualify as a federally protected wetland per Section 404 of the Clean Water Act.
- (4) The project site is not a biologically sensitive site as defined by Figures V-7-1, sheet 2, of the MEIR. The movement of fish or birds or other wildlife would not be effected by the project.

- (5) There is no conflict with any local policies or ordinances protecting biological resources.
- (6) There is no conflict with any adopted habitat conservation plan, natural community conservation plan, or other approved local, regional or state habitat conservation plan.

## **8. DISTURBANCE OF ARCHAEOLOGICAL/HISTORICAL SITES**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on archaeological/historical sites expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: Modification resulting in a substantial adverse change in the significance of a historic resource or the demolition of a listed or eligible historic resource.

Effect: The modification or demolition of a structure more than 50 years in age may be significant.

Effect: Discovery of archaeological resources, in areas outside of the riparian corridors, as a result of construction activities.

Effect: Construction in an area of high archaeological sensitivity.

#### **Cumulative Impacts**

Effect: No additional cumulative impacts were disclosed in the Master EIR.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Archaeological or historic mitigation measures pertinent to the project being analyzed in this Initial Study are found on page V-8-16 through V-8-20 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project:

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### **c. Project-Specific Effects**

Section V-8.B of the MEIR discloses impacts on archaeological/historical resources resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>8. DISTURBANCE OF ARCHAEOLOGICAL/ HISTORICAL SITES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the archaeological / historical resource policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would demolish a building eligible for listing as a historic resource or remove a landmark from the Modesto inventory.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would modify or demolish a structure more than 50 years old.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The project would adversely affect a cultural resource that is either listed or eligible for listing in the California Register of Historical Resources.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The project would adversely affect a Tribal Cultural Resource identified and/or defined by the applicable Tribe.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposed project is consistent with the archeological and historical resource policies in the General Plan.
- (2-3) No buildings are proposed to be demolished, and no City landmarks exist at the site.
- (4) The project would not affect a resource that is listed or eligible for listing in the California Register of Historic Resources.
- (5) The project does not conflict with local policies affecting cultural resources.

## **9. INCREASED DEMAND FOR STORM DRAINAGE**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on storm drainage expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: The population of Stanislaus County is projected to increase in a fashion similar to that of Modesto, resulting in additional urban development and associated increases in impervious surface

area and associated increases in storm water runoff. Cumulative hydrologic impacts of storm water flows from Modesto urban areas and other areas of the County could occur due to the fixed capacity of MID and TID irrigation canals to convey drainage west to the San Joaquin River. If drainage channels in some areas prove insufficient to handle the increased drainage discharges, existing storm water runoff from urban and agricultural areas during large storm events would have to be interrupted until water levels receded to a point allowing the resumption of discharges to the channel. Ceasing discharges to drainage channels could cause inundation in and around the drainage conveyance pipeline systems, surface drainage channels, detention basins, and other urban areas. This cumulative impact is considered significant and unavoidable.

## **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Storm Drainage mitigation measures pertinent to the project being analyzed in this Initial Study are found on pages V-9-4 through V-9-9. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project:

### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

## **c. Project-Specific Effects**

Section V-9.B of the MEIR discloses impacts on the demand for storm drainage resulting from development of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>9. INCREASED DEMAND FOR STORM DRAINAGE</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the storm drainage policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or offsite, as compared to impacts anticipated to result from the Urban Area General Plan or create substantial unanticipated sources of polluted runoff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project does not utilize Low Impact Development strategies to reduce runoff from the site and increase infiltration, resulting in no net increase in runoff before and after development.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Discussion:

- (1) The proposed project is consistent with the storm drainage policies in the Urban Area General Plan.
- (2-3) The proposed project does not include any new development. The proposal will not contribute additional water runoff that would exceed the capacity of the storm drainage system.

## **10. FLOODING AND WATER QUALITY**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on flooding and water quality expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Flooding and Water Quality mitigation measures pertinent to the project being analyzed in this Initial Study are found on pages V-10-6 through V-10-9 of the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project:

Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### **c. Project-Specific Effects**

Section V-10.B of the Master EIR provides analysis of Flooding and Water Quality impacts of development of the General Plan, the following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not previously analyzed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>10. FLOODING AND WATER QUALITY</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the flooding and water quality policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project does not comply with the regulatory requirements of the federal Clean Water Act or the State Porter-Cologne Act.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would place more housing within a 100-year flood hazard zone than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would place structure within a 100-year flood hazard area so that they would impede or redirect floodwater or would substantially alter the existing on-site drainage pattern or a watercourse, in such a way as to cause flooding on- or off-site.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The proposed project does not comply with Modesto's Guidance Manual for New Development Storm Water Quality Control Measures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) The proposed project would violate water quality standards or waste discharge requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7) The proposed project would substantially alter the existing drainage pattern of the site or area or a watercourse in a manner that would result in substantial erosion or siltation on- or offsite in excess of the assumptions of the General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8) The proposed project would create or contribute runoff, which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff, not expected as part of General Plan implementation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposed project is consistent with the flooding and water quality policies in the Urban Area General Plan. No new development is included with this project.
- (2) The project would comply with the Federal Clean Water Act and the Porter Cologne Act requirements.
- (3-5) The project is not located within a 100-year flood plain.
- (6) The project will not violate water quality standards or waste discharge requirements.
- (7) The project would not alter the existing drainage pattern of the site, area or a watercourse in a manner that would result in erosion or siltation.

- (8) The project will not contribute additional water runoff that would exceed the capacity of the storm drainage system or provide substantial additional sources of polluted runoff. There is no new development associated with the proposed project.

## **11. INCREASED DEMAND FOR PARKS AND OPEN SPACE**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on parks and open space expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Parks and open space mitigation measures pertinent to the proposed project are found on pages V-11-3 through V-11-9 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project:

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### **c. Project-Specific Effects**

Section V-11.B of the MEIR discloses impacts of the Urban Area General Plan on parks and open space. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. Project-specific effects will be less than significant unless:

<b>11. INCREASED DEMAND FOR PARKS AND</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the parks and open space policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would eliminate parks or open space.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would cause an increase in the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility in question would occur or be accelerated or the proposed project would include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the parks and open space policies in the General Plan.
- (2) The project will not impact parks or open space.
- (3) There is no development proposed as part of the project.

## **12. INCREASED DEMAND FOR SCHOOLS**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on school facilities expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR. By statute, the impact of new students is considered to be mitigated below a level of significance by payment of school impact fees and the exercise of any or all of the financing options set out in Government Code Section 65997.

#### **Cumulative Impacts**

Effect: Similar to direct impacts of implementation of the Urban Area General Plan, no residual significant direct impacts were disclosed in the Master EIR.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Mitigation relies upon the implementation of the policies in place under the Modesto Urban Area

General Plan. As long these policies are applied to all subsequent projects, no new mitigation is necessary. Further, payment of school impact fees and compliance with SB 50 is statutorily deemed to be full mitigation of school impacts (Government Code Section 65995).

The following schools mitigation measures on pages V-12-5 through V-12-7 of the Master EIR are pertinent to the proposed project. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures are listed in Section V, Mitigation Applied to Project.

Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

**c. Project-Specific Effects**

Section V-12.B of the Master EIR discloses impacts resulting from implementation of the Urban Area General Plan associated with increased demand for schools. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>12. INCREASED DEMAND FOR SCHOOLS</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the policies relating to schools in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project does not comply with SB 50/Proposition 1A funding provisions, or succeeding measures which state that compliance results in less-than-significant impacts on schools.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project would not conflict with the policies relating to school in the Urban Area General Plan.
- (2) There is no new development associated with the project.

**13. INCREASED DEMAND FOR POLICE SERVICES**

**a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on police services expected after application of mitigations / policies:

### Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

### Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

### b. Master EIR and/or New Mitigation Measures Applied to the Project

Police services mitigation measures pertinent to the proposed project are found on pages V-13-2 through V-13-5 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### c. Project-Specific Effects

Section V-13.B of the Master EIR discloses impacts on police services resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>13. INCREASED DEMAND FOR POLICE SERVICES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with policies relating to police services in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would result in the need for new or significantly altered facilities not considered as part of the Urban Area General Plan or Master EIR which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times, or other performance objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

#### Discussion:

- (1) The project would not conflict with the policies relating to police services in the Urban Area General Plan.

- (2) The proposed annexation was referred to the City Police Department, who indicated no concerns. The project would not result in the need for construction of new or significantly altered police facilities which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times or other performance objectives.

#### **14. INCREASED DEMAND FOR FIRE SERVICES**

##### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on fire services expected after application of mitigations / policies:

##### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

##### **Cumulative Impacts**

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

##### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Fire Services mitigation measure(s) pertinent to the project being analyzed in this Initial Study are found on pages V-14-4 through V-14-7 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

##### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

##### **c. Project-Specific Effects**

Section V-14.B of the Master EIR discloses impacts on fire services resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>14. INCREASED DEMAND FOR FIRE SERVICES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with the fire service policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<b>14. INCREASED DEMAND FOR FIRE SERVICES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
2) The proposed project would result in the need for new or significantly altered facilities not considered as part of the Urban Area General Plan or Master EIR which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times, or other performance objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3) The proposed project, based upon substantial evidence, would cause the erosion or elimination of fire protection services in adjoining fire protection districts.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion:

- (1) The project is consistent with the fire service policies in the General Plan.
- (2) The project does not propose construction of new or significantly altered facilities which could cause new significant environmental impacts in order to maintain acceptable fire service ratios, response times or other performance objectives. The project was referred to the Modesto Fire Department, who indicated no concerns regarding need for increased services or effects upon response times.
- (3) The Stanislaus Consolidated Fire Protection District has indicated there will be a loss in special assessment revenue with detachment from the District. No substantial evidence has been provided to show the District would have a significant erosion or elimination of fire service. The annexation to the City and detachment from the District would transfer the fire service responsibility to the City and reducing the service responsibility from the District.

## **15. GENERATION OF SOLID WASTE**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts on solid waste expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**



Solid waste mitigation measures pertinent to the proposed project are found on pages V-15-4 through V-15-7 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project.

Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### c. Project-Specific Effects

Section V-15.B of the Master EIR discloses solid waste impacts resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. Project-specific effects will be less than significant unless:

<b>15. GENERATION OF SOLID WASTE</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The project is inconsistent with the solid waste policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The County is unable to expand its solid waste disposal capacity, as expected, causing all new development to result in cumulative impacts on the County's disposal capacity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the solid waste policies in the General Plan.
- (2) There is no new development proposed with the project.

### 16. GENERATION OF HAZARDOUS MATERIALS

#### a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts regarding hazardous materials expected after application of mitigations / policies:

##### Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

##### Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

## **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Hazardous materials mitigation measures pertinent to the proposed project are found on pages V-16-8 through V-16-13 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

## **c. Project-Specific Effects**

Section V-16.B of the Master EIR discloses impacts on hazardous materials resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>16. GENERATION OF HAZARDOUS MATERIALS</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The project is inconsistent with the hazardous materials policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would 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 create a significant hazard to the public or the environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would be constructed on a contaminated site not known to the State of California as of March 2008.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Discussion:

- (1) The project is consistent with the hazardous materials policies in the General Plan.

- (2) The project does not impact applicable federal, state, and county standards and regulations relative to the handling, storage, disposal, and transport of hazardous or toxic materials or wastes. No hazardous materials will be involved with this project.
- (3) The project is not located on a site included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and as a result, would not create a significant hazard to the public or the environment.
- (4) The site is not known to contain any contaminants.

## **17. GEOLOGY, SOILS, AND MINERAL RESOURCES**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts related to geology, soils, and mineral resources expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: No residual significant direct impacts were disclosed in the Master EIR.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**

Geology, soils, and mineral resource mitigation measures pertinent to the proposed project are found on pages V-17-9 and V-17-10 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of the proposed project are listed in Section V, Mitigation Measures Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### **c. Project-Specific Effects**

Section V-17.B of the Master EIR discloses geology, soils, and mineral resource impacts resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. Project-specific effects will be less than significant unless:

<b>17. GEOLOGY, SOILS, AND MINERAL RESOURCES</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The project is inconsistent with policies relating to geology, soils, and mineral resources contained in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would expose people or structures to potential substantial adverse effects including the risk of loss, injury, or death involving fault rupture, strong seismic activity; location on an expansive soil; result in the loss of topsoil; location on soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems in areas where sewers are not available for the disposal of wastewater; result in the loss of known mineral resources that would be of value to the region and the state; or 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.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with policies relating to geology, soils, and mineral resources in the General Plan.
- (2) The project site is not located on soil that is unstable, or that would become unstable as a result of the project. There are no known mineral resources of value to the region and the state on the property.

## **18. ENERGY**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts pertaining to energy expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: Continued development in the Planned Urbanizing Area would have an impact on available energy supplies. Energy consumption likely would increase substantially by 2025 as a result of implementation of the Urban Area General Plan.

#### **Cumulative Impacts**

Effect: Implementation of the Urban Area General Plan will have a cumulatively considerable impact on energy consumption.

## b. Master EIR and/or New Mitigation Measures Applied to the Project

The following energy mitigation measures pertinent to the proposed project are found on pages V-18-2 through V-18-8 in the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

## c. Project-Specific Effects

Section V-18.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on energy resources. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>18. ENERGY</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with policies relating to energy in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would result in energy consumption during construction, operation, maintenance, or removal that is more wasteful, inefficient, and unnecessary than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Discussion:

- (1) The project is consistent with the energy policies in the General Plan.
- (2) The project would not result in energy consumption during construction, operation, maintenance or removal that is more wasteful, inefficient and unnecessary than assumed in the General Plan.

## 19. EFFECTS ON VISUAL RESOURCES

### a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on visual resources expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: New development in the Planned Urbanizing Area will occur in areas that are in agricultural production or are otherwise lightly developed, which could lead to the introduction of light and glare in areas that have little nighttime illumination.

## Cumulative Impacts

Effect: No additional cumulative impacts were disclosed in the Master EIR.

## b. Master EIR and/or New Mitigation Measures Applied to the Project

The following visual resources mitigation measures pertinent to the proposed project are found on pages V-19-3 and V-19-4 in the Master EIR. All mitigation measures appropriate to the proposed project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

## c. Project-Specific Effects

Section V-18.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on energy resources. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

19. EFFECTS ON VISUAL RESOURCES	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1) The proposed project is inconsistent with policies relating to visual resources in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would degrade views from riverside areas and parks to a greater degree than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would degrade views of riverside areas from public roadways and nearby properties to a greater degree than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Discussion:

(1) The project is consistent with the policies relating the visual resources in the General Plan.

- (2) The project would not degrade views from riverside areas and parks to a greater degree than assumed in the Urban Area General Plan.
- (3) There is no development associated with the project.

## 20. LAND USE AND PLANNING

### a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts pertaining to land use and planning expected after application of mitigations / policies:

#### Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

#### Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

### b. Master EIR and/or New Mitigation Measures Applied to the Project

The following land use and planning mitigation measures pertinent to the proposed project are found on pages V-20-6 through V-20-17 in the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

#### Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

### c. Project-Specific Effects

Section V-20.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on land use and planning. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

20. LAND USE AND PLANNING	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1) The proposed project is inconsistent with land use and planning policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<b>20. LAND USE AND PLANNING</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
2) The proposed project contains elements that would physically divide an established community in a way not assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project conflicts with a land use plan, policy or regulation established for the purpose of avoiding or mitigating an environmental impact by an agency that has jurisdiction over the proposed project.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project conflicts with an applicable habitat conservation plan or natural community conservation plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project site is designated for Regional Commercial on the General Plan and in the Coffee Claratina Specific Plan approved in 1998. The existing mobile home park was developed in 1963 and would be a legal non-conforming use upon annexation. As such, the project would be considered consistent land use regarding the Zoning and General Plan.
- (2) There is no development proposed by the project.
- (3) The project is consistent with the land use plan, policies and regulations of the City of Modesto designed to mitigate project impacts.
- (4) The project does not conflict with applicable habitat conservation plans or natural community conservation plans.

## **21. CLIMATE CHANGE**

### **a. Significant Effects Identified in the Master EIR**

The Master EIR discloses the following residual significant and unavoidable impacts pertaining to climate change expected after application of mitigations / policies:

#### **Direct Impacts**

Effect: Impacts resulting from implementation of the Urban Area General Plan are not substantial enough to result in a significant direct impact on climate change, as disclosed in the Master EIR.

#### **Cumulative Impacts**

Effect: Implementation of the Urban Area General Plan will have a cumulatively considerable impact on climate change.

### **b. Master EIR and/or New Mitigation Measures Applied to the Project**



The following climate change mitigation measures pertinent to the proposed project are found on pages V-21-7 through V-21-10 in the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

Discussion:

The appropriate mitigation to be applied to this project includes none from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

**c. Project-Specific Effects**

Section V-18.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on climate change. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

<b>21. CLIMATE CHANGE</b>	<b>Potentially Significant Impact</b>	<b>Less Than Significant with Mitigation Incorporated</b>	<b>Less Than Significant Impact</b>	<b>No Impact</b>
1) The proposed project is inconsistent with policies relating to climate change in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would result in average automobile trip lengths or CO <sub>2</sub> emissions higher than those assumed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would conflict with the Sustainable Communities Strategy or Alternative Planning Strategy that the Air Resources Board has agreed will achieve the goals of AB 32.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the policies relating to climate change in the Urban Area General Plan. The project would not have a significance effect on climate change.
- (2) The project does not include any new development and would not have an effect on automobile trip lengths or CO<sub>2</sub> emissions.
- (3) A Sustainable Communities Strategy has not yet been implemented by the ARB. Future development will be required to comply with the provisions of the Sustainable Communities Strategy once it is established.

## **V. MITIGATION MEASURES APPLIED TO THE PROPOSED PROJECT**

If the Initial Study results in the determination that a Finding of Conformance can be adopted for the proposed project Section A below applies. If the Initial Study results in the determination that a Finding of Conformance cannot be adopted and a Mitigated Negative Declaration/EIR must be prepared for the project then Section B, below applies.

### **A. Master EIR Mitigation Measures Applied to the Project**

Pursuant to Public Resources Code Section 21157.1(c), in order for a Finding of Conformance to be made, all appropriate mitigation measures from the Master EIR shall be incorporated into the proposed project. Urban Area General Plan Policies/Master EIR mitigation measures shall be made part of the proposed project prior to approval by means of conditions of project approval or incorporation into the appropriate document or plan.

All applicable and appropriate mitigation measures have been applied to the project (see mitigation measures listed below).

### **B. New or Additional Mitigation Measures or Alternatives Required**

Where the project's effects would exceed the significance criteria for each environmental impact category, a mitigated negative declaration or Focused EIR must be prepared. Staff has reviewed the project against the significance criteria thresholds established in the Master EIR for all impact categories in this Initial Study.

A Mitigated Negative Declaration or Focused EIR shall be prepared for the project. The following additional project-specific mitigation measures listed below are necessary to reduce the identified new significant effect:

#### **Traffic and Circulation:**

N/A

#### **Degradation of Air Quality:**

N/A

#### **Generation of Noise:**

N/A

#### **Effects on Agricultural Lands:**

N/A

#### **Increased Demand for Long-Term Water Supplies:**

N/A

**Increased Demand for Sanitary Sewer Services:**

N/A

**Loss of Sensitive Wildlife and Plant Habitat:**

N/A

**Disturbance of Archaeological/Historic Sites:**

N/A

**Increased Demand for Storm Drainage:**

N/A

**Flooding and Water Quality:**

N/A

**Increased Demand for Parks and Open Space:**

N/A

**Increased Demand for Schools:**

N/A

**Increased Demand for Police Services:**

N/A

**Increased Demand for Fire Services:**

N/A

**Generation of Solid Waste:**

N/A

**Generation of Hazardous Materials:**

N/A

**Geology, Soils, and Mineral Resources:**

N/A

**Energy:**

N/A

**Effects on Visual Resources:**

N/A

**Land Use and Planning:**

N/A

**Climate Change:**

N/A

**City of Modesto  
NOTICE OF DETERMINATION**

FILED

2019 APR 15 PM 3:52

STANISLAUS CO. CLERK-RECORDER

Gail Pilgrim

**ATTENTION COUNTY CLERK:  
PLEASE DO NOT REMOVE BEFORE May 17, 2019**

TO: County Clerk-Recorder  
County of Stanislaus  
1021 I Street  
Modesto, CA 95354

FROM: City of Modesto  
Community & Economic Development Dept.  
Planning Division  
P.O. Box 642  
Modesto, CA 95353

SUBJECT: Filing of Notice of Determination in compliance with Section 21152 of the Public Resources Code

Project Title: McHenry Coralwood Annexation

State Clearinghouse Number: Modesto Urban Area General Plan Master EIR (SCH No. 2007072023)

Contact Person: Paul Liu, Senior Planner (209-577-5282)

Applicants: Margot Roen (707-339-2118)

Owner: CTC Investors, LLC

Project Location: East side of McHenry Avenue and North of Coralwood Drive

Project Description: This is a proposal to annex approximately 12.7 acres into the City of Modesto and Modesto Municipal Sewer District No. 1 and simultaneously detach the area from the Stanislaus Consolidated Fire District.

This is to advise that the City of Modesto, the lead agency, has approved the above-described project on April 9, 2019, and has made the following determinations, pursuant to Section 21157.1 of the CEQA Guidelines:

The project is within the scope of the Master EIR and no new environmental document or Public Resources Code Section 21081 findings are required. The following findings have been found to be true:

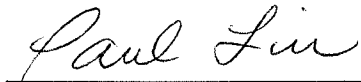
1. An Initial Study was prepared by the City of Modesto that analyzed whether the subsequent project may cause any significant effect on the environment that was not examined in the Master EIR and whether the subsequent project was described in the Master EIR as being within the scope of the report.
2. The subsequent project will have no additional significant effect on the environment, as defined in subdivision (d) of Section 21158 of the Public Resources Code, that was not identified in the Master EIR.
3. No new or additional mitigation measures or alternatives are required.
4. The subsequent project is within the scope of the project covered by the Master EIR.

5. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
6. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

The Initial Study, Environmental Assessment No. EA/C&ED 2019-09, on file at the City of Modesto, Community and Economic Development Department, provides substantial evidence to support findings 1 thru 6, noted above.

This is to certify that the Master EIR is available to the general public at:

City of Modesto, Community & Economic Development Department, Planning Division,  
1010 Tenth Street, Modesto, CA 95354



Paul Liu, City of Modesto

Date: April 15, 2019 Title: Senior Planner

## **EXHIBIT E**

**Draft LAFCO Resolution No. 2019-11**

**DRAFT**

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** May 22, 2019

**NO.** 2019-11

**SUBJECT: LAFCO Application No. 2019-07 – McHenry-Coralwood Reorganization to the City of Modesto**

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

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, the Commission received the subject proposal to annex approximately 12.86 acres to the City of Modesto and detach said acreage from the Stanislaus Consolidated Fire Protection District;

**WHEREAS**, the Commission conducted a duly noticed public hearing on May 22, 2019 to consider the proposal at which time the Commission heard and received all oral or written testimony, objections, and evidence that were presented and all interested persons were given an opportunity to hear and be heard with respect to the proposal and the report provided by LAFCO Staff;

**WHEREAS**, the City of Modesto has adopted a Resolution of Application to LAFCO for the subject proposal;

**WHEREAS**, the City of Modesto has rezoned the subject territory and it is located within the City's Sphere of Influence and Primary Area;

**WHEREAS**, the territory is considered inhabited as there are more than 12 registered voters;

**WHEREAS**, there are no Williamson Act Contracts within the boundaries of the reorganization;

**WHEREAS**, the City has identified that the property is located within the City-County North McHenry Corridor Agreement area for the purposes of tax sharing;

**WHEREAS**, the City of Modesto, as Lead Agency, has prepared an initial study for the project, pursuant to the California Environmental Quality Act (CEQA) and the State CEQA guidelines and found that the project is within the scope of the Master Environmental Impact Report (MEIR) for the Modesto Urban Area General Plan and will have no additional significant environmental effect as



defined in Section 21158 of the Public Resources Code that was not identified in the MEIR;

**WHEREAS**, the Commission, as a Responsible Agency, has reviewed the environmental documents prepared by the City of Modesto, including the Initial Study, Notice of Determination and findings of conformance with the existing MEIR;

**WHEREAS**, the Commission is not aware of any legal challenge filed against the City's environmental documentation; and,

**WHEREAS**, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, the criteria for island annexations as set forth in Section 56375.3 of the California Government Code and any testimony and evidence presented at the meeting held on May 22, 2019.

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

1. Certifies that, acting as a Responsible Agency pursuant to CEQA, it has considered the environmental documentation prepared by the City of Modesto as Lead Agency, including the Initial Study, Notice of Determination and findings of conformance with the existing MEIR.
2. Determines that: (a) the subject territory is within the Modesto Sphere of Influence and Primary Area; (b) the approval of the proposal is consistent with all applicable spheres of influence, overall Commission policies and local general plans; (c) the territory is considered inhabited; (d) there is one property owner within the territory that has consented to the proposal; (e) the reorganization meets the criteria for island annexations as specified in Government Code Section 56375.3; (f) the City has provided sufficient evidence to show that the required services are available and will be provided upon development of the area; and (g) approval of the proposal will result in planned, orderly and efficient development of the area.
3. Approves the proposal subject to the following terms and conditions:
  - a. The applicant is responsible for payment of the required State Board of Equalization fees and any remaining fees owed to LAFCO.
  - 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. The effective date shall be the date of recordation of the Certificate of Completion.
  - d. The application shall be processed as a reorganization consisting of the annexation of the subject territory to the City of Modesto and detachment from the Stanislaus Consolidated Fire Protection District.
  - e. Upon the effective date of the annexation, all rights, title, and interest of the County, including the underlying fee where owned by the County in any and all public

improvements, including, but not limited to the following: sidewalks, trails, landscaped areas, open space, streetlights, signals, bridges, storm drains, and pipes shall vest in the City; except for those properties to be retained by the County.

4. Designates the proposal as the "McHenry-Coralwood Reorganization to the City of Modesto".
5. Waives the protest proceedings and orders the reorganization pursuant to Government Code Section 56375.3.
6. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203, subject to the specified terms and conditions of this resolution.

**ATTEST:**

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

TO: LAFCO Commissioners

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

SUBJECT: **FINAL LAFCO BUDGET FOR FISCAL YEAR 2019-2020**

---

### **RECOMMENDATION**

Staff recommends that following the Executive Officer's report and public testimony regarding the Final LAFCO Budget that the Commission:

1. Adopt Resolution No. 2019-10, approving the Final Budget for Fiscal Year 2019-2020 as presented.
2. Direct Staff to transmit the adopted Final Budget to the Board of Supervisors, each City, each Independent Special District, and the County Auditor, in accordance with State law.
3. Request that the County Auditor apportion and collect the net operating expenses of the Final Budget from the County and nine cities in accordance with Government Code Sections 56381(b)(2) and 56381(c).

### **DISCUSSION**

At the April 25, 2018 meeting, the Commission reviewed and approved the Proposed Budget for Fiscal Year (FY) 2019-2020. The Final Budget, as summarized in the table below, reflects this approval. No modifications are recommended at this time. The Final Budget includes operating expenses totaling \$498,175 and reflects a 1% increase as compared to the current year's budget. Table 1, below, summarizes the Final Budget categories.

*Table 1: LAFCO Final Budget Summary*

<b>Expenses</b>	<b>Current Budget FY 2018-19</b>	<b>Final Budget FY 2019-20</b>	<b>% Change (Proposed v. Current)</b>
Salaries & Benefits	\$406,165	\$429,200	6%
Services & Supplies	85,754	67,375	-21%
Other Charges	2,000	1,600	-20%
<b>Total Expenses</b>	<b>\$493,919</b>	<b>\$498,175</b>	<b>1%</b>
<b>Revenues</b>			
Undesignated Fund Balance	(\$30,000)	(\$25,000)	-17%
Applications & Other Revenues	(12,000)	(20,000)	67%
<b>Agency Contributions</b>	<b>\$451,919</b>	<b>\$453,175</b>	<b>0%</b>

A detailed Final Budget chart is attached to this report, along with a copy of the staff report for the Proposed Budget that includes a discussion highlighting individual accounts.

### Reserve Funds

As part of the Proposed Budget, the Commission also approved designation of reserves. The Commission currently maintains a General Fund Reserve that is set at a minimum of 15% of LAFCO's total operating expenses annually. For Fiscal Year 2019-2020, the General Fund Reserve amounts to \$74,730. LAFCO also budgets for an Accrued Leave Fund based on cash-out liability that is calculated annually.

In 2017, the Commission directed Staff to also include a Long-Term Liability Reserve fund. This was in response to an accounting requirement for agencies to report the estimated unfunded portion of their pension liability on their balance sheets. As discussed during the Proposed Budget, this estimate can vary significantly from year to year based on investment returns and contribution rates. It can be viewed as an indicator for the overall health of the StanCERA retirement system and does not reflect actual amounts for LAFCO's employees.

Table 2, below, reflects the proposed reserve funds for Fiscal Year 2019-2020. As reserve funds are re-visited and designated annually, the Commission may choose to increase or decrease reserves in future years. Similarly, the Commission has the ability to apply its General Fund Reserve (15%) for specific purposes as needs arise.

*Table 2: Proposed Reserve Funds*

<b>General Fund Reserve (15%)</b>	<b>\$ 74,730</b>
<b>Accrued Leave Fund (Cash-Out Liability)</b>	<b>86,900</b>
<b>Long-Term Liability Reserve</b>	<b>100,000</b>
<i>Total Reserves</i>	<i>\$ 261,630</i>

### Agency Contributions

LAFCO is funded by contributions from the County and nine cities. By statute, the County is apportioned a half-share of the Commission's operational costs. The cities' share is calculated annually by the County Auditor and is relative to each city's total revenues, as published in the most recent State Controller reports.

Combined, the County and City of Modesto contribute about 79% of the Commission's budget, with the remainder split amongst the smaller cities. (Chart 1 on the following page provides a visual of the contributions). Contribution amounts fluctuation from year to year amongst the cities, as their revenues increase or decrease relative to each other. Cities with larger increases in reported revenues may see their LAFCO contribution increase higher than other cities. Likewise, if a city has very low reported revenues, they may see their contribution amount decrease, even with an increase in LAFCO's budget (see Table 3 on the following page).

Chart 1: City/County Allocations (Estimated FY 2019-2020)\*

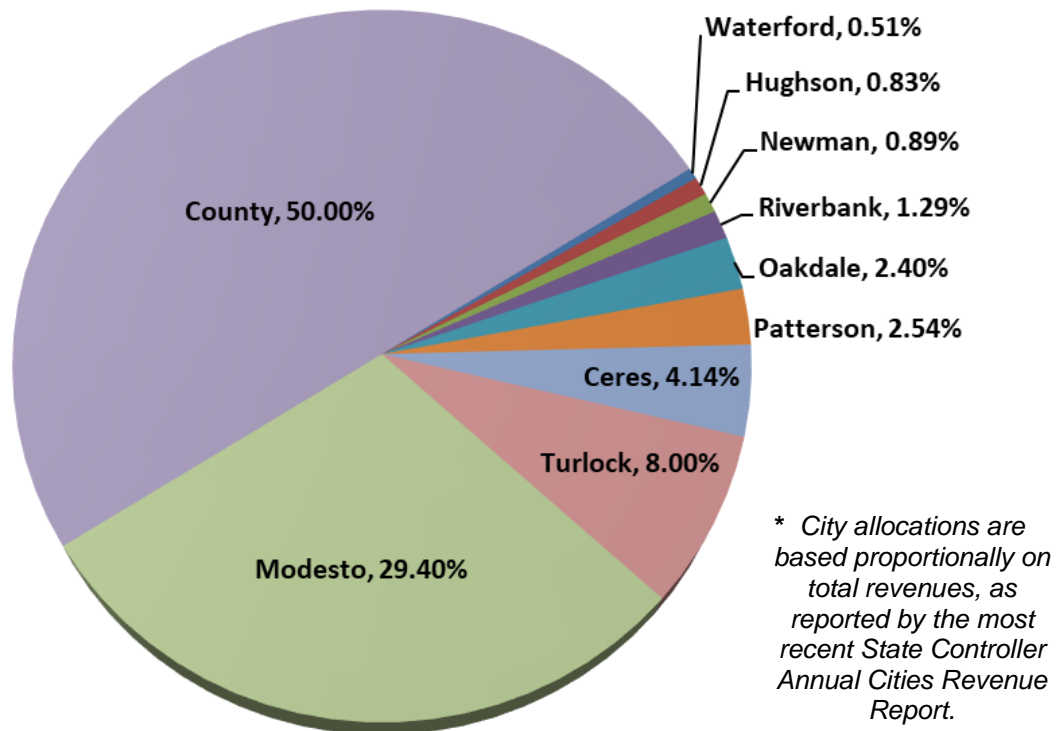


Table 3: Estimated Agency Contributions FY 2019-20\*

	State Controller Reported Revenues (FY 16-17)	% of LAFCO Budget	Current FY 18-19 Contribution	Estimated FY 19-20 Contribution	Total Change	% Increase (Decrease)
<b>Ceres</b>	51,185,904	4.14%	16,912	18,751	1,839	10.87%
<b>Hughson</b>	10,242,393	0.83%	3,953	3,752	(201)	(5.09%)
<b>Modesto</b>	363,750,067	29.40%	131,394	133,251	1,857	1.41%
<b>Newman</b>	10,997,113	0.89%	4,158	4,029	(129)	(3.12%)
<b>Oakdale</b>	29,669,057	2.40%	11,231	10,869	(362)	(3.23%)
<b>Patterson</b>	31,465,403	2.54%	10,834	11,527	693	6.39%
<b>Riverbank</b>	15,989,386	1.29%	7,443	5,857	(1,586)	(21.30%)
<b>Turlock</b>	98,957,798	8.00%	36,972	36,251	(721)	(1.95%)
<b>Waterford</b>	6,283,896	0.51%	3,062	2,302	(760)	(24.83%)
<b>All Cities</b>	618,541,017	50%	225,960	226,588	628	0.28%
<b>County Contribution</b>		50%	225,960	226,588	628	0.28%
<b>Total Agency Contributions</b>		100%	<b>\$ 451,919</b>	<b>\$ 453,175</b>	<b>\$ 1,256</b>	<b>0.28%</b>

\* Estimates are based on the most recent State Controller's Reports. Final amounts will be determined by the County Auditor following adoption of the Final Budget.

**CONCLUSION**

The Commission is required to adopt a Final Budget by June 15<sup>th</sup> annually. Following adoption of the Final Budget, a copy will be transmitted to the Board of Supervisors, each City, each Independent Special District, and to the County Auditor. The County Auditor will then allocate and charge LAFCO's net budget to all participating local agencies as outlined under Government Code Section 56381(b) and (c).

Approval of the Final Budget will enable the Commission to perform its core responsibilities effectively, and continue its work on MSR/SOI updates, policy development, and current projects.

Attachments: Draft LAFCO Resolution No. 2019-10  
- Final Budget Detail Fiscal Year 2019-2020

*For Reference: Copy of the Proposed Budget Staff Report, dated April 24, 2019*

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** May 22, 2019

**NO.** 2018-08

**SUBJECT: Adoption of the Final LAFCO Budget for Fiscal Year 2019-2020**

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**, Government Code Section 56381(a) requires the Commission to adopt annually, following noticed public hearings, a proposed budget by May 1 and a final budget by June 15;

**WHEREAS**, the Stanislaus Local Agency Formation Commission wishes to provide for a budget to fulfill its purposes and functions as set forth by State law;

**WHEREAS**, pursuant to Government Code Section 56381(a), the proposed budget must be, at a minimum, equal to the previous budget, unless a finding is made that the reduced costs will nevertheless allow the Commission to fulfill the purposes and programs of the Stanislaus Local Agency Formation Commission (LAFCO);

**WHEREAS**, the Commission conducted a public hearing on April 24, 2019 and approved a Proposed Budget for Fiscal Year 2019-2020, as submitted by the Executive Officer;

**WHEREAS**, the Commission considered the Final Budget for Fiscal Year 2019-2020 at a duly noticed public hearing on May 22, 2019;

**WHEREAS**, approval of the Final Budget will enable the Commission to perform its core responsibilities effectively, and to continue its work on State-mandated Municipal Service Reviews and Sphere of Influence Updates;

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

1. Finds that the Final Budget for Fiscal Year 2019-2020 will allow the Stanislaus Local Agency Formation Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act.
2. Adopts the Final Budget for Fiscal Year 2019-2020, with total operating expenses of \$498,175, as outlined in the attachment.

3. Directs Staff to transmit the adopted Final Budget for Fiscal Year 2019-2020 to the Board of Supervisors, each City, each Independent Special District, and the County Auditor, pursuant to Government Code Section 56381(a).
4. Requests that the County Auditor apportion and collect the net operating expenses of the Commission's Final Budget for Fiscal Year 2019-2020 in the amount of \$453,175 from the County and each of the nine cities no later than July 1, 2019 for the amount each entity owes in accordance with Government Code Sections 56381(b)(2) and 56381(c).
5. Authorizes the Executive Officer and the County Auditor to determine the method of collection if a city or the County does not remit its required payment within 60 days, as outlined in 56381(c).

**ATTEST:**

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

Attachment: Final Budget for Fiscal Year 2019-2020



**Stanislaus LAFCO**  
**FINAL BUDGET - FISCAL YEAR 2019-2020**

Account	FY 18-19 Adopted Budget	FY 18-19 Estimated Year-End	FY 19-20 FINAL BUDGET	Increase or (Decrease)	% Change
<b>Salaries and Benefits</b>					
50000+ Salaries and wages	\$ 243,710	\$ 244,100	\$ 263,630	\$ 19,920	8%
52000 Retirement	70,695	72,600	70,100	(595)	-1%
52010 FICA	19,210	18,800	20,000	790	4%
53000 Group health insurance	59,550	57,300	62,080	2,530	4%
53009 OPEB health insurance liability	2,820	2,820	2,920	100	4%
53020 Unemployment insurance	450	450	450	-	0%
53051 Benefits admin fee	190	160	190	-	0%
53081 Long term disability	380	380	380	-	0%
54000 Workers compensation insurance	1,165	1,165	1,300	135	12%
55000 Auto allowance	2,400	2,400	2,400	-	0%
55080 Professional development	2,200	2,200	2,200	-	0%
55130 Deferred comp mgmt/conf	3,395	3,495	3,550	155	5%
<b>Total Salaries and Benefits</b>	<b>\$ 406,165</b>	<b>\$ 405,870</b>	<b>\$ 429,200</b>	<b>\$ 23,035</b>	<b>6%</b>
<b>Services and Supplies</b>					
60400 Communications (SBT - Telecom)	\$ 900	\$ 1,080	\$ 1,110	\$ 210	23%
61000 Insurance (SDRMA)	3,475	3,400	3,600	125	4%
61030 Fiduciary liability insurance	40	40	40	-	0%
62200 Memberships (CSDA, CALAFCO)	6,065	5,880	6,615	550	9%
62400 Miscellaneous expense	3,000	2,000	3,000	-	0%
62450 Indirect costs (A87 roll forward)	5,875	5,875	(3,760)	(9,635)	-164%
62600 Office supplies	1,500	1,000	1,500	-	0%
62730 Postage	1,200	900	1,200	-	0%
62750 Other mail room expense	420	400	420	-	0%
63000 Professional & special serv	14,214	11,060	11,690	(2,524)	-18%
Building maint & supplies	3,600	2,800	3,000	(600)	-17%
Office lease	3,975	3,850	4,010	35	1%
Utilities	1,460	1,350	1,410	(50)	-3%
Janitorial	605	720	745	140	23%
Purchasing	275	240	275	-	0%
HR/Risk Mgt overhead	4,300	2,100	2,250	(2,050)	-48%
63090 Auditing & accounting	2,800	2,850	2,850	50	2%
63400 Engineering services	2,000	2,000	2,000	-	0%
63640 Legal services	12,000	9,000	12,000	-	0%
63990 Outside data proc services (IT & GIS Lic)	11,015	10,885	11,530	515	5%
IT Services (SBT)	7,315	7,335	7,830	515	7%
Video Streaming (SBT)	1,000	1,000	1,000	-	0%
Mtg Recording (Final Cut Media)	1,500	1,350	1,500	-	0%
GIS License (SBT)	1,200	1,200	1,200	-	0%
65000 Publications & legal notices	800	800	1,000	200	25%
65660 Special dept expense (biennial audit)	8,000	8,000	-	(8,000)	-100%
65780 Education & training	5,500	3,000	5,500	-	0%
65810 Other supportive services (messenger)	230	330	350	120	52%
65890 Commission expense (stipends, training)	6,100	4,500	6,100	-	0%
67040 Other travel expenses (mileage)	500	500	500	-	0%
67201 Salvage disposal	120	120	130	10	8%
<b>Total Services and Supplies</b>	<b>\$ 85,754</b>	<b>\$ 73,620</b>	<b>\$ 67,375</b>	<b>\$ (18,379)</b>	<b>-21%</b>
<b>Other Charges</b>					
73024 Planning dept services	\$ 2,000	\$ 900	\$ 1,600	\$ (400)	-20%
<b>Total Other Charges</b>	<b>\$ 2,000</b>	<b>\$ 900</b>	<b>\$ 1,600</b>	<b>\$ (400)</b>	<b>-20%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 493,919</b>	<b>\$ 480,390</b>	<b>\$ 498,175</b>	<b>\$ 4,256</b>	<b>1%</b>
<b>TOTAL REVENUES</b>					
40680+ Agency Contributions	451,919	451,919	453,175	1,256	0%
36414 Application & Other Revenues	12,000	30,000	20,000	8,000	67%
17000+ Interest Earnings & Refunds	-	6,340	-	-	-
<b>Use of Undesig. Fund Balance</b>	<b>\$ 30,000</b>		<b>\$ 25,000</b>	<b>\$ (5,000)</b>	<b>-17%</b>

**Stanislaus LAFCO**  
**FINAL BUDGET - FISCAL YEAR 2019-2020**  
**Reserve Funds & Undesignated Fund Balance**

Estimated Fund Balance June 30, 2019	\$	375,789
<i>General Fund Reserve (15%)</i>		(74,730)
<i>Accrued Leave Fund (Cash-Out Liability)</i>		(86,900)
<i>Long-Term Liability Reserve</i>		(100,000)
<b>Undesignated Fund Balance (Est.)</b>	<b>\$</b>	<b>114,159</b>

**EXECUTIVE OFFICER'S AGENDA REPORT  
APRIL 24, 2019**

TO: LAFCO Commissioners

FROM: Sara Lytle-Pinhey, Executive Officer

SLP

**SUBJECT: PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2019-2020**

---

**RECOMMENDATION**

It is recommended that the Commission:

1. Receive the Executive Officer's report and accept public testimony regarding the Proposed LAFCO Budget.
2. Adopt Resolution No. 2019-09, approving the Proposed LAFCO Budget for Fiscal Year 2019-2020.
3. Schedule a public hearing for May 22, 2019, to consider and adopt the Final LAFCO Budget for Fiscal Year 2019-2020.

**EXECUTIVE SUMMARY**

The Proposed Fiscal Year (FY) 2019-2020 Budget includes operating expenses totaling \$498,175 and reflects a 1% increase as compared to the 2018-2019 budget. The increase is primarily attributable to the salaries and benefits category. Table 1, below, summarizes the Proposed Budget and includes a comparison to the current year's budget.

*Table 1: LAFCO Proposed Budget Summary*

<b>Expenses</b>	<b>Current Budget FY 2018-19</b>	<b>Proposed Budget FY 2019-20</b>	<b>% Change (Proposed v. Current)</b>
Salaries & Benefits	\$406,165	\$429,200	6%
Services & Supplies	85,754	67,375	-21%
Other Charges	2,000	1,600	-20%
<b>Total Expenses</b>	<b>\$493,919</b>	<b>\$498,175</b>	<b>1%</b>
<b>Revenues</b>			
Undesignated Fund Balance	(\$30,000)	(\$25,000)	-17%
Application & Other Revenues	(12,000)	(20,000)	67%
<b>Agency Contributions</b>	<b>\$451,919</b>	<b>\$453,175</b>	<b>0%</b>

An analysis of the Commission's estimated year-end fund balance is also included in this report. Following allocations of reserve funds, Staff recommends the use of \$25,000 in undesignated fund balance to offset the FY 2019-2020 budget.

A chart depicting individual accounts for the Proposed Fiscal Year 2019-2020 Budget is attached to this report.

**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 24, 2019**  
**PAGE 2**

**BACKGROUND**

LAFCO is an independent commission established in each county by the State legislature. The Cortese-Knox-Hertzberg Local Government Reorganization Act establishes the specific funding methods and process for the annual LAFCO budget.

The Commission is funded by the County and its nine cities. Adopting the LAFCO budget is the responsibility of the Commission. The statutes governing LAFCO and directing its operations do not require separate approval of the financial program by the County, the nine cities, the independent special districts, nor any other local governmental agency. Section 56381(a) of the Government Code provides that:

- The Commission shall adopt annually, following noticed public hearings, a proposed budget by May 1, and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill the purposes and programs of this chapter.
- The Commission shall transmit its proposed and final budgets to the board of supervisors, to each city, and to each independent special district.

Following adoption of a final budget, the County Auditor will allocate and charge LAFCO's final net budget to all participating local agencies as outlined under Government Code Section 56381(b).

**EXPENSES**

The expense portion of the Proposed Budget is divided into three main categories: Salaries and Benefits, Services and Supplies, and Other Charges.

*SALARIES AND BENEFITS (Accounts 50000+)*

Expenses in the salaries and benefits category are projected to increase by 6% overall during Fiscal Year 2019-2020. LAFCO's employee benefits mirror the County's benefits, including health insurance and retirement (through StanCERA), pursuant to a Memorandum of Understanding between the County and the Commission. Estimates for these accounts are typically provided by the County during each budget cycle and are incorporated into the LAFCO Budget. For FY 2019-2020, retirement costs are projected to have a slight decrease (following a 15% increase in FY 2018-2019). Health insurance costs are anticipated to increase by 5% effective January 1st. Additionally, in June of 2018, the Board of Supervisors approved a 3% increase to base salaries for unrepresented employees for fiscal years beginning July 1, 2018, July 1, 2019, and July 1, 2020.

*SERVICES AND SUPPLIES (Accounts 60000+)*

The proposed expenditures in the Services and Supplies category have decreased by 21% as compared to the FY 2018-2019 budget. This is partly due to the removal of the Special Department Expense item (Account #65660) which is budgeted every other year for the biennial audit. This category also includes items associated with the County's Cost Allocation Plan (CAP) charges for various services provided to LAFCO, including County payroll, information technology, accounts payable/receivable, mailroom services, building services, legal services

**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 24, 2019**  
**PAGE 3**

and overhead charges. The following are highlights for various line items in the Services and Supplies category.

Professional & Special Services (Account #63000)

This account includes costs for office space, utilities, as well as overhead charges from the County for human resources, risk management, and purchasing. Staff met with the County to review these charges and clarify LAFCO's use of these services. This resulted in a reduced charge for current and proposed budget years of approximately \$2,000.

Data Processing (IT) Services (Account #63990)

LAFCO's information technology services are provided by the County's Strategic Business Technology Department (SBT). SBT also uses the County's Geographical Information Systems (GIS) division, which offers reduced pricing for GIS license fees to County departments and partner agencies (including LAFCO). The overall cost for IT services has increased based on SBT's implementation of new Office 365 licenses and enhanced IT security. Also included in this line item is the estimated annual cost for videotaping, televising, and live-streaming LAFCO meetings, totaling \$2,500.

Indirect Costs – "A-87 Roll-Forward" (Account #62450)

This account represents a two-year "true up" of estimated charges from the County's Cost Allocation Plan (CAP) charges for various services provided to LAFCO. These amounts tend to fluctuate annually and can result in a credit or debit depending on actual costs. For the current year, the Commission is estimated to have a credit of \$3,760.

Commission Expense (Account #65890)

The estimated Commission Expense for FY 2019-2020 is proposed to remain at \$6,100. The majority of this is expended on monthly meeting attendance stipends, with remaining funds used for Commissioner travel expenses to trainings, as opportunities arise. During Fiscal Year 2018-2019, the Commission had a savings in this account due stipend savings and only one Commissioner attending the Annual Conference. For the upcoming year, it is anticipated that two Commissioners will have the opportunity to attend the CALAFCO Annual Conference.

*OTHER CHARGES (Accounts #70000+)*

This category includes one account (#73024) for copy costs and a shared portion of the copier lease with the County Planning Department. These costs continue to trend lower than projected in the current fiscal year, as Staff strives to eliminate paper copies. Therefore, it is recommended that this account be reduced slightly to \$1,600.

**REVENUES**

The primary revenue source for LAFCO is contributions from the County and nine cities. Government Code Section 56381(b)(2) requires that the county and its cities shall each provide a one-half share of the commission's operational costs. By statute, the cities share is apportioned by the County Auditor relative to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the State Controller.

**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 24, 2019**  
**PAGE 4**

In addition to scheduled municipal service review updates, Staff is aware of at least four annexation proposals and a sphere of influence proposal that are in various planning stages and may be received in FY 2019-2020. Annexation applications are processed at actual cost, with deposits for different application types starting at \$3,000 and increasing based on estimated complexity. For FY 2019-20, Staff proposes budgeting estimated fee revenues of \$20,000. Application fees that are received in any given year can vary widely, so this item is estimated conservatively. Any additional revenue received above this amount will be credited during the Commission's next budget cycle.

**FUND BALANCE & RESERVES**

Government Code Section 56381(c) provides that "if at the end of the fiscal year, the Commission has funds in excess of what it needs, the Commission may retain those funds and calculate them into the following fiscal year's budget."

In 2015, an analysis of the fund balance was completed and the Commission reimbursed the majority of its undesignated fund balance back to the County and the nine cities. A remaining portion of the fund balance was used to maintain reserve funds.

Table 2 outlines the changes to the fund balance based on projected operating revenues and expenses in the current fiscal year. The actual amount of the FY 2018-19 fund balance will be calculated at year's end (typically by September). However, based on the beginning year fund balance and projected revenues and expenses, Staff has estimated a year-end fund balance of \$375,789. This is due to projected FY 2018-19 revenues exceeding estimates and expenses trending lower than anticipated, resulting in a net gain of \$7,869.

*Table 2: LAFCO Fund Balance*

<b>Fund Balance July 1, 2018</b>		<b>\$ 367,920</b>	
<b>Revenues</b>	<b>Estimated Year-End</b>	<b>Budgeted FY 18-19</b>	<i>Variance with Budget Over / (Under)</i>
City/County Contribution	\$ 451,919	\$ 451,919	\$ -
Application Revenue	30,000	12,000	18,000
Interest	6,340	-	6,340
<b>Total Revenues</b>	<b>\$ 488,259</b>	<b>\$ 463,919</b>	<b>\$ 24,340</b>
<b>Expenses</b>	<b>Estimated Year-End</b>	<b>Budgeted FY 17-18</b>	<i>Difference</i>
Salaries and Benefits	\$ 405,870	\$ 406,165	\$ (295)
Services and Supplies	73,620	85,754	(12,134)
Other Charges (Copier)	900	2,000	(1,100)
<b>Total Expenses</b>	<b>\$ 480,390</b>	<b>\$ 493,919</b>	<b>\$ (13,529)</b>
<b>Net Gain (Loss)</b>		<b>\$ 7,869</b>	<b>\$ (22,131)</b>
<b>Estimated Fund Balance June 30, 2019</b>		<b>\$ 375,789</b>	

**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 24, 2019**  
**PAGE 5**

Reserve Funds & Long-Term Pension Liability

The Commission's Reserve Fund Policy identifies two reserve categories to be calculated annually and allocated during the annual budget process: an Accrued Leave Fund (based on accumulated cash-out liability) and a General Fund Reserve (15% of operating expenses). Two years ago, the Commission requested an additional reserve fund be included to represent long-term liabilities. Proposed reserve funds are shown below:

*Table 3: Proposed Reserve Funds*

<b>General Fund Reserve (15%)</b>	<b>\$ 74,730</b>
<b>Accrued Leave Fund (Cash-Out Liability)</b>	<b>86,900</b>
<b>Long-Term Liability Reserve</b>	<b>100,000</b>
<i>Total Reserves</i>	<i>\$ 261,630</i>

The Commission's addition of a Long-Term Liability Reserve was in response to a recent accounting requirement known as GASB 68. GASB 68 requires employers to report long-term unfunded pension liabilities on their balance sheets. The estimated unfunded portion of the pension can vary significantly each year based on investment returns and contribution rates. It can be viewed as an indicator of the overall health of the StanCERA retirement system from year to year.

Accounting and budgeting for retirement costs are based on retirement contribution rates that are updated annually using actuarial analysis and adopted by the StanCERA Board. The rates are subsequently approved by the County Board of Supervisors, and participating departments and agencies are charged for their respective employees throughout the year for the current liability due for retirement contributions to the retirement system.

Long-term pension liability is currently reported on the Commission's balance sheet in the amount of \$503,091. This is a reduction from the previously reported amount of \$554,866. Pension liability is expected to continue to improve and the corresponding liability will be reduced when we see our next estimate at the close of this Fiscal Year. It is important to also note that the estimate of unfunded pension liability is based on LA FCO's proportion of the StanCERA system's overall unfunded pension liability and not actual amounts for LA FCO employees based on their years of service, retirement date, etc.

For the current year's budget, the Commission set aside \$75,000 for its Long-Term Liability Reserve. For the proposed budget, this reserve item has been increased to \$100,000. Staff from the County Auditor's office identified that there are many uncertainties with regards to the exact amount and timing of the long-term pension liability.

Fund Balance Status – Use of Undesignated Funds

As the Commission has been depleting the remainder of its undesignated fund balance, agency contributions will continue to see a corresponding increase in their allocation amounts. For the current year, the Commission received higher than anticipated application revenues, as well as savings from lower than expected expenses. Therefore, Staff recommends using \$25,000 of the undesignated fund balance to offset the proposed FY 2019-2020 Budget. This, in conjunction with estimated application revenues (\$20,000) will help to offset a agency



**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 24, 2019**  
**PAGE 6**

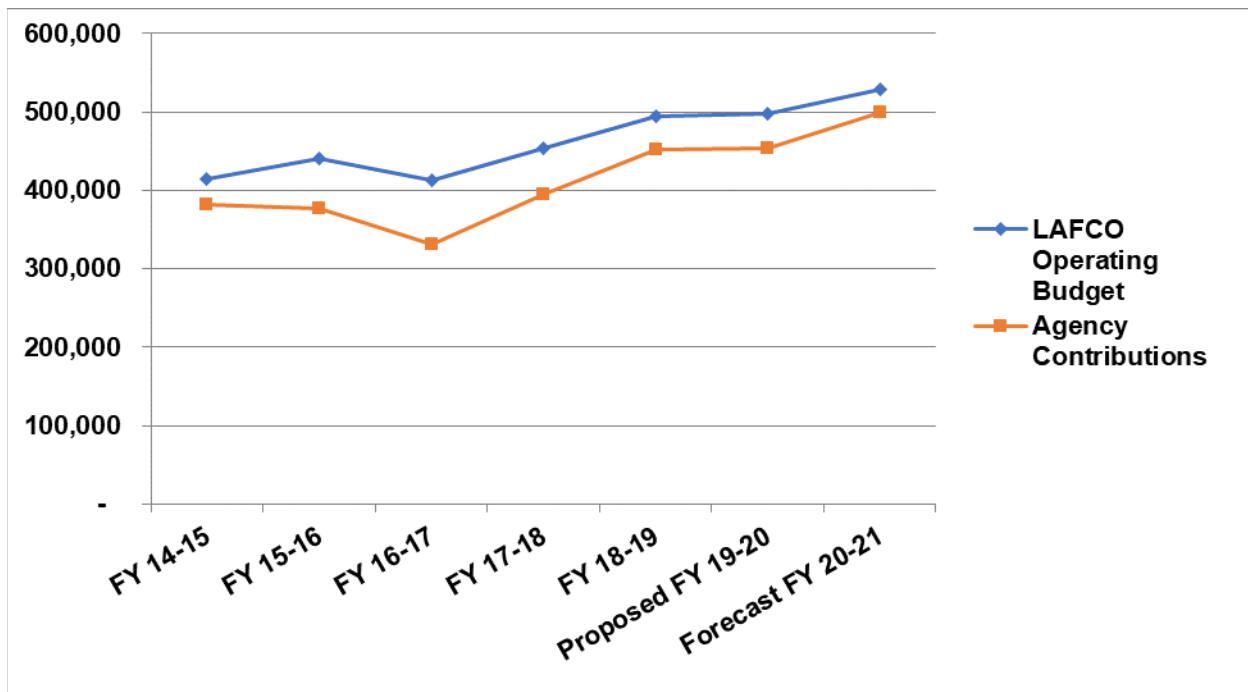
contributions, keeping them at a similar level as FY 2018-2019.

A forecast of the following year's budget shows that agency contributions will soon be closer to matching the Commission's operating expenses (see Table 4 and the figure below).

**Table 4: Total Budget & Agency Contributions**

	<b>FY 18-19</b>	<b>Proposed FY 19-20</b>	<b>Forecasted FY 20-21</b>
<b>Total Budget</b>	\$ 493,919	\$ 498,175	\$ 529,000
<b>Agency Contributions</b>	451,919	453,175	499,000
<b>Fund Balance Beg.</b>	367,920	375,789	350,789
<b>Drawdown</b> (Use of Fund Balance to Reduce Agency Contributions)	(30,000)	(25,000)	(15,000)
<b>Fund Balance End (Est.)</b>	375,789	350,789	335,789
<b>Designated Reserves: 15% Reserve</b>	74,100	74,730	79,350
<i>Accrued Leave (Cash-Out Liability)</i>	82,700	86,900	85,000
<i>Long-Term Liability Reserve</i>	75,000	100,000	125,000
<i>Total Reserves</i>	231,800	261,630	\$ 289,350
<b>Available Fund Balance to Offset Next FY Budget</b>	<b>\$ 143,989</b>	<b>\$ 89,159</b>	<b>\$ 46,439</b>

**Figure 1: Forecast of Agency Contributions**





**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 24, 2019**  
**PAGE 7**

**WORK PROGRAM & APPLICATION ACTIVITY**

During the current fiscal year, LAFCO Staff completed the Commission's 2018 municipal service review work program and has begun work on the updates scheduled for 2019. Staff also processed nine out-of-boundary service extension applications, seven district applications, and two city applications. City and district application activity has remained steady, and we continue to receive inquiries regarding upcoming applications.

For the upcoming fiscal year, Staff expects to complete the Commission's 2019 adopted work program. Staff has also been working to improve our Geographical Information Systems data and convert additional paper records to electronic files, consistent with the Commission's retention policy.

**CONCLUSION**

The Commission and LAFCO Staff continue to exercise fiscal prudence, recognizing the financial constraints faced by our funding agencies. Approval of the Proposed Budget will enable the Commission to perform its core responsibilities effectively, and continue its work on MSR/SOI updates, policy development, and current projects.

Attachments: LAFCO Resolution No. 2019-09  
Proposed Fiscal Year 2019-2020 Budget Detail

*This page intentionally left blank.*

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 24, 2019

**NO. 2019-09**

**SUBJECT: Adoption of the Proposed LAFCO Budget for Fiscal Year 2019-2020**

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

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, Government Code Section 56381(a) requires the Commission to adopt annually, following noticed public hearings, a proposed budget by May 1 and a final budget by June 15;

**WHEREAS**, the Stanislaus Local Agency Formation Commission wishes to provide for a budget to fulfill its purposes and functions as set forth by State law;

**WHEREAS**, pursuant to Government Code Section 56381(a), the proposed budget must be, at a minimum, equal to the previous budget, unless a finding is made that the reduced costs will nevertheless allow the Commission to fulfill the purposes and programs of the Stanislaus Local Agency Formation Commission (LAFCO);

**WHEREAS**, approval of the Proposed Budget will enable the Commission to perform its core responsibilities effectively, and to continue its work on State mandated Municipal Service Reviews and Sphere of Influence Updates;

**WHEREAS**, the Commission mailed notices of the Proposed Budget to the County Board of Supervisors, the nine cities and the independent special districts; published a notice in Modesto Bee, and posted said notice on its website; and

**WHEREAS**, the Commission has conducted a public hearing on April 24, 2019, to consider the Proposed Budget for Fiscal Year 2019-2020, as submitted by the Executive Officer.

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

1. Finds that the Proposed Budget for Fiscal Year 2019-20 will allow the Stanislaus Local Agency Formation Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act.
2. Adopts the Proposed Budget for Fiscal Year 2019-20 as outlined in Exhibit 1, in accordance with Government Code Section 56381(a).

3. Hereby schedules the public hearing to consider the adoption of the Final Budget for Fiscal Year 2019-2020, for the Commission's May 22, 2019 meeting.

**ATTEST:**

  
Sara Lytle-Pinhey  
Executive Officer

Attachment: Proposed Fiscal Year 2019-2020 Budget

**Stanislaus LAFCO**  
**PROPOSED FISCAL YEAR 2019-2020 BUDGET**

Account	FY 18-19 Legal Budget	FY 18-19 Estimated Year-End	FY 19-20 PROPOSED BUDGET	Increase or (Decrease)	% Change
<b>Salaries and Benefits</b>					
50000+ Salaries and wages	\$ 243,710	\$ 244,100	\$ 263,630	\$ 19,920	8%
52000 Retirement	70,695	72,600	\$ 70,100	(595)	-1%
52010 FICA	19,210	18,800	\$ 20,000	790	4%
53000 Group health insurance	59,550	57,300	\$ 62,080	2,530	4%
53009 OPEB health insurance liability	2,820	2,820	\$ 2,920	100	4%
53020 Unemployment insurance	450	450	\$ 450	-	0%
53051 Benefits admin fee	190	160	\$ 190	-	0%
53081 Long term disability	380	380	\$ 380	-	0%
54000 Workers compensation insurance	1,165	1,165	\$ 1,300	135	12%
55000 Auto allowance	2,400	2,400	\$ 2,400	-	0%
55080 Professional development	2,200	2,200	\$ 2,200	-	0%
55130 Deferred comp mgmt/conf	3,395	3,495	\$ 3,550	155	5%
<b>Total Salaries and Benefits</b>	<b>\$ 406,165</b>	<b>\$ 405,870</b>	<b>\$ 429,200</b>	<b>\$ 23,035</b>	<b>6%</b>
<b>Services and Supplies</b>					
60400 Communications (SBT - Telecom)	\$ 900	\$ 1,080	\$ 1,110	\$ 210	23%
61000 Insurance (SDRMA)	3,475	3,400	\$ 3,600	125	4%
61030 Fiduciary liability insurance	40	40	\$ 40	-	0%
62200 Memberships (CSDA, CALAFCO)	6,065	5,880	\$ 6,615	550	9%
62400 Miscellaneous expense	3,000	2,000	\$ 3,000	-	0%
62450 Indirect costs (A87 roll forward)	5,875	5,875	\$ (3,760)	(9,635)	-164%
62600 Office supplies	1,500	1,000	\$ 1,500	-	0%
62730 Postage	1,200	900	\$ 1,200	-	0%
62750 Other mail room expense	420	400	\$ 420	-	0%
63000 Professional & special serv	14,214	11,060	\$ 11,690	(2,524)	-18%
Building maint & supplies	3,600	2,800	\$ 3,000	(600)	-17%
Office lease	3,975	3,850	\$ 4,010	35	1%
Utilities	1,460	1,350	\$ 1,410	(50)	-3%
Janitorial	605	720	\$ 745	140	23%
Purchasing	275	240	\$ 275	-	0%
HR/Risk Mgt overhead	4,300	2,100	\$ 2,250	(2,050)	-48%
63090 Auditing & accounting	2,800	2,850	\$ 2,850	50	2%
63400 Engineering services	2,000	2,000	\$ 2,000	-	0%
63640 Legal services	12,000	9,000	\$ 12,000	-	0%
63990 Outside data proc services (IT & GIS Lic)	11,015	10,885	\$ 11,530	515	5%
IT Services (SBT)	7,315	7,335	\$ 7,830	515	7%
Video Streaming (SBT)	1,000	1,000	\$ 1,000	-	0%
Mtg Recording (Final Cut Media)	1,500	1,350	\$ 1,500	-	0%
GIS License (SBT)	1,200	1,200	\$ 1,200	-	0%
65000 Publications & legal notices	800	800	\$ 1,000	200	25%
65660 Special dept expense (biennial audit)	8,000	8,000	\$ -	(8,000)	-100%
65780 Education & training	5,500	3,000	\$ 5,500	-	0%
65810 Other supportive services (messenger)	230	330	\$ 350	120	52%
65890 Commission expense (stipends, training)	6,100	4,500	\$ 6,100	-	0%
67040 Other travel expenses (mileage)	500	500	\$ 500	-	0%
67201 Salvage disposal	120	120	\$ 130	10	8%
<b>Total Services and Supplies</b>	<b>\$ 85,754</b>	<b>\$ 73,620</b>	<b>\$ 67,375</b>	<b>\$ (18,379)</b>	<b>-21%</b>
<b>Other Charges</b>					
73024 Planning dept services	\$ 2,000	\$ 900	\$ 1,600	\$ (400)	-20%
<b>Total Other Charges</b>	<b>\$ 2,000</b>	<b>\$ 900</b>	<b>\$ 1,600</b>	<b>\$ (400)</b>	<b>-20%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 493,919</b>	<b>\$ 480,390</b>	<b>\$ 498,175</b>	<b>\$ 4,256</b>	<b>1%</b>
<b>TOTAL REVENUES</b>					
40680+ Agency Contributions	451,919	451,919	453,175	1,256	0%
36414 Application & Other Revenues	12,000	30,000	20,000	8,000	67%
17000+ Interest Earnings & Refunds	-	6,340	-	-	-
<b>Use of Undesig. Fund Balance</b>	<b>\$ 30,000</b>		<b>\$ 25,000</b>	<b>\$ (5,000)</b>	<b>-17%</b>

**Stanislaus LAFCO**  
**PROPOSED FISCAL YEAR 2019-2020 BUDGET**  
**Reserve Funds & Undesignated Fund Balance**

Estimated Fund Balance June 30, 2019	\$	375,789
<i>General Fund Reserve (15%)</i>		(74,730)
<i>Accrued Leave Fund (Cash-Out Liability)</i>		(86,900)
<i>Long-Term Liability Reserve</i>		(100,000)
<b>Undesignated Fund Balance (Est.)</b>	<b>\$</b>	<b>114,159</b>