



**STANISLAUS LAFCO  
LOCAL AGENCY FORMATION COMMISSION**

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**Chair Amy Bublak, City Member**  
**Vice Chair Terry Withrow, County Member**  
Richard O'Brien, City Member  
Vito Chiesa, County Member  
Bill Berryhill, Public Member  
Javier Lopez, Alternate City Member  
Mani Grewal, Alternate County Member  
Brad Hawn, Alternate Public Member

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**AGENDA  
Wednesday, April 28, 2021  
6:00 P.M.  
Joint Chambers—Basement Level  
1010 10<sup>th</sup> Street, Modesto, California 95354**

**MEMBERS OF THE PUBLIC MAY OBSERVE THE MEETING AND ADDRESS  
THE COMMISSION AS DESCRIBED BELOW.**

- This meeting will be open to the public. Effective August 26, 2020, pursuant to the order issued by Governor Newsom and consistent with guidance issued by the California Department of Public Health, social distancing and face coverings are required for in person attendance at the meeting. The chamber's audience seating capacity will be limited to approximately thirty (30) persons.
- You can also observe the live stream of the LAFCO meeting at:  
<http://www.stancounty.com/sclive/>
- In addition, LAFCO meetings are broadcast live on local cable television. A list of cable channels is available at the following website:  
<http://www.stancounty.com/planning/broadcasting.shtm>
- If you wish to provide a written comment, please submit your comment (include Agenda Item Number in the subject line), to the Clerk at: [lafco@stancounty.com](mailto:lafco@stancounty.com). Public comments will be accepted by email until the close of the public comment period for the specific item. You do not have to wait until the meeting begins to submit a comment. All comments will be shared with the Commissioners and placed in the record.

**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 comment on items that are not listed on the regular agenda. 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 March 24, 2021 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.

C. "In the News."

**5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

**6. CONSENT ITEMS**

None.

**7. OTHER BUSINESS**

A. **SELECTION OF PUBLIC MEMBER AND ALTERNATE PUBLIC MEMBER TO THE COMMISSION.** The Commission will consider applications to fill upcoming vacancies for the Public and Alternate Public Member. (Staff Recommendation: Appoint a Public Member and Alternate Public Member and adopt Resolutions No. 2021-06 and 2021-07.)

**8. PUBLIC HEARINGS**

A. **LAFCO APPLICATION NO. 2021-01 – NORTHWEST NEWMAN PHASE I REORGANIZATION TO THE CITY OF NEWMAN:** The City of Newman has requested annex approximately 53.47 acres to the City of Newman and simultaneously detach the area from the West Stanislaus Fire Protection District and Central California Irrigation District. The City of Newman previously applied for a larger annexation area in 2018 that was terminated by election. The current proposal represents a smaller portion of Phase One of the Northwest Newman Master Plan. The project area is located northwest of the Newman City Limits, west of Highway 33 and south of Stuhr Road. The City assumed the role of Lead Agency, pursuant to the California Environmental Quality Act (CEQA), for the project and prepared an Environmental Impact Report for the project. LAFCO, as a Responsible Agency, will consider the environmental documentation and adopt the same findings if approved. (Staff Recommendation: Adopt Resolution No. 2021-04, approving the application.)

B. **LAFCO PROPOSED BUDGET FOR FISCAL YEAR (FY) 2021-2022.** 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. 2021-05.)

**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 May 26, 2021.

B. Adjournment.

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**LAFCO Disclosure Requirements**

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

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

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

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

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

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

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

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## **STANISLAUS LOCAL AGENCY FORMATION COMMISSION**

### **MINUTES**

**March 24, 2021**

#### **1. CALL TO ORDER**

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

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

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

Commissioners Present: Amy Bublak, Chair, City Member  
Terry Withrow, Vice-Chair, County Member  
Richard O'Brien, City Member  
Vito Chiesa, County Member  
Bill Berryhill, Public Member  
Brad Hawn, Alternate Public Member

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

Commissioners Absent: Mani Grewal, Alternate County Member  
Javier Lopez, Alternate City Member

#### **2. PUBLIC COMMENT**

None.

#### **3. APPROVAL OF MINUTES**

A. Minutes of the February 24, 2021 Meeting.

Motion by Commissioner O'Brien, seconded by Commissioner Chiesa and carried with a 5-0 vote to approve the Minutes of the February 24, 2021 meeting by the following:

Ayes: Commissioners: Berryhill, Bublak, Chiesa, O'Brien and Withrow  
Noes: Commissioners: None  
Ineligible: Commissioners: Hawn  
Absent: Commissioners: Grewal and Lopez  
Abstention: Commissioners: None

**4. CORRESPONDENCE**

- A. Specific Correspondence.
- None.
- B. Informational Correspondence.
1. 2020 CALAFCO Annual Report.
- C. "In the News."

**5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

None.

**6. CONSENT ITEMS**

None.

**7. PUBLIC HEARING**

- A. **LAFCO APPLICATION NO. 2020-01, MUNICIPAL SERVICE REVIEW NO. 2020-03 & SPHERE OF INFLUENCE UPDATE NO. 2020-03 – SALIDA STORM DRAIN REORGANIZATION TO COUNTY SERVICE AREA 4:** Request to annex the Salida community into County Service Area (CSA) 4 to provide storm drain services. The proposal includes a divestiture of storm drain services from the existing CSA 10 and detachment of the Landmark Business Park area from CSA 10. An updated Municipal Service Review and Sphere of Influence will also be considered. The proposal is exempt from CEQA pursuant to sections 15319(a) and 15061(b)(3). (Staff Recommendation: Approve the application and adopt Resolution No. 2021-03.)

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

Chair Bublak opened the item up for Public Comment at 6:15 p.m.

Dave Leamon, Public Works Director, answered questions of the Commission regarding the proposal.

Chair Bublak closed the Public Hearing at 6:18 p.m.

Motion by Commissioner O'Brien, seconded by Commissioner Berryhill and carried with a 5-0 vote to approve the application and adopt Resolution No. 2021-03, by the following vote:

Ayes:	Commissioners: Berryhill, Bublak, Chiesa, O'Brien and Withrow
Noes:	Commissioners: None
Ineligible:	Commissioners: Hawn
Absent:	Commissioners: Grewal and Lopez
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 due date for applications for public and alternate public member on the Commission is Monday, March 29<sup>th</sup> at 4:30pm.
- For the April 28<sup>th</sup> meeting, the Commission will hear the proposed LAFCO budget and the Northwest Newman annexation proposal.
- For the May 26<sup>th</sup> meeting, the Commission will hear the final LAFCO budget and the Lodi-Whitmore annexation to the City of Modesto.

**12. ADJOURNMENT**

A. Chair Bublak adjourned the meeting at 6:21 p.m.

**DRAFT**

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Sara Lytle-Pinhey, Executive Officer

**CORRESPONDENCE – IN THE NEWS**

**Newspaper Articles**

- The Modesto Bee, April 9, 2021, “Stanislaus Consolidated fire chief retires. It can now afford to reopen station.”
- The Modesto Bee, April 15, 2021, “Scaled-down project near Highway 99, including hydrogen fuel station, stirs up debate.”
- Ceres Courier, April 14, 2021, “Homes selling like hotcakes in Hughson.”
- The Modesto Bee, April 15, 2021, “Never mind: OID and SSJID cancel large water sale to West Side because of drought.”
- The Modesto Bee, April 19, 2021, “Free bottled water is coming to up to 42,000 Stanislaus-area homes with tainted wells.”

# Stanislaus Consolidated fire chief retires. It can now afford to reopen station.

By Ken Carlson

Stanislaus Consolidated Fire Protection District has appointed an interim chief while board members work on filling the permanent position.

Chief Michael Whorton retired effective Wednesday after 31 years in the fire service, district officials said. Whorton was the chief for Stanislaus Consolidated for more than two years.

At a regular meeting Thursday, the district board appointed Eric Holly to serve as interim fire chief.

Holly has been deputy fire warden for Stanislaus County. According to salary records at Transparent California, Holly was previously a captain for Ceres Fire Department.

Whorton, who was promoted in-house in January 2019, was credited with restoring the district's budget and erasing a \$1.2 million deficit.

District staff reported Thursday that Station 23 will reopen Monday now that new firefighters have completed academy training and the budget shortfall is resolved. The station on Highway 132 east of Modesto, near Geer Road, was closed in fall 2019 when the fire district was in the red.

Eric DeHart, public information officer, said prior to Thursday's meeting that district officials are still discussing the process for finding the next permanent fire chief. "They are looking at the options as far as potential recruitment," DeHart said.

The leadership transition is going smoother than a previous change in management at Stanislaus Consolidated.

In October 2017, the district board voted to fire former Chief Rick Weigele after just five months on the job. Dozens of people supporting Weigele attended a meeting that month urging the board to keep the chief. The reason for terminating Weigele was not disclosed.

Weigele was the third chief to leave the fire district in a two-year period. By contrast, Whorton added some stability to the executive position with a stint of two-plus years.

Weigele, who was later hired by Salida Fire District, recently filed a whistleblower complaint against Salida.

The appointed five-member board for Stanislaus Consolidated has completely turned over since the shakeup more than three years ago. The fire district employs 48 firefighters today.

Board Member Charles Neal of Riverbank said the district is now in solid financial shape. But that could always change if the board does not keep a close watch on spending, he said.

"If things go wrong we will need help from the public to keep in the black and not drift back in the red again," Neal said.



# Scaled-down project near Highway 99, including hydrogen fuel station, stirs up debate

By Ken Carlson

A last-minute response from the California Department of Fish and Wildlife will delay a Salida commercial project, near Hammett Road and Highway 99, for at least a few months.

The contentious proposal for a 24-hour service station and convenience store, plus a drive-through restaurant, had been scheduled for a hearing Thursday before Stanislaus County's planning commission.

Angela Freitas, county director of planning and community development, said the project is now on an "indefinite continuance" because the state wildlife agency wants the environmental review to address possible impacts on Swainson's hawk and burrowing owls.

In 2019, a proposed truck plaza at the same location, at the Hammett and Pirrone Road intersection, drew opposition from more than 500 petition signers.

The applicants, Cal Sierra Financial and Grover Family Properties, scaled down the plan to a service station with no semi-truck fueling, a 4,500-square-foot convenience market, a fast food outlet, retail and mini storage.

Some residents have also opposed the smaller project, saying the 24-hour business will create traffic impacts, light pollution, noise and public safety issues.

"A lot of people thought this project was done and gone," said Nicki Rosbrough, a resident of the nearby Vizcaya neighborhood. She predicted the business will attract people coming off the highway at all hours and lead to criminal activity.

Mark Grover, the landowner, said Wednesday the developers have made every accommodation they can to appease neighbors. He said the environmental work was done and the hearing set, and then the state made a claim there might be burrowing owls on the property.

"I don't see how burrowing owls are there," Grover said. "The property is farmed and planted in alfalfa. It's just delaying tactics and at some point it needs to stop."

Grover said it's a nice-looking plan for the development, with lighting to cut down on glare and storage units on the perimeter. "It is not going to be a truck stop. It won't be anything that will attract a bad element," Grover said.

## A POSSIBLE HYDROGEN FUEL STATION

The developers recently added a possible hydrogen fuel station, which has raised questions from Salida residents who oppose the revised plan.

County staff said the gasoline station operator will ultimately decide whether to serve hydrogen fuel-cell vehicles.

While the environmental review did not consider the hydrogen fuel station, county planning staff sought an opinion from the county fire warden and hazardous materials division. A staff report concluded that hydrogen fuel poses no greater hazard than gasoline or diesel and will not contaminate groundwater.

In addition, the state has supported hydrogen-powered vehicles as a no-emission option for slowing climate change.

**IN THE NEWS – The Modesto Bee, April 15, 2021 (Continued Page 2)**

Rosbrough said the nearby residents deserve more information about any risks of the hydrogen fuel station, which would be a first for the county.

Rosbrough questioned the need for a new gasoline station, as there are eight other gas stations within five miles.

According to agenda reports, Salida community members raised concerns about the scaled-down plan at a March 2020 meeting. A poll of those attending the meeting showed two people in support, a dozen opposed and four undecided.

The Salida Municipal Advisory Council heard a project presentation March 23 and was split 2-2 on a motion to oppose the development.

County Supervisor Terry Withrow, who was critical of the original truck plaza proposal, said he has concerns about the revised development plan and its potential impact on the community.

"There are houses right up against it," Withrow said. He speculated that the site's proximity to the Stanislaus River has resulted in the wildlife issues raised by the state.

Grover said the applicants will hire an expert to survey the land for burrowing owls, a process expected to take two months.

IN THE NEWS – The Ceres Courier, April 14, 2021

## Homes selling like hotcakes in Hughson

By Jeff Benziger

The sound of hammers and saws in east Hughson are signs of an economy coming back – with the fulfilling of a pent-up demand for more housing in Stanislaus County.

There is a waiting list to buy the homes in Kaufman & Broad's new Fieldstone subdivision in Hughson. Sold signs are up in several homes standing in the framing stage.

"They are selling like hotcakes," said Hughson's Community Development Director Rachel Wyse. "I think most of them are sold. It's crazy."

The Hughson City Council approved the 69 lots in 2006, originally the Euclid South Development. The mortgage crash of 2008 halted construction. The agreement with Florsheim Homes was amended in December 2017 and the final map was approved on March 9, 2020. Buildout is expected to happen by year's end.

KB Homes is offering four ranch style floor plans, priced starting at \$437,990.

The Courier was unsuccessful in contacting KB Homes for comment. The Hughson sales office may be reached at 404-5515 and is only showing models only by appointment at 1622 Legacy Way. Hours are Mondays, 1 to 6 p.m. and Tuesdays through Sundays 10 a.m. to 6 p.m.

Hughson is primed for additional new home in other infill areas, such as the Euclid North Development approved in 2007 and amended in November 2017. K-B Homes has purchased the building site of 50 lots which is expected to begin construction in 2022. The Hughson City Council granted an additional extension on Monday to keep the project current.

Parkwood Development, approved by the City Council in November, will bring 299 new homes to the 56 acres on the corner of Hatch Road and Santa Fe Avenue.

"We anticipate buildout within the next five years," said Hughson City Manager Merry Mayhew.

Building is also taking place on a 20-unit apartment complex on Walker Lane.

Beyond those three projects, Hughson will be debating its future growth plans as it updates its General Plan.

"Our General Plan was last updated in 2005 and much has changed in the last 15 plus years," said Mayhew. "We are planning to begin a General Plan update this year and issues surrounding growth limits will be reviewed at that time."

"Other than the three developments that have been approved, the city does not have any other large sites for residential development."

Despite the fact that houses are in short supply, there is currently no building taking place in Ceres, nor will there be for some time, said Ceres City Manager Tom Westbrook. There have been no building projects proposed for the West Landing area in southwest Ceres nor any activity in the lots approved years ago for Copper Trails and Maple Glen.

"It's pretty much stagnant," said Westbrook. "There are some folks that are interested maybe having some initial discussions on bringing that back on line. I think they're trying to forecast when the

**IN THE NEWS – The Ceres Courier, April 14, 2021 (continued)**

interchange will be constructed and then their project ready to build – but that's still a couple of years away; nothing really happening at the moment.”

In May the Ceres Planning Commission will be asked to approve the first tentative subdivision map for 20 acres of the Whitmore Ranch Specific Plan which was annexed to the city in 2019. The city annexed 94 acres to the city limits that will yield up to 441 new dwelling units south of Whitmore Avenue between Moore Road and Cesar Chavez Junior High School.

The annexation included La Rosa Elementary and Cesar Chavez Junior High School campuses as well as lands presently zoned for agricultural use.

The plan calls for:

- 28 acres earmarked for the development of low-density residential uses, or 196 single-family homes with an average lot size of 5,000 square feet;
- 6.6 acres of medium-density residential uses, or 85 dwelling units with an average lot size of 3,000 square feet;
- 6.4 acres of high-density apartment or condominiums that could result in 160 living units;
- 5.2 acres of open space, including a bike and pedestrian corridor leading to the junior high's western boundary.

# Never mind: OID and SSJID cancel large water sale to West Side because of drought

By John Holland

The worsening drought has canceled a large water sale to West Side farmers by the Oakdale and South San Joaquin irrigation districts.

They announced Wednesday that their own customers will need the water, which had been declared surplus in early March. A revised forecast of Stanislaus River runoff scuttled the sale, which could have brought up to \$25 million to the sellers.

The water would have been delivered down the Stanislaus to the Sacramento-San Joaquin Delta, then pumped to buyers as far south as Kern County.

The higher flow would have been timed to help young salmon get out to the Pacific Ocean. That “pulse” will still happen in late April and early May, but at a much lower volume.

OID and SSJID often have surplus water to sell during droughts because of senior rights, past conservation efforts and an agreement on storage in New Melones Reservoir.

Some of the West Side districts expect only 5% of their contracted volume from the federal Central Valley Project and the State Water Project.

OID and SSJID had planned to sell up to 100,000 acre-feet at \$250 per acre-foot to two agencies representing users of state and federal water. That's roughly 20 times what their own customers pay to irrigate farmland in northeast Stanislaus and southeast San Joaquin counties.

The two districts have used past water sale income to upgrade their canal systems and keep customer rates low, although OID has critics who say the water should stay home.

Wednesday's announcement also said the 2021 sale was hampered because the U.S. Bureau of Reclamation could not agree on carrying it out in time.

The central Sierra Nevada snowpack was just 41% of average as of Tuesday, the California Department of Water Resources reported. The winter started slow, got a boost with a few big storms in January, and has since slid back.

The Modesto and Turlock irrigation districts have capped their customers at about 80% of the accustomed deliveries from the Tuolumne River. A large stretch of the West Side from Crows Landing to Mendota will get 75% from the federal system because of senior rights.

Neither OID nor SSJID has put a cap on farmers, but they are urged to use the supply carefully in case 2022 is dry, too.

“We ask growers to be extra mindful on the reasonable and prudent uses of water in this drought year,” OID General Manager Steve Knell said by email.

SSJID General Manager Peter Rietkerk said it hopes to get by without a cap, but a decision might not come until early May. The district also treats river water to supplement city wells in Escalon, Manteca, Lathrop and Tracy.

“... we are hopeful that a combination of operational changes, drought-minded grower irrigation and municipal use, and recent automation improvements throughout the district will help us weather the year without having to establish any caps or cuts,” Rietkerk said.

# Free bottled water is coming to up to 42,000 Stanislaus-area homes with tainted wells

By John Holland

Up to 42,000 people in Stanislaus and Merced counties soon will get free bottled water because their wells are high in nitrate.

The cost of at least \$1 million a year will be borne by farmers and other parties whose land contributed in the past to the problem. Nitrate can impede the body's uptake of oxygen, especially in infants and pregnant women.

The program is set to launch May 7, under the Central Valley Regional Water Quality Control Board. It is one of several about to start in high-priority parts of the Valley.

The program will be in place while work continues on long-term solutions on nitrate, such as connecting to city water lines and improving farm practices. That could take a few years in some spots and a few decades in others.

Qualifying residents no longer will have to buy bottled water by the case in grocery stores. They can choose to get a dispenser for 5-gallon jugs that are replaced as needed, or an under-the-sink nitrate filter that is changed regularly.

The program next year might add water-filling kiosks at shopping centers or other convenient locations. That will depend on how the delivery and filter options work over the first year.

The program will operate outside city water systems, which already have treatment for nitrate or have retired problem wells.

An interactive map can help residents see if they might qualify for the free bottled water in Stanislaus or Merced. It was created by the Valley Water Collaborative, formed last year by farmers, food processors, city sewage managers and other partners.

"This is the quickest way to make sure people have safe drinking water," Executive Director Parry Klassen said in a phone interview.

## BAD WATER FROM SALIDA TO DELHI AREAS

The program area covers the Modesto and Turlock groundwater basins. It is bounded by the Stanislaus River on the north, the San Joaquin River on the west, the Merced River on the south, and roughly the Tuolumne County line on the east.

The map shows extensive nitrate hazards generally west of Highway 99 from Salida to Delhi. Another large zone stretches north, east and south of Turlock. Smaller hot spots are near Oakdale, Waterford and east Modesto.

The program is open to people of any income, and to renters as well as homeowners.

They can start the process by requesting free testing to see if their wells meet the threshold of 10 parts per million of nitrate. If they do, the collaborative will guide them through the steps for free bottled water or filters.

A reading between 8 and 10 ppm signifies a possible risk and will qualify the resident for another free test in a year.

## IN THE NEWS – The Modesto Bee, April 19, 2021 (Continued Page 2)

The program drew cautious support from two environmental leaders involved in the issue over the past decade.

"We're thrilled that the outcome we've been working towards for so long is within reach," said an email from Jennifer Clary, state director for Clean Water Action, a national group.

"But success is dependent on effective outreach that reaches community members most in need, including those who may not have access to the internet, are renters or who speak languages other than English."

Clary said the program should not just involve nitrate, but pollutants such as coliform bacteria, arsenic, uranium and trichloropropane.

The same point was made by Michael Clairborne, directing attorney in Sacramento for a group called Leadership Counsel for Justice and Accountability.

He also would like to see a much shorter timeline for improved farming practices than the 35 years allowed by the regional water board.

The free bottled water could be needed for just a few years in areas where connecting to a public system is practical. Another option is drilling a new well to a depth where nitrate is not a problem.

Both fixes would have substantial costs. The collaborative plans to look into state and federal grants that could help.

A total of about 100,000 people are expected to qualify for these programs throughout the Valley. The other launches are taking place to the south in the groundwater basins near the Chowchilla, Kings, Kaweah and Tule rivers.

### 'BLUE BABY SYNDROME' AND OTHER ILLS

Nitrate is a naturally occurring molecule with one nitrogen atom attached to three oxygen atoms. It cannot be seen or tasted, and boiling the water does not make it safe.

People who ingest too much nitrate can have breathing trouble, increased heart rates, headaches, abdominal cramps and other symptoms, according to the U.S. Centers for Disease Control and Prevention. Ingestion by infants can cause the skin discoloration known as "blue baby syndrome."

Nitrate can enter groundwater from poor handling of fertilizer and livestock manure. Stanislaus and Merced counties are major players in the dairy and poultry industries. They also grow an abundance of fruits, nuts and vegetables.

The regional board regulates how nitrate is applied, including the spreading of manure-laced water to irrigate dairy feed crops. The corn and other plants are supposed to take up enough nitrate to keep it from polluting the aquifer.

But the rules did not exist when the poultry and dairy industries emerged more than a century ago, nor when synthetic fertilizers appeared in the 1940s. And once nitrate pollutes the groundwater, it is hard to remove.

The collaborative is chaired by Alan Reynolds, who oversees Central Valley vineyards for E.&J. Gallo Winery of Modesto.

He said by phone that growers of many crops already are fertilizing in a way that keeps nitrate out of the aquifers. This includes applying only the specific nutrients the plants need, in the right amounts and at the right time.

"There's a lot of things that are going on and continue to be researched in that area," he said.

Reynolds also cited “fertigation,” where nutrients are delivered precisely through drip lines that also irrigate efficiently.

#### **FUNDING COULD GROW AS PROGRAM SPREADS**

The money to carry out the program comes from assessments on permit-holders from the regional water board. They include dairy and poultry farms, crop producers, processing plants, sewage treatment plants and other operations that could release nitrate.

Klassen said the \$1 million estimate assumed that no more than 30% of the affected well owners would request the replacement water. It could grow if the collaborative finds a larger demand.

The group’s board includes Ray Prock Jr., a dairy farmer near Denair.

“We have pulled together a remarkable coalition of farmers, dairies, other businesses and cities to provide access to clean drinking water,” he said by email. “We are proud to launch our program in early May. It will include free well testing and safe drinking water for households who have been impacted by nitrate.”



**EXECUTIVE OFFICER'S AGENDA REPORT  
APRIL 28, 2021**

DATE: April 28, 2021

TO: LAFCO Commissioners

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

**SUBJECT: APPOINTMENT OF A REGULAR PUBLIC MEMBER AND ALTERNATE  
PUBLIC MEMBER TO THE COMMISSION**

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**RECOMMENDATION**

Staff recommends that the Commission review the attached applications and appoint a Public Member and Alternate Public Member to LAFCO. The candidates have been invited to attend the meeting and will be available if there are questions from the Commission.

**BACKGROUND**

The current four-year terms of office for the Public Member (Commissioner Berryhill) and Alternate Public Member (Commissioner Hawn) will end on May 3, 2021. A notice of these upcoming expiring terms was provided at the Commission's January meeting, along with a timeline for the recruitment process. A subcommittee of the Chair and Vice Chair was also appointed, in the event that there were a large number of applications needing screening.

**RECRUITMENT PROCESS & CANDIDATES**

The process for recruitment of public members on the Commission is outlined in Government Code section 56325(d) and the Commission's policies. Whenever a vacancy occurs in the public member or alternate public member position, a notice of vacancy must be posted and distributed to the clerk or secretary of the legislative body of each local agency within the county. On February 26, 2021, LAFCO Staff initiated the recruitment process by:

- Distributing a "Notice of Vacancy" to each city, the clerk of the board and special districts.
- Publishing an 1/8<sup>th</sup>-page advertisement in the Modesto Bee, posting the recruitment notice on the 10<sup>th</sup> Street Place bulletin board, on the LAFCO website and LAFCO's Twitter feed.
- Emailing the notice to a list of interested parties (70+ individuals) subscribed to LAFCO's mailing list.

In response to the above recruitment efforts, three applications were received within the application period (Feb. 26<sup>th</sup> – Mar. 29<sup>th</sup>). The candidates are:

- William R. Berryhill (*only eligible for Alternate Public Member*)
- Eric Alphonse Kellner
- Ken L. Lane
- William M. O'Brien
- Dennis E. Wilson

Each of the candidate's applications are attached to this report for the Commission's review. As noted, although Commissioner Berryhill's term of office as the Public Member is ending, he is only eligible to apply for the Alternate Public Member position.

### **APPOINTMENT**

According to State law, the regular public member and alternate public member positions are appointed by the other members of the Commission (City and County voting members). Any of the City and County voting members may nominate a candidate. Selection of the regular public member and alternate public member positions must receive a majority affirmation by the voting members, including an affirmative vote from at least one County Member, and one City Member for appointment to that position. In the event of a tie, the motion would fail and a new nomination could be made. Should new public members fail to be appointed, this item will be continued to the Commission's May 26, 2021 meeting. During the interim, the existing public members may continue to serve until the appointment of their successors.

#### *Attachments:*

- Exhibit A: Candidate Applications
- Exhibit B: Government Code & Commission Policies & Procedures Excerpts
- Exhibit C: Draft LAFCO Resolutions 2021-06 and 2021-07

## **EXHIBIT A**

### **Candidate Applications**

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1010 TENTH STREET, 3<sup>RD</sup> FLOOR  
MODESTO, CA 95354



RECEIVED MAR 26 2021

PHONE: (209) 525-7660  
FAX: (209) 525-7643  
www.stanislauslafco.org

## Application for Appointment Public Member or Alternate Public Member

<b>NAME</b> (First, MI, Last)	William R Berryhill
<b>ADDRESS</b>	Residence:
	Business: PO Box 2474, Ceres, CA 95307
<b>TELEPHONE</b>	Residence:
	Business: 209-985-6483
<b>E-MAIL ADDRESS</b>	billberryhill@gmail.com

(Attach separate sheet(s), if needed)

<b>EDUCATIONAL BACKGROUND</b> (Note: There is no specific education requirement.)	Ponderosa High Class of 76, Attended Butte Jr. College
<b>EMPLOYMENT</b> (Attach resume, if desired)	Self Employed Farmer 1978 to Present, California State Assembly 2008-2012, Ceres Unified School board Memeber 1196-2007
<b>List all other boards, commissions, or committees you are now a member or have been in the past, including dates of service.</b> Lafco present Commisioner since 2017. Chariman for CAWG 2018,2019. Allied Grape Grower Board memeber and Farm Bureau Board director.	
<b>Please list community interests/activities.</b> Ceres Lions Club, Old Fishermans Club	

Applications are due by: Monday, March 29, 2021 at 4:00 p.m.

**Please summarize the qualifications you feel are related to service on the Commission as a representative of the public.**

I am presently serving as a commissioner, and believe I am helping the county with my direction on land use.

Bringing expertise with my long residence in Stanislaus County along with serving on various boards and also being up in Sacramento serving as a Assemblymember

**What is your understanding of the roles and responsibilities of the Commission?**

To make land use policy decisions for Stanislaus County

**Why do you wish to serve on the Commission?**

To continue my work as a public adviser

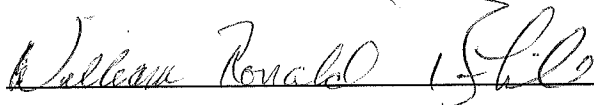
**Have you attended any meetings of the Commission?**

yes

I hereby certify that I am a registered voter in the State of California, County of Stanislaus, and a citizen of the United States and will be at least 18 years of age by the time of the next election. I am not imprisoned or on parole for the conviction of a felony. I certify under penalty of perjury under the laws of the State of California, that the information on this application is true and correct.

I understand that no person appointed as a public member or alternate public member to Stanislaus LAFCO may be an officer or employee of the County or any city or district with territory in the County (Government Code Section 56331). I also understand that if appointed to Stanislaus LAFCO I will be required to comply with FPPC disclosure regulations and file annual statements of financial interests.

Signature:



Date: 3-16-2021

**Return To:**

**Stanislaus Local Agency Formation Commission (LAFCO)  
1010 Tenth Street, Suite 3600  
Modesto, CA 95354**

***Thank you for your interest in the Stanislaus Local Agency Formation Commission. Applications will be kept on file for one year.***

## Family:

Wife: Triana; married 26 plus years

3 Children: William [Willie], Alexandra [Alex], Gabriela [Gabby]

Will is a pilot in the Air Force, currently stationed at Vance in Enid OK,  
Alex is teaching English in Cartagena Columbia and Gabby currently attending Cal Poly  
San Luis Obispo.

## Professional Experience

Owner/Operator, BB Vineyards, 1978-present

Farms Winegrapes, almonds, walnuts and cherries in Stanislaus, San Joaquin and  
Sacramento County

Board Member of CAWG

Page, Republican National Convention, 1980

Past Board member Stanislaus Farm Bureau

Past Board member Allied grape growers

## Political Experience

Candidate, California State Senate, District 5, 2012

Former Chief Minority Whip. California State Assembly, 2010-2012

Former Assembly Member, California State Assembly, 2008-2012

Member/Former Chair, Board of Trustees, Ceres Unified School District, 1996-2007

Chair, Measure J School Bond for Ceres Campaign, 2001

Chair, Tom Berryhill for California Assembly, 1996

Chair, Stanislaus County Young Republicans, 1984-1986

## Application for Appointment Public Member or Alternate Public Member

<b>NAME</b> (First, MI, Last)	Dennis E. Wilson
<b>ADDRESS</b>	<i>Residence:</i>  <i>Business:</i> Horizon Consulting, 1220A 6th Street, Modesto, CA 95354
<b>TELEPHONE</b>	<i>Residence:</i>  <i>Business:</i> (209)613-8625
<b>E-MAIL ADDRESS</b>	

(Attach separate sheet(s), if needed)

<b>EDUCATIONAL BACKGROUND</b> (Note: There is no specific education requirement.)	Thomas Downey High School, 1953-1957; Modesto Junior College, 1957-1960, AA degree, Majoring in Architecture; San Jose State, 1960-63, majoring in Civil Engineering;
<b>EMPLOYMENT</b> (Attach resume, if desired)	Paul V. Birmingham, Civil Engineer, 1956-63, (part time) design draftsman, full time, 1964-68; President / CEO, Mid-Valley Engineering, Inc. 1969-1996, (sold business in 1996, worked for new owners under a non-compete agreement for 3 years); Horizon Consulting, 1999 - Present, sole proprietor since 2004.
<b>List all other boards, commissions, or committees you are now a member or have been in the past, including dates of service.</b> Modesto Engineers Club, board member, 1966-1972, President in 1970; Modesto Chamber of Commerce, board member 1973-1986, served as Chairman of the board in 1984, chaired Economic Development committee 1984-1986; Downtown Improvement District, board member 1984-1996, served as chair, 1988-1996; California Building Industry Association, board member, 1978-1986, chaired Land Use Committee, 1982-1984; National Association of Home Builders (NAHB) board member of CA delegation, 1980-1986, served as Chairman of national Land Use Committee, 1984-1986; Success Capital Economic Development Corporation, board member, 1986-1992, served as chair in 1990; Success Capital SBA Loan Board, Treasurer, 1991-Present; Modesto Union Gospel Mission, board member, 1990-1996; Stanislaus County YMCA, board member 1996-2010, chair, 2008-2010; Graffiti USA Classic Car Museum, board member, 2018-Present	
<b>Please list community interests/activities.</b> College Area Neighborhood Association, National Night Out, Modesto Downtown Rotary Club, Car Clubs, Car collecting, Auto Racing, RVing, Golf. Del Rio Annual Car Show to benefit the First Tee organization, History of Modesto, Stanislaus County.	

Applications are due by: Monday, March 29, 2021 at 4:00 p.m.



**Please summarize the qualifications you feel are related to service on the Commission as a representative of the public.**

I am native Modestan and have spent my entire working life striving to make the community in which I reside a better place. To that end, I have served on numerous boards and Non-profits to give back. I am very familiar with the stucture of LAFCO and have appeared before the commission in the past during my career with Mid-Valley Engineering.

**What is your understanding of the roles and responsibilities of the Commission?**

As I understand the various positions that make up LAFCO, the Public Member and The Alternate Public Member add balance and community input the to other elected officials that make up the Board. The board as a whole makes decisions on requests from public or private interests to annex certain areas to an existing CSA, acts on requests to serve public utilities (OSA's) to properties not already within the boundary of an incorporated area and presides over requests from municipalities to expand their sphere of influence and or expand the boundaries of their current city limits. The public member has only one vote on the commission items while the Alternate Public Member serves as a replacement for the Public Member in case of absence or conflict of interest in a specific request.

**Why do you wish to serve on the Commission?**

My background in the engineering field gives me a broader spectrum of the overall impacts that a request to LAFCO can have on a private proponent, a community as a whole or the entire County of Stanislaus.

**Have you attended any meetings of the Commission?**

Yes

I hereby certify that I am a registered voter in the State of California, County of Stanislaus, and a citizen of the United States and will be at least 18 years of age by the time of the next election. I am not imprisoned or on parole for the conviction of a felony. I certify under penalty of perjury under the laws of the State of California, that the information on this application is true and correct.

I understand that no person appointed as a public member or alternate public member to Stanislaus LAFCO may be an officer or employee of the County or any city or district with territory in the County (Government Code Section 56331). I also understand that if appointed to Stanislaus LAFCO I will be required to comply with FPPC disclosure regulations and file annual statements of financial interests.

Signature: 

Date: 3/23/2021

**Return To:**

**Stanislaus Local Agency Formation Commission (LAFCO)  
1010 Tenth Street, Suite 3600  
Modesto, CA 95354**

***Thank you for your interest in the Stanislaus Local Agency Formation Commission. Applications will be kept on file for one year.***

**Application for Appointment  
Public Member or Alternate Public Member**

<b>NAME</b> (First, MI, Last)	Eric Alphonse Kellner
<b>ADDRESS</b>	<i>Residence:</i>
	<i>Business:</i> 1400 Standiford Ave. Ste. 3
<b>TELEPHONE</b>	<i>Residence:</i>
	<i>Business:</i> 209 529-6231
<b>E-MAIL ADDRESS</b>	ericctvs@yahoo.com

(Attach separate sheet(s), if needed)

<b>EDUCATIONAL BACKGROUND</b> (Note: There is no specific education requirement.)	California Polytechnic University, San Luis Obispo Bachelors of Science in Agricultural Business Management
<b>EMPLOYMENT</b> (Attach resume, if desired)	St. Stan's Brewing Company: Production Manager 1989-2003 Custom TV and Stereo: Installer, Technician 2003- present
<b>List all other boards, commissions, or committees you are now a member or have been in the past, including dates of service.</b>  Master of Modesto Lodge 206 (Masonic Lodge) 12/2011-12/2012	
<b>Please list community interests/activities.</b>  Escalon Sportsmans' Club Masonic Lodge 206	

Applications are due by: Monday, March 29, 2021 at 4:00 p.m.

**Please summarize the qualifications you feel are related to service on the Commission as a representative of the public.**

I grew up and worked on a farm in Westley. I believe that I understand how changes of zoning and the sphere of a city's influence can impact family farms and neighborhoods.

**What is your understanding of the roles and responsibilities of the Commission?**

The purpose of the Commission is to explore and set up spheres of influence for the cities and special districts in Stanislaus County. In addition, it conducts special studies to determine if an annexation of land to a city falls under the city's Master Plan and can approve or disapprove such annexation.

**Why do you wish to serve on the Commission?**

I have lived in Stanislaus County since I was a few months old. My father was one of a number of Southern California residents who moved to the "West Side" for the opportunities the Central Valley offered. As such, I want the best for Stanislaus County and believe that I can help by being a public member of LAFCO.

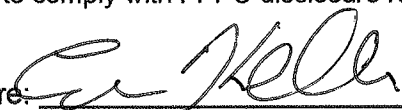
**Have you attended any meetings of the Commission?**

No

I hereby certify that I am a registered voter in the State of California, County of Stanislaus, and a citizen of the United States and will be at least 18 years of age by the time of the next election. I am not imprisoned or on parole for the conviction of a felony. I certify under penalty of perjury under the laws of the State of California, that the information on this application is true and correct.

I understand that no person appointed as a public member or alternate public member to Stanislaus LAFCO may be an officer or employee of the County or any city or district with territory in the County (Government Code Section 56331). I also understand that if appointed to Stanislaus LAFCO I will be required to comply with FPPC disclosure regulations and file annual statements of financial interests.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

3/17/21

**Return To:**

**Stanislaus Local Agency Formation Commission (LAFCO)  
1010 Tenth Street, Suite 3600  
Modesto, CA 95354**

***Thank you for your interest in the Stanislaus Local Agency Formation Commission. Applications will be kept on file for one year.***

**Application for Appointment  
Public Member or Alternate Public Member**

<b>NAME</b> (First, MI, Last)	Ken L. Lane
<b>ADDRESS</b>	<i>Residence:</i>
	<i>Business:</i>
<b>TELEPHONE</b>	<i>Residence:</i>
	<i>Business:</i> 209-495-7617
<b>E-MAIL ADDRESS</b>	kl49erfan@sbcglobal.net

(Attach separate sheet(s), if needed)

<b>EDUCATIONAL BACKGROUND</b> (Note: There is no specific education requirement.)	Ceres High School class of 78.
<b>EMPLOYMENT</b> (Attach resume, if desired)	Mo-Cal office solutions 2002-present.
<b>List all other boards, commissions, or committees you are now a member or have been in the past, including dates of service.</b> Ceres Planning Commission 1998-2005, Ceres City Council 2005-2018, League of California Cities board of Director 2011-2018, LAFCO City Member January 2007-May 2010 and Alternate Member May 2010-September 2011.	
<b>Please list community interests/activities.</b> Ceres Lions Club and Director of Old Fisherman's Club	

Applications are due by: Monday, March 29, 2021 at 4:00 p.m.

**Please summarize the qualifications you feel are related to service on the Commission as a representative of the public.**

As a former Ceres Planning Commissioner, Council member and serving on LAFCO, as well as being a life long resident of Stanislaus County, I believe I meet all the qualifications to serve on the LAFCO commission.

**What is your understanding of the roles and responsibilities of the Commission?**

To make land use policy decisions for Stanislaus County.

**Why do you wish to serve on the Commission?**

I was asked to serve on the commission. I have been out of government for two years and with my previous experiences I have the knowledge and time to serve on the LAFCO commission.

**Have you attended any meetings of the Commission?**

Yes as a previous LAFCO commissioner.

I hereby certify that I am a registered voter in the State of California, County of Stanislaus, and a citizen of the United States and will be at least 18 years of age by the time of the next election. I am not imprisoned or on parole for the conviction of a felony. I certify under penalty of perjury under the laws of the State of California, that the information on this application is true and correct.

I understand that no person appointed as a public member or alternate public member to Stanislaus LAFCO may be an officer or employee of the County or any city or district with territory in the County (Government Code Section 56331). I also understand that if appointed to Stanislaus LAFCO I will be required to comply with FPPC disclosure regulations and file annual statements of financial interests.

Signature: \_\_\_\_\_



Date: 03/16/2021

**Return To:**

**Stanislaus Local Agency Formation Commission (LAFCO)  
1010 Tenth Street, Suite 3600  
Modesto, CA 95354**

***Thank you for your interest in the Stanislaus Local Agency Formation Commission. Applications will be kept on file for one year.***

1010 TENTH STREET, 3<sup>RD</sup> FLOOR  
MODESTO, CA 95354



PHONE: (209) 525-7660  
FAX: (209) 525-7643  
www.stanislauslafco.org

## Application for Appointment Public Member or Alternate Public Member

<b>NAME</b> ( <i>First, MI, Last</i> )	William M O'Brien
<b>ADDRESS</b>	<i>Residence:</i>
	<i>Business:</i>
<b>TELEPHONE</b>	<i>Residence:</i>
	<i>Business:</i> 209-765-0989
<b>E-MAIL ADDRESS</b>	bill@obriensmarket.com

*(Attach separate sheet(s), if needed)*

<b>EDUCATIONAL BACKGROUND</b> <i>(Note: There is no specific education requirement.)</i>	BS - Business Administration, Financial Management Cal Poly San Luis Obispo, 1994
<b>EMPLOYMENT</b> <i>(Attach resume, if desired)</i>	O'Brien's Market
<b>List all other boards, commissions, or committees you are now a member or have been in the past, including dates of service.</b> Stanislaus County Board of Supervisors, 2005-2016 Stanislaus County Lafco 2005-2008, 2010-2016 Stanislaus County Council of Governments 2005 - 2016 San Joaquin Valley Air Pollution Control District 2007 - 2016 Riverbank City Council 1998-2000 Riverbank Mayor 2000-2004 Stanislaus County Workforce Development Board - Chair - 2016 - Current	

Applications are due by: Monday, March 29, 2021 at 4:00 p.m.

**Please list community interests/activities.**

Golf  
Gardening  
Politics  
Rotary  
Knights of Columbus

**Please summarize the qualifications you feel are related to service on the Commission as a representative of the public.**

I served for 10 years on Stanislaus Lafco, both as primary and alternate. Chaired Lafco twice

**What is your understanding of the roles and responsibilities of the Commission?**

In simple terms, Lafco is the boundary police of the county.

In more depth, Lafco's responsibility is to ensure proper growth, infrastructure, and services, all while maintaining a protection of farmland. While protecting Agriculture parcels, Lafco has to weigh the balance of allowing growth to occur, and this ensuring that local government can provide the services needed, ensure that infrastructure is properly planned, and any annexations are logical and orderly.

**Why do you wish to serve on the Commission?**

To continue to give back to my community. I will live here the rest of my life, and I want the best community possible for the residents of Stanislaus County.

**Have you attended any meetings of the Commission?**

Yes, many

I hereby certify that I am a registered voter in the State of California, County of Stanislaus, and a citizen of the United States and will be at least 18 years of age by the time of the next election. I am not imprisoned or on parole for the conviction of a felony. I certify under penalty of perjury under the laws of the State of California, that the information on this application is true and correct.

I understand that no person appointed as a public member or alternate public member to Stanislaus LAFCO may be an officer or employee of the County or any city or district with territory in the County (Government Code Section 56331). I also understand that if appointed to Stanislaus LAFCO I will be required to comply with FPPC disclosure regulations and file annual statements of financial interests.

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

3/22/2024

**Return To:**

**Stanislaus Local Agency Formation Commission (LAFCO)  
1010 Tenth Street, Suite 3600  
Modesto, CA 95354**

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***Thank you for your interest in the Stanislaus Local Agency Formation Commission. Applications will be kept on file for one year.***



## **EXHIBIT B**

### **Government Code & Commission Policies & Procedures Excerpts**

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## **EXHIBIT B**

### **Government Code Excerpts**

#### **Public Member**

**56325(d).** One representing the general public appointed by the other members of the commission. The other members of the commission may also appoint one alternate member who shall serve pursuant to Section 56331. Appointment of the public member and alternate public member shall be subject to the affirmative vote of at least one of the members appointed by each of the other appointing authorities. Whenever a vacancy occurs in the public member or alternate public member position, the commission shall cause a notice of vacancy to be posted as provided in Section 56158. A copy of this notice shall be sent to the clerk or secretary of the legislative body of each local agency within the county. Final appointment to fill the vacancy may not be made for at least 21 days after the posting of the notice.

#### **Alternate Public Member; appointment, duties**

**56331.** When appointing a public member pursuant to Sections 56325, 56326, 56326.5, 56327, 56328, 56328.5, and 56329, the commission may also appoint one alternate public member who may serve and vote in place of a regular public member who is absent or who disqualifies himself or herself from participating in a meeting of the commission. The public member and the alternate public member shall be residents of the county of the appointing commission.

If the office of a regular public member becomes vacant, the alternate member may serve and vote in place of the former regular public member until the appointment and qualification of a regular public member to fill the vacancy.

#### **Public Member restrictions**

**56331 (cont).** No person appointed as a public member or alternate public member pursuant to this chapter shall be an officer or employee of the county or any city or district with territory in the county, provided, however, that any officer or employee serving on January 1, 1994, may complete the term for which he or she was appointed.

#### **Terms of Commissioners**

**56334.** The term of office of each member shall be four years and until the appointment and qualification of his or her successor... The body which originally appointed a member whose term has expired shall appoint his or her successor for a full term of four years. Any member may be removed at any time and without cause by the body appointing that member. The expiration date of the term of office of each member shall be the first Monday in May in the year in which the term of the member expires, unless procedures adopted by the commission specify an alternate date to apply uniformly to all members. However, the length of a term of office shall not be extended more than once. Any vacancy in the membership of the commission shall be filled for the unexpired term by appointment by the body which originally appointed the member whose office has become vacant.

## **Commission Policies & Procedures Excerpts**

### **SECTION 1: LAFCO STRUCTURE AND ORGANIZATION**

The Stanislaus Local Agency Formation Commission consists of the following members, as per Government Code Section 56325:

- Two members of the County Board of Supervisors and one alternate, appointed by the Board from its own members;
- Two City Council members and one alternate, appointed by the City Selection Committee composed of the mayors of each of Stanislaus County's nine (9) cities;
- One Public Member and one alternate, appointed by the other four Commission members after review of applications.

### **RULE 9: TERMS OF OFFICE - PUBLIC MEMBER**

The public member shall be limited to one full four-year term of office. An appointment to fill an unexpired term of office may not be applied to the one full term of office.

### **RULE 10: TERMS OF OFFICE - ALTERNATE PUBLIC MEMBER**

The alternate public member shall be limited to one full four-year term of office. An appointment to fill an unexpired term of office may not be applied to the one full term of office.

### **RULE 32: TIE VOTES OF COMMISSION**

Three votes are necessary to approve a proposal or a motion. A proposal which receives a tie vote shall automatically be continued to the next Commission hearing. A subsequent tie vote at the next hearing of the proposal indicates automatic denial without prejudice.

### **RULE 43: REPLACEMENT OF VACATED POSITION**

Upon the vacancy of an office pursuant to Rule 40, the Chairperson shall, in writing, request that the appropriate appointing authority appoint a new commissioner to the vacant position.  
(Government Code Section 56336)

- A. Appointing authority for county members is the Stanislaus County Board of Supervisors.
- B. Appointing authority for the city members is the City Selection Committee.
- C. Appointing authority for the public members is the Commission. The Commission shall, pursuant to Section 56325 of the California Government Code, appoint a public member. An alternate public member shall also be appointed to be eligible to vote on any proposal or matter before the Commission in the absence or disqualification of the public member. Selection of the public and alternate public members shall be subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities.

#### **RULE 44: NOTICE OF VACANCY FOR PUBLIC MEMBER**

Upon announcement that a vacancy for the public member or alternate public member will exist, the Executive Officer shall:

- A. Post a vacancy notice inviting all interested citizens of Stanislaus County to apply within thirty (30) days of posting. The Notice shall be posted at the following locations:
  - 1. LAFCO staff office;
  - 2. LAFCO official bulletin board for posting notices and/or LAFCO website;
  - 3. Any other location directed by the Commission;
  - 4. Provide a Notice of Vacancy to the clerk or secretary of the legislative body of each local agency within the County;
  - 5. Issue a press release for the purpose of further advertising the vacancy.
- B. The Executive Officer shall forward all applications to the members of the Commission. Only applications received by the Executive Officer may be considered for appointment. Final appointment to fill the vacancy may not be made for at least 21 days after the posting of the notice.
- C. The Commission may select a personnel committee from among its membership for the purpose of reviewing applications and bringing its recommendation to the full Commission.
- D. The Commission may interview the recommended candidates, either privately or in public. Upon conclusion of the interviews, the Commission shall publicly make the selection by appointing a candidate as the Public or Alternate Public Member.
- E. The nominee receiving a majority of the votes cast by eligible Commission members will be appointed to the vacant position for either the unexpired or full term and/or until appointment and qualification of a successor.
- F. Effective January 1, 2001, Government Code Section 56325 requires that the Public and Alternate Public Member candidate must receive an affirmative vote from at least one County Member and one City Member for appointment to that position.

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## **EXHIBIT C**

**Draft LAFCO Resolutions  
2021-06 and 2021-07**

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**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 24, 2021

**NO.** 2021-06

**SUBJECT:** Appointment of Regular Public Member

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**, pursuant to Government Code Section 56334, the term of office for each member shall be four years until appointment of their successor and the expiration date of the term of office for a public member shall be the first Monday in May in the year in which the term of the member expires;

**WHEREAS**, Commissioner Bill Berryhill's term of office as the Public Member is set to expire on May 3, 2021;

**WHEREAS**, pursuant to Government Code Section 56325(d), the Commission has caused notice for candidates for appointment to the position of Public Member; and,

**WHEREAS**, the Commission has received and reviewed the applications submitted by the recruitment deadline.

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

1. Appoints \_\_\_\_\_ as the Regular Public Member, to a full four-year term beginning on May 4, 2021, and ending on the first Monday in May 2025, or until appointment of a successor.

**ATTEST:**

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

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**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 24, 2021

**NO.** 2021-07

**SUBJECT:** Appointment of Alternate Public Member

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**, pursuant to Government Code Section 56334, the term of office for each member shall be four years until appointment of their successor and the expiration date of the term of office for a public member shall be the first Monday in May in the year in which the term of the member expires;

**WHEREAS**, Commissioner Brad Hawn's term of office as the Alternate Public Member is set to expire on May 3, 2021;

**WHEREAS**, pursuant to Government Code Section 56325(d), the Commission has caused notice for candidates for appointment to the position of the Alternate Public Member; and,

**WHEREAS**, the Commission has received and reviewed the applications submitted by the recruitment deadline.

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

1. Appoints \_\_\_\_\_ as the Alternate Public Member, to a full four-year term beginning on May 4, 2021, and ending on the first Monday in May 2025, or until appointment of a successor.

**ATTEST:**

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

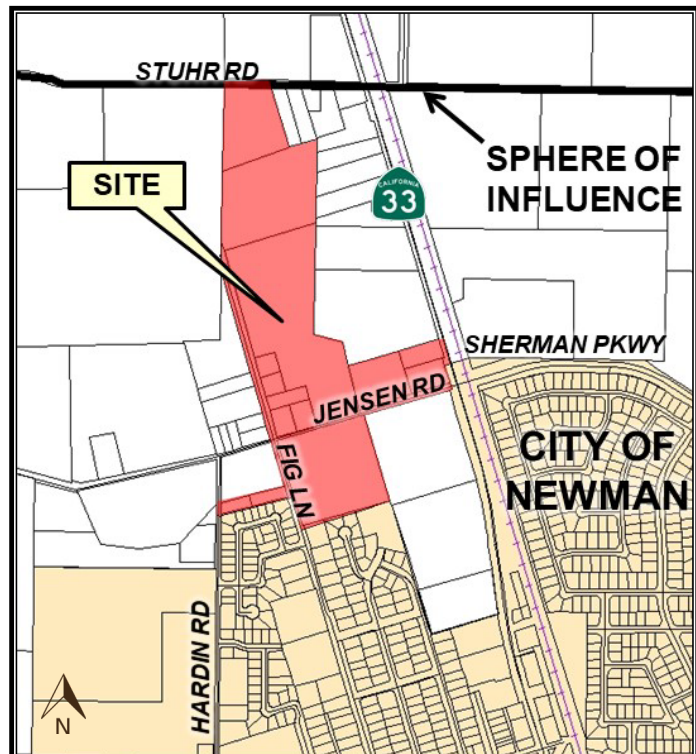
**EXECUTIVE OFFICER'S AGENDA REPORT  
APRIL 28, 2021**

**LAFCO APPLICATION 2021-01  
NORTHWEST NEWMAN PHASE I  
REORGANIZATION TO THE CITY OF NEWMAN**

**PROPOSAL**

The proposal is a request to annex approximately 53 acres to the City of Newman and simultaneously detach the area from the West Stanislaus Fire Protection District and Central California Irrigation District. The reorganization is part of the Northwest Newman Master Plan which will provide a mix of residential, business park, community commercial, office, parks and school uses for the City of Newman.

1. Applicant: City of Newman is the applicant and has adopted a resolution authorizing application to LAFCO.
2. Location: West of Highway 33 and south of Stuhr Road, northwest of the Newman city limits and within the Sphere of Influence. (See Exhibit A – Legal Description & Maps.)
3. Parcels Involved and Acreage: The project includes approximately 53 acres and 14 Assessor's Parcel Numbers (APNs).
4. Reason for Request: The proposed reorganization is being requested to accommodate a portion of Phase I of the Northwest Newman Master Plan which was adopted by the City of Newman. The City of Newman has pre-zoned the Master Plan territory to include office, commercial, light industrial, retail, wholesale commercial, and low, medium and high density residential uses. The City of Newman has stated that the intent of the first phase is for development of a business park. The overall goal is to create an opportunity to capture economic activity on the west side of Stanislaus County. The proposed area would serve to create jobs in Newman over the next decade.



**BACKGROUND**

In 2018, the City of Newman applied for annexation of a larger, 121-acre area that included the entirety of Phase I of the Master Plan. During the application process and public hearing, Staff received numerous comments in opposition to the annexation from residents and landowners. In summary, the concerns were related to financial hardships, loss of irrigation water rights, costs associated with connecting to city services, and impacts to historic buildings within the territory. Ultimately, the Commission approved the application and authorized the LAFCO Executive Officer to initiate protest proceedings.

LAFCO Staff held a protest hearing on December 19, 2019 that resulted in registered voter protests exceeding 25%, triggering the need for an election. A special mailed ballot election was held on August 25, 2020 and designated as Measure "R". The measure failed with a majority of voters opposing the annexation and the proposal was terminated.

Following a survey of property owners in the area, the City of Newman has submitted a new annexation application that represents a smaller portion of Phase I of the Northwest Newman Master Plan. The new annexation area is intended to reflect those property owners who are in favor of being included in the City's limits while also meeting the City's goal for growth in the area. This smaller portion of Phase 1 is also considered uninhabited as it contains less than 12 registered voters.

### **ENVIRONMENTAL REVIEW**

The City of Newman, as Lead Agency, certified and adopted an Environmental Impact Report (EIR) for the Northwest Newman Master Plan (NNMP) pursuant to the California Environmental Quality Act (CEQA). As part of the environmental review, the EIR also addressed the proposed reorganization for the NNMP area. LAFCO, as a Responsible Agency, must certify that it has considered the environmental documentation prepared by the City of Newman. This documentation has been provided previously in electronic format for the Commission and public's review and is available on the LAFCO website.

#### **Statement of Overriding Considerations**

The Newman City Council identified significant impacts in the EIR, which could not be eliminated or mitigated to a level of insignificance. In certifying the EIR for the proposal, the City Council adopted certain Findings of Fact and a Statement of Overriding Considerations, concluding the significant effects of the project are outweighed by the benefits of the development plan. Significant and unavoidable impacts of the proposed specific plan include: (1) agricultural resource impacts; (2) noise impacts; (3) greenhouse gas emissions impacts; and (1) transportation and circulation impacts. The City's environmental determination, adopted by Newman City Council Resolution No. 2017-54, is attached in full as Exhibit B to this report.

#### **LAFCO as a Responsible Agency**

Pursuant to CEQA, the Commission, as a Responsible Agency, must consider the EIR prepared by the City, including the environmental effects of the project, prior to reaching a decision on the project. If the Commission decides to approve the proposal, the Commission's resolution should include one or more findings required by CEQA Guidelines Section 15091(a) for each significant effect of the project and make findings in Section 15093, as necessary, to adopt statements of overriding considerations, and file a Notice of Determination in compliance with CEQA Guidelines Section 15096(i).

### **FACTORS**

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

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

The project area is considered uninhabited territory as it contains 11 registered voters. The area currently consists of agricultural uses, ranchettes, and single-family residences. The annexation is being proposed for future development. It has been pre-zoned by the City for a mix of business park, mixed residential, community commercial, and professional office uses. Surrounding land uses include agricultural and residential uses.

Stanislaus County and the City of Newman have agreed upon the Northwest Newman Annexation Property Tax Revenue Exchange Agreement that was executed in June of 2019 (Exhibit C). Upon annexation, the property taxes will be shared in accordance with the agreement. The subject territory is located in Tax Rate Areas 083-027 and 083-003. According the Stanislaus County Assessor's website, the current total assessed land value of the territory is \$2,836,706.

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

Essential governmental services that are currently provided to the subject area and those services that 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 Newman
Fire Protection	West Stanislaus Fire Protection District	City of Newman
Planning & Building Inspection	Stanislaus County	City of Newman
School District	Newman/Crows Landing	Same
Water (Potable)	Well	City of Newman
Sewer	Septic	City of Newman
Roads	Stanislaus County	City of Newman
Mosquito Abatement	Turlock Mosquito Abatement	Same

#### Plan for Services

The City submitted a Plan for Services with the proposal describing the City's ability to

provide the necessary services to the subject territory (attached as Exhibit D). When reviewing the City's Plan for Services, the Commission shall consider the ability of the City to deliver adequate, reliable and sustainable services. Commission policies state that a proposal will not be approved if it has the potential to significantly diminish the level of service(s) 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, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.***

As indicated previously, many of the services currently provided will transfer to the City of Newman. Property taxes will be shared in accordance with the Northwest Newman Annexation Property Tax Revenue Exchange Agreement. There are no known negative impacts to existing County governmental structures, adjacent areas or social and economic interests as a result of the reorganization.

**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.***

Section 56377 requires the Commission to consider LAFCO policies and priorities that would guide development away from existing prime agricultural lands and consider 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 before any expansion of boundaries.

The project site is located within the City of Newman Sphere of Influence and is adjacent to the City's northern boundary. Development of project site will result in the loss of Prime Farmland. However, as described in the next section, the City of Newman has implemented measures to minimize impacts on agricultural land.

The territory is located just north of the City of Newman and is adjacent to major corridors for the City (Highway 33 and Stuhr Road). Fig Road along the territory's western boundary is planned to extend and connect to Stuhr Road as a major collector road and is part of the Northwest Newman Master Plan. The area is also in close proximity to existing City sewer and water lines.

Although not included in the proposal, a number of properties located at and near the southwest corner of the Stuhr Road and Highway 33 intersection are currently developed with commercial, industrial and ranchette uses. This area is directly adjacent to the proposed territory.

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

According to the City of Newman's application, approximately 43 acres of Prime Farmland, are located within the proposed territory. As a result of the proposed reorganization, this acreage would be directly and permanently converted to nonagricultural uses. The conversion of Prime Farmland is considered a significant impact according to the NNMP

Environmental Impact Report (EIR). The City of Newman's NNMP EIR and Plan for Agricultural Preservation state that the City has established a voter-approved Urban Growth Boundary (UGB) that is coterminous with the City's Sphere of Influence. The UGB policy states that until December 31, 2040, the City shall restrict urban services (except temporary mutual assistance with other jurisdictions) and urbanized uses of land to within the Newman UGB, except for completing roadways. The City has also included allowing Williamson Act properties within the territory to remain until a non-renewal or cancellation and notification to buyers and renters of Newman's right-to-farm ordinance.

The above has been implemented by the City in order to minimize the impacts to agricultural lands and is consistent with the menu of strategies in the Commission's Agricultural Preservation Policy.

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

The proposed boundary includes 14 parcels as shown in Exhibit A. It also includes the adjacent road right-of-way on the territory's frontage along Stuhr Road, Highway 33, Jensen Road, Fig Lane and Hardin Road, consistent with the Commission's policies.

If approved, the proposal will create a 22.4-acre unincorporated island located between Highway 33 and Lee Road that is comprised of three parcels. The City had originally included these parcels in its 2018 proposal; however, the annexation was terminated by election. A more detailed explanation of the island is described in the "Discussion" portion of this report.

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

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as the strategies for investing in the region's transportation system. The 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.

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

The proposed annexation area has been pre-zoned for Business Park, Professional Office, Community Commercial, and Planned Mixed Residential as part of the Northwest Newman Master Plan and is consistent with the City General Plan.

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

The territory is currently within the City's Sphere of Influence and "Primary Area." Stanislaus LAFCO considers a Primary Area as the near-term growth area for a City. The project area is also within the boundaries of the following agencies: West Stanislaus Fire Protection District (WSFPD), Turlock Mosquito Abatement District, and the Central California



Irrigation District (CCID). Upon annexation, the area will detach from both the WSFPD and CCID. It will remain in the other districts identified.

**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 pre-zoning for the project.

Staff received a letter from the Central California Irrigation District (CCID) dated March 2, 2021 regarding portions of CCID's boundaries that overlap the current City Limits of Newman (see Exhibit F). CCID and the City have been actively discussing the process of detachment of these properties from the City of Newman. The letter also states that CCID is opposed to the creation of an additional CCID "island" (district territory surrounded by the boundaries of the City of Newman). LAFCO Staff has informed CCID and the City of Newman that detachment of existing overlapped areas would involve a separate application to LAFCO, as the potential detachments involve parcels already located within the City of Newman that are not involved in the current annexation proposal. While the current annexation would create a non-contiguous portion of CCID in the unincorporated area, no overlap between the District and City would occur as a result of the current annexation proposal. LAFCO policies currently support simultaneous detachment of CCID territory when annexed to the City of Newman and this would be applied to any future annexation in the area. No additional comments were received from local or public agencies.

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

The City of Newman is a full-service provider of municipal services and will provide these services to the project site, such as: domestic water, sanitary sewer, storm drainage, street construction/maintenance, police protection and street lighting. According to the City's Northwest Newman Master Plan Financing Plan, project developers will be responsible for funding or constructing all backbone infrastructure (sewer, water, drainage and roads) for new development. The City will consider the establishment of public financing mechanisms to assist in funding the construction and maintenance of major backbone infrastructure facilities and provision of community services and public services to the Master Plan area.

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

Following annexation, water to the annexation area will be provided by the City of Newman. The City owns and operates a municipal water system to serve all uses within the community. The municipal system relies on pumped groundwater as the primary water supply, with four wells providing this supply. The proposed project would pay water impact fees that would contribute towards water system costs. The Master Plan outlines build-out of planned water lines and related facilities within the area. Planned facilities include a combination 12- and 14-inch diameter water line in Jensen Road, 10-inch diameter water lines within the rights-of-way of State Route 33, Stuhr Road, Harvey Road and the unnamed central north-south minor collector road. Local residential roads would each have an 8-inch

diameter water line to serve future land uses. The City may drill shallow wells on one or more proposed parks to supplement the municipal water system.

Furthermore, the application's Plan for Services states that the City is currently constructing a new municipal well in the southwestern portion of the complete Master Plan area. When the new well comes on-line, the City of Newman has determined that an adequate long-term water supply will be available for domestic and fire-fighting purposes. The City is also constructing a one-million gallon water storage tank adjacent to the new well.

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

The proposed annexation is a portion of Phase 1 of the Master Plan and is primarily non-residential. The overall goal of the proposed annexation is to create economic activity and create jobs. Although this initial phase is primarily non-residential, the Northwest Newman Master Plan proposes approximately 187 acres for a mix of housing densities and types, to serve the needs of different households, including single family homes, multi-family housing, and mixed-use housing totaling 1,353 dwelling units.

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

The City of Newman provided several letters of support for the proposed annexation with the application. All letters are from property owners or their representatives. Staff received an email from one property owner located at 27650 Hardin Road, located within the proposed territory, who is in opposition of the proposed annexation (Exhibit F). The email states that the property owner wishes to build a home on the property and have farm animals that would not be permitted within City limits.

The Commission has the authority to modify the proposal to exclude the property. However, it should be noted that the property is just under a half-acre in size. Any future home at the property will likely necessitate connection to public sewer and water, requiring both City of Newman and LAFCO approval of either an out-of-boundary service extension or annexation. Given the property's size, it is currently limited to what is allowed under the Stanislaus County Zoning Ordinance. The parcel is within the City's sphere of influence and, if not included in the current proposal, will likely be annexed in the future in future phases of the Northwest Newman Master Plan. No additional comments have been received as of the date of this 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 has a designation as Urban Transition and Agriculture in the County's General Plan. The City of Newman has pre-zoned the area for Business Park, Professional Office, Planned Mixed Residential, and Community Commercial as part of the Northwest Newman Master Plan and is consistent with the City General Plan.

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

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

***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.***

According to the Environmental Impact Report, the project site has not been identified as being within a very high fire hazard severity zone.

**DISCUSSION**

The following is Staff’s analysis related to consistency with adopted Commission policies and State law related to the City’s proposal.

**Plan for Agricultural Preservation**

The Commission’s Agricultural Preservation Policy requires applicants to prepare a Plan for Agricultural Preservation that details the impacts to agricultural lands, identifies a method to minimize impacts, and provides additional information to assist the Commission in making its findings for approval of a project.

The Policy states that the Commission may consider approval of a proposal that contains agricultural land when it determines there is sufficient evidence demonstrating the following:

- a. Insufficient alternative land is available within the existing sphere of influence or boundaries of the agency and, where possible, growth has been directed away from prime agricultural lands towards soils of lesser quality.*
- b. For annexation proposals, that the development is imminent for all or a substantial portion of the proposal area.*
- c. The loss of agricultural lands has been minimized based on the selected agricultural preservation strategy. For the purposes of making the determination in this section, the term “minimize” shall mean to allocate no more agricultural land to non-agricultural uses than what is reasonably needed to accommodate the amount and types of development anticipated to occur.*
- d. The proposal will result in planned, orderly, and efficient use of land and services. This can be demonstrated through mechanisms such as:*
  - i. Use of compact urban growth patterns and the efficient use of land that result in a reduced impact to agricultural lands measured by an increase over the*

*current average density within the agency's boundaries (e.g. persons per acre) by the proposed average density of the proposal area.*

- ii. *Use of adopted general plan policies, specific or master plans and project phasing that promote planned, orderly, and efficient development.*

According to the Northwest Newman Master Plan Environmental Impact Report, most of the land within the City's existing limits is developed with urban uses. Any development other than the limited opportunities for infill within the City's current boundaries would result in the loss of farmland. Therefore, the City found no feasible alternatives to the proposed project territory.

The project represents a portion of the first phase of the three-phase Northwest Newman Master Plan. Phasing has been implemented in order to promote planned, orderly and efficient development of the territory consistent with the Agricultural Preservation Policy.

The Policy also requires that a Plan for Agricultural Preservation shall specify the method or strategy proposed to minimize the loss of agricultural lands. The Policy provides several strategies that shall be encouraged by the Commission. The following is listed as one of those strategies:

*A voter-approved urban growth boundary designed to limit the extent to which urban development can occur during a specified time period.*

The City of Newman has established an Urban Growth Boundary (UGB) that is coterminous with the City's Sphere of Influence. According to the City's Plan for Agricultural Preservation, until December 31, 2040, the City shall restrict urban services (except temporary mutual assistance with other jurisdictions) and urbanized uses of land to within the Newman UGB, except for the purpose of completing roadways.

Based on the information provided by the City, Staff believes that the Commission can make the findings contained in the Agricultural Preservation Policy.

### **Williamson Act**

The reorganization territory includes one Williamson Act Contract. When a reorganization is proposed and the territory includes land that is under a Williamson Act Contract, Government Code Section 56754 requires that the Commission shall determine whether or not the city shall succeed to the rights, duties and powers of the contract.

Section 56856.5 specifies that the commission shall not approve a change of organization or reorganization that includes any property under a Williamson Act Contract if the annexation is to a city or special district providing sewer, domestic water, or streets and roads, unless these facilities or services benefit land uses allowed under the Williamson Act Contract.

Sub-section "C" of the same section allows the commission to approve a change of organization or reorganization if it finds the following:

- The city or county that will administer the contract after annexation has adopted policies and feasible implementation measures applicable to the affected territory ensuring the continuation of agricultural use and other uses allowed under the Williamson Act Contract

- The change of organization or reorganization encourages and/or is necessary to provide planned, well-ordered, and efficient urban development patterns that include appropriate consideration of the preservation of open-space lands within those urban development patterns

According the Master Plan Environmental Impact Report (EIR), upon annexation, the City will become responsible for managing the Williamson Act Contract, consistent with state law. Property owners may petition the City of Newman to cancel the remaining years left on the contract after annexation has occurred. Development could not take place on these parcels until they are no longer subject to Williamson Act.

The City has identified that inclusion of these parcels would provide much needed acreage for commercial and business uses. Staff believes that the proposed reorganization can make the required findings for approval and include the Williamson Act properties, and recommends that the Commission determine that the City of Newman shall succeed in administering the contract(s).

### **Creation of an Unincorporated Island**

If approved, the proposed annexation to the City of Newman will create an unincorporated island in the area located between Highway 33 and Lee Avenue. The proposal creates an island due to the inclusion of parcels located at the northwest intersection of Jensen Road and Highway 33 that would surround a remaining unincorporated area to the south.

In 2018 the City applied for a larger reorganization that included the properties that make up the island area. That reorganization, however, was opposed by registered voters who objected to the inclusion of the area in the annexation.

The City indicates that annexation of the parcels surrounding the island along the Jensen Road frontage allows the City full jurisdiction over Jensen Road, which is an important point of access for the project to Highway 33. Unlike the property owners in the island area, the property owners along the proposed annexation strip seek to be annexed to the City and create a connection to the initial phase of the larger Northwest Newman Master Plan.

State law and Commission Policies discourage the creation of illogical boundaries and unincorporated islands. Specifically, Government Code §56744 states that territory shall not be annexed into a City if the annexation will result in unincorporated territory completely surrounded by that city. However, Government Code §56375(m) provides an exception if the Commission can make the following two findings:

- The island restriction will be detrimental to the orderly development of the community; and,
- The area enclosed by the annexation is so located that it cannot reasonably be annexed to another city or incorporated as a new city.

The City requests the Commission make these findings for the exception, as allowed by Government Code §56375(m) and allow for the creation of an unincorporated island. The City in its Resolution of Application found that although the area creates a 22.4-acre island, the

proposal advances the orderly development of the community. The City expects the Northwest Newman Master Plan to be annexed in phases, with the goal that all areas within the Master Plan will ultimately annex.

Consistent with the second finding, the potential island area cannot reasonably be annexed to any other city or be incorporated as its own city. Similarly, it can be expected that the eventual need for public services (e.g. water and sewer) will spur a future annexation application for the island.

In considering this request for an exception the Commission will need to determine if the above demonstrates sufficient evidence to make the exception for the proposed annexation.

### **Protest Proceedings**

Should the Commission approve the proposal, the reorganization will be subject to a Protest Hearing. A protest hearing allows registered voters and property owners to protest the Commission's decision. Pursuant to Government Code Section 57075, if a majority protest occurs (at least 50% of the registered voters residing in the territory), the proceedings will be terminated. If there is less than a majority protest, but one of the following thresholds is met, an election will be called:

1. Protests are filed from at least 25 percent, but less than 50 percent, of the registered voters residing in the affected territory.
2. Protests are filed from at least 25 percent of the property owners who also own at least 25 percent of the assessed value of land within the affected territory.

If there is less than a majority protest and an election is not triggered from the above thresholds, the Commission's approval will be ordered and the annexation recorded.

### **ALTERNATIVES FOR COMMISSION ACTION**

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

**Option 1**      APPROVE the proposal (with or without modification)

**Option 2**      DENY the proposal (with or without prejudice).

**Option 3**      CONTINUE this proposal to a future meeting for additional information.

### **STAFF RECOMMENDATION**

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). The Commission is also empowered to review and approve or disapprove proposals with or without amendment, wholly,

partially, or conditionally, consistent with its own written policies and procedures (Section 56375a).

Based on the discussion in this report, including the factors set forth in Government Code Section 56668, and following any testimony or evidence presented at the meeting, Staff recommends that the Commission approve the proposal and adopt Resolution 2021-04 (attached as Exhibit G) which:

- a. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by the City of Newman as Lead Agency;
- b. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
- c. Determines the effective date of the annexation shall be the date of recordation of the Certificate of Completion.
- d. Waives protest proceedings pursuant to Government Code Section 56663 or directs the Executive Officer to initiate Protest Proceedings if written opposition is received prior to the conclusion of the Commission proceedings.

Respectfully submitted,

*Javier Camarena*

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Javier Camarena  
Assistant Executive Officer

Attachments:

- Exhibit A: Legal Description and Map (*page 13*)
- Exhibit B: Newman City Council Resolutions 2017-54, 2017-55, & 2021-04 (*page 17*)
- Exhibit C: Northwest Newman Annexation Property Tax Revenue Exchange Agreement (*page 45*)
- Exhibit D: Plan for Services (*page 59*)
- Exhibit E: Plan for Agricultural Preservation (*page 67*)
- Exhibit F: Comment Letters from CCID & Landowner (*page 73*)
- Exhibit G: Draft LAFCO Resolution No. 2021-04 (*page 77*)

Additional support documentation is available on [www.stanislauslafco.org](http://www.stanislauslafco.org), including:

- [Draft Environmental Impact Report](#)
- [Final Environmental Impact Report](#)
- [Northwest Newman Master Plan](#)

## **EXHIBIT A**

### **Legal Description & Maps**



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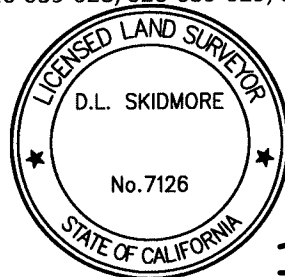
**ANNEXATION TO CITY OF NEWMAN  
LEGAL DESCRIPTION**

ALL that certain real property situate in the County of Stanislaus, State of California, lying within a portion of Sections 7 and 18, Township 7 South, Range 9 East, Mount Diablo Meridian, being more particularly described as follows:

**BEGINNING** at the west corner common to said Sections 7 and 18; thence 1) North 00°06'21" West, a distance of 71.56 feet to a point on the north right-of-way line of a 60 foot wide county road known as Stuhr Road; thence 2) South 89°04'12" East along last said right-of-way line, a distance of 332.31 feet; thence 3) South 17°08'11" East, a distance of 500.00 feet; thence 4) North 72°58'31" East, a distance of 225.19 feet; thence 5) South 00°26'30" West, a distance of 1399.56 feet; thence 6) South 74°23'58" East, a distance of 215.55 feet; thence 7) South 14°59'58" East, a distance of 176.00 feet; thence 8) North 72°58'46" East, a distance of 739.60 feet to a point on the southwesterly line of the 100 foot wide right-of-way for the Southern Pacific Railroad, also being the northeasterly right-of-way line of State Highway No. 33; thence 9) South 17°03'30" East along last said line, a distance of 206.33 feet to a point on the northerly city limits line of the City of Newman as described in the Hearthstone Ranch Reorganization, City of Newman Resolution No. 2000-51; thence 10) South 72°56'30" West, along last said northerly line, a distance of 80.00 feet to an angle point in last said line and being a point on the westerly right-of-way line of said State Highway 33; thence 11) South 17°03'30" East along said westerly right-of-way and the southeasterly extension thereof, also being the westerly line of said city limits as described in said Hearthstone Ranch reorganization, a distance of 161.50 feet to an angle point in said lines and being a point on the northeasterly extension of the southerly right-of-way of Jensen Road; thence 12) South 72°54'12" West along last said extension and the southerly right-of-way line of Jensen Road, a distance of 641.54 feet; thence 13) South 17°06'15" East, a distance of 659.55 feet to an angle point in the existing city limits line as described in Resolution No. 80-39 of the City of Newman, North Newman No. 2 annexation; thence 14) South 72°53'45" West along the existing city limits line, also being the north line of said North Newman No. 2 annexation, a distance of 680.86 feet to an angle point in said city limits line and being a point on the easterly line of that Resolution No. 78-91 of the City of Newman, North Annexation No. 1 and being a point on the center line of a city street known as Fig Lane; thence 15) North 17°03'20" West along last said lines, a distance of 231.96 feet to an angle point in said city limits line and being the northeast corner of said North Annexation No. 1; thence 16) South 75°27'52" West along said city limits line and the north line of said North Annexation No. 1, a distance of 524.74 feet to an angle point in said city limits line and being a point on the east right-of-way of a city street known as Hardin Road; thence 17) continuing along said city limits line and north line of said North Annexation No. 1, North 89°59'50" West, a distance of 30.00 feet to an angle point in said city limits line and being a point on the west right-of-way line of said Hardin Road, also being a point on the west line of said Section 18; thence leaving said city limits line and proceeding 18) North 00°00'10" East along last said west right-of-way line of Hardin Road and the west line of said Section 18, a distance of 83.52 feet; thence 19) North 75°25'48" East, a distance of 518.90 feet to a point on the west right-of-way line of Fig Lane; thence 20) North 17°03'20" along last said west right-of-way line, a distance of 338.46 feet to a point of intersection with the southerly right-of-way line of Jensen Road; thence 21) South 72°54'12" West along last said right-of-way line, a distance of 23.21 feet to a point of intersection with the southerly extension of the westerly right-of-way line of a 60 foot street known as "Q" Street (Fig Lane); thence 22) North 17°03'31" West along last said extension and the westerly right-of-way line of said "Q" Street (Fig Lane), a distance of 1297.67 feet to a point on the west line of said Section 18; thence 23) North 00°00'10" East along said west line of Section 18, a distance of 1289.61 feet to the point of beginning.

Containing 53.74 acres, more or less

(Being Stanislaus County APN's: 026-039-001, 0026-039-015, 26-039-017, 026-039-018, 026-039-019, 026-039-027, 026-039-028, 026-039-029, 026-039-030, 026-039-031, 026-039-032, 026-041-002, 026-041-040 & 026-049-001).



*Dave Skidmore*

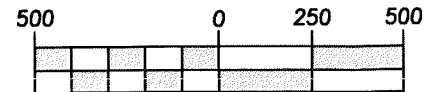
Dave L. Skidmore, L.S. 7126  
12/10/20

SEC. COR. 12 & 13, 6/9, 7 & 18, 7/9  
POINT OF BEGINNING

LINE TABLE		
LINE	BEARING	LENGTH
1	N00°06'21"W	71.56'
2	S89°04'12"E	332.31'
3	S17°08'11"E	500.00'
4	N72°58'31"E	225.19'
5	S00°26'30"W	1399.56'
6	S74°23'58"E	215.55'
7	S14°59'58"E	176.00'
8	N72°58'46"E	739.60'
9	S17°03'30"E	206.33'
10	S72°56'30"W	80.00'
11	S17°03'30"E	161.50'
12	S72°54'12"W	641.54'
13	S17°06'15"E	659.55'
14	S72°53'45"W	680.86'
15	N17°03'20"W	231.96'
16	S75°27'52"W	524.74'
17	N89°59'50"W	30.00'
18	N00°00'10"E	83.52'
19	N75°25'48"E	518.90'
20	N17°03'20"W	338.46'
21	S72°54'12"W	23.21'
22	N17°03'31"W	1297.67'
23	N00°00'10"E	1289.61'

STUHR ROAD

GRAPHIC SCALE



WEST 1/4 COR.  
SEC. 18

EXIST. CITY LIMITS

ANNEXATION AREA = 53.74 ACRES

- A1 ORESTIMBA UNION HIGH SCHOOL ADDITION, 1961
- A2 RESOLUTION NO. 78-91, NORTH ANNEXATION NO. 1
- A3 RESOLUTION NO. 80-39, NORTH NEWMAN NO. 2
- A4 ORDINANCE NO. 187
- A5 RESOLUTION NO. 1674, WALKER ANNEXATION
- A6 RESOLUTION NO. 92-60, NEWMAN CENTER REORGANIZATION
- A7 RESOLUTION NO. 2000-51, HEARTHSTONE RANCH REORGANIZATION

DRAWN: DLS

DATE: 10DEC20

SCALE: 1" = 500'

JOB #: 648-07

DWG: ANNEX(r1)

# NEWMAN MASTER PLAN ANNEXATION EXHIBIT CITY OF NEWMAN, CALIFORNIA



**ASSOCIATED  
ENGINEERING  
GROUP**

4206 TECHNOLOGY DRIVE, SUITE 4, MODESTO, CA 95356  
PHONE: (209) 545-3390 FAX: (209) 545-3875 www.assoceng.com

## **EXHIBIT B**

### **Newman City Council Resolutions 2017-54, 2017-55, & 2021-04**

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# **EVIDENCE OF APPROVAL**

**RESOLUTION NO. 2017-55**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN ADOPTING THE  
NORTHWEST NEWMAN MASTER PLAN FOR NEWMAN 2030 GENERAL PLAN MASTER  
PLAN AREA 3 AND APPROVING RELATED GENERAL PLAN AMENDMENT 17-01,  
ANNEXATION NO. 17-02 AND PREZONE NO. 17-02 APPLICATIONS**

**PROJECT NAME:** Northwest Newman Master Plan, including General Plan Amendment No. 17-01, Prezone No. 17-02, and Annexation No. 17-02.

**PROPOSAL DESCRIPTION:**

Northwest Newman Master Plan, General Plan Amendment, Annexation and Prezone of approximately 360 acres to business park, commercial, recreation/parkland, professional office, school and planned mixed residential land uses.

**PROJECT APPLICANT:** City of Newman

WHEREAS, the City Council having reviewed the proposals and having reviewed any written or verbal comments received prior to the public hearings, including the recommendations of City Staff and having heard oral comments received during the City Council public hearings on November 14<sup>th</sup> and December 12th, does hereby adopt the Northwest Newman Master Plan and approve related General Plan Amendment No. 17-01, Prezone No. 17-02, and Annexation No. 17-02 based on the following findings and conditions of approval:

**FINDINGS FOR APPROVAL:**

1. The project is substantially consistent with the General Plan and any applicable Specific Plans. The Master Plan was prepared in accordance with General Plan LU 3.B Master Plan Requirements and the goals and policies throughout the document. With General Plan Amendment approval, proposed master plan land use designations, densities and uses are all consistent with the General Plan. Therefore, the project is substantially consistent with the General Plan.
2. The project site is physically suitable for the proposed type and density of development. Additionally, all development shall occur in accordance with adopted development standards, goals, objectives and policies in the Northwest Newman Master Plan, City of Newman Standards and Specifications and the related Environmental Impact Report.
3. The proposed project design and improvements are not likely to cause substantial and considerable damage to the natural environment, including fish, wildlife or their habitat. Biological resource surveys conducted as a part of the Newman 2030 General Plan EIR, concluded that the Sphere of Influence, which contains the Master Plan area, no longer maintains a wildland habitat for migratory fish or wildlife species nor is it a corridor or a nursery site. With implementation of the identified mitigation measures, biological impacts are less than significant.
4. Given that all development within the Master Plan shall conform to Federal, State and City health and safety standards, the proposed Master Plan design features and improvements are not likely to cause serious public health and safety problems.
5. The proposed Master Plan design will not conflict with public easements within or through the site. Public easements will be created upon future development to provide for infrastructure and utilities. Existing public easements will be located within the public right-of-way will be preserved unless deemed to be abandoned by the appropriate agencies.
6. The design of the Master Plan provides, to the extent feasible, future passive and natural heating or cooling opportunities. Passive and natural heating or cooling opportunities will exist due to the project's location, design standards, the region's typical Northwest prevailing winds and placement of landscaping upon development.

7. The proposal is consistent with the General Plan and Zoning of the City. The Master Plan meets all applicable General Plan goals and policies (as detailed in the Planning Commission report on pages 6 through 10). The territory proposed for annexation was designed in accordance with General Plan LU 3.B Master Plan Requirements (page LU-21). The Master Plan area has GP land use designations of PMR (Planned Mixed Residential), MDR (Medium Density Residential), VLDR (Very Low Density Residential), BP (Business Park) and CC (Community Commercial). Upon approval, said territory will be zoned as follows: P-D (Residential Planned Development), R-3 (Multi-Residential), PQP (Public/Quasi-Public), M (Light Industrial/Business Park), P-O (Professional Office) and C-8 (Highway Commercial). Therefore, the project is consistent with the General Plan.
8. The unincorporated territory to be annexed is within the City's Primary Sphere of Influence. The project site is within the primary SOI identified in the 2030 General Plan and approved by Stanislaus LAFCO on January 28, 2009.
9. The boundaries of the area proposed to be annexed are definite and certain. The project boundaries are clearly identified in the Master Plan Document, accompanying EIR and legal description.
10. The proposal does not split lines of assessment or ownership. All parcels in their entirety are included in the proposal.
11. The proposal does not create islands or areas in which it would be difficult to provide municipal services.
12. The proposed annexation is contiguous to the existing City limits and an orderly and efficient pattern of urban development. The project site is contiguous to the City limits on its southeastern corner. Given its adjacent location to the City Limits and consistency with General Plan Master Plan Area No. 3 location, the Master Plan area is a logical development site and expansion of City Limits. Furthermore, its location within the City's Primary SOI and Urban Growth Boundary identifies the subject properties as sufficient to accommodate development.
13. Public utility services are available and present to serve the project. Per the Master Plan's design and planned infrastructure, water, sewer, and storm drainage services will be available and have sufficient capacity to serve the proposed development. Future developers shall be responsible for extending said infrastructure as a part of their development(s).
14. Physical improvements are present upon the parcels within the area. Properties within the Master Plan area currently contain a mix of agricultural, ranchettes, single-family residences, highway-oriented commercial, and light industrial land uses. Agricultural uses predominate in the central, northern, and western portions of the Plan area while residential ranchettes and single-family dwellings are generally located in the southern and central portions of the area with a mix of residential, highway-serving commercial and light industrial uses fronting along Highway 33. Additional improvements such as road widening, creation of new roads, extension of infrastructure and non-motorized amenities shall be developed as part of the project.
15. The Master Plan area contains territory identified as prime agricultural land as defined by GC §56064. The majority of the Master Plan area is identified as Prime Farmland. The City, via its adoption of the 2030 General Plan, adopted a Statement of Overriding Considerations which acknowledged this issue as a part of the GP's EIR certification. Furthermore, the City has instituted an Urban Growth Boundary to create strict limits for urban growth surrounding the developed portions of the City and also has a right-to-farm ordinance. Development of the Master Plan complies with LAFCO's Agricultural Preservation Policy and 2030 General Plan.



16. The proposal assists the City in meeting its respective 2014-2023 Regional Housing Needs Allocation (RHNA) as determined by StanCOG. The proposed project will add up to approximately 1,300 various residential unit types to the City, exceeding the City's total 2014-2023 RHNA allocation of 778 units.
17. The Project will not physically divide an established community. The Master Plan area is a logical development site and expansion of City Limits. Existing residential neighborhoods would become a part of the City of Newman city limits. No division will occur.
18. The Project will not conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect. The Master Plan was designed in accordance with the 2030 General Plan, current design standards and local/regional policies. All environmental mitigations have been identified in the 2030 General Plan and Master Plan EIR. Said mitigations shall be implemented as development occurs.
19. The Project will not conflict with any applicable habitat conservation plan or natural community conservation plan. There are no habitat conservation plans or natural community conservation plans currently in force within the City of Newman or Stanislaus County.

In an effort to ensure consistency with the with the 2030 General Plan and implement the Northwest Newman Master Plan in an efficient and logical manner, the City Council hereby adopts the following conditions of approval as part of the project;

#### **CONDITIONS OF APPROVAL:**

##### CEQA

1. The project shall implement all mitigation measures identified in the Environmental Impact Report.
- ##### Community Development
2. Development of business park uses and residential uses shall run concurrently (GP Policy LU-2.5).
  3. Development within the Master Plan shall contribute towards the establishment of gateway entrances and landmarks shown in General Plan Figure CD- 2 (GP Policy CD-7.10).
  4. Developer(s) and City shall enter into development agreement(s) prior to development within the Master Plan area.
  5. The Project shall comply with FEMA and the City of Newman Floodplain requirements.
  6. Rezoning and annexation to the City of Newman shall be completed in a timely manner.
  7. A Finance Plan, as required through General Plan and Master Plan, shall be completed and approved by the City Council prior to the initiation of construction improvements.
  8. Developers shall be responsible for fully reimbursing the City for all costs incurred during the development of the Master Plan, Environmental Impact Report and the processing the related applications; including costs associated with the application to Stanislaus LAFCO.
  9. The municipal water well, water storage tank and ancillary water facilities in the Master Plan area shall be completed prior to any development within the Master Plan.
  10. A Master Park development plan with timing and financing shall be completed.
  11. All development phases of the Master Plan shall include:
    - a. Installation of necessary roadway improvements, water, sewer and drainage improvements to serve the amount of proposed development, as approved by the City of Newman.
    - b. Installation of temporary stormwater retention basins may be required until the area-wide basin on Site P4 is built and is operational. If the initial development phase includes or is adjacent to Park P4, the full basin improvement shall be constructed by the developer of that phase. The developer will then be eligible for reimbursement from other Master Plan developers as other planning areas are built out.

12. Phasing of future uses shall be subject to the following policies:

Neighborhood Parks

- a. Development of residential planning areas that lie adjacent to planned neighborhood parks or recreational trails shall grade the park area lying adjacent to the planning area and "stub in" utilities to the park boundary. The developer(s) may enter into reimbursement agreement(s) with the City to receive park and recreation park fee credits from other developers to reimburse for grading and utility extension expenses.

Utilities

- b. Each development phase shall install necessary roadway, water, sewer, drainage and other utility improvements.
- c. Future developers may request modifications to the backbone utility systems set forth in this Master Plan depending on the availability of new technologies or changing conditions not foreseen in this Master Plan document. Such changes may be approved by the City of Newman.

Standard Conditions

13. There shall be no new above-ground utility lines and/or maintenance boxes placed or exposed conduits installed as a result of the project.
14. The applicant and/or property owner/developer shall comply with, and be responsible for obtaining encroachment permits from the City of Newman and/or Caltrans for work performed within the right-of-way.
15. All contractors performing work relative to this project shall obtain City of Newman Business Licenses, prior to start of work on the project. All work performed on the project shall comply with the requirements of the State and Professions Code.

The foregoing resolution was introduced at a regular meeting of the CITY COUNCIL of the City of Newman held on the 12<sup>th</sup> day of December, 2017, by Council Member Graham, who moved its adoption, which motion was duly seconded by Council Member Day, and the Resolution adopted by the following vote:


AYES: McDonald, Graham, Day and Mayor Martina.

NOES: None.

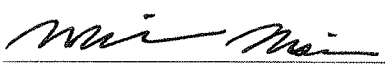
ABSTENTIONS: None.

ABSENT: Candea.


APPROVED:

  
Bob Martina, Mayor

ATTEST

  
Mike Maier, City Clerk

**I HEREBY CERTIFY THAT THE FOREGOING IS A FULL, CORRECT, AND TRUE COPY OF RESOLUTION NO. 2017-55 AS ADOPTED BY THE CITY COUNCIL OF THE CITY OF NEWMAN, A MUNICIPAL CORPORATION OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, AT A REGULAR MEETING HELD ON DECEMBER 12, 2017, AND TO FURTHER CERTIFY THAT SAID RESOLUTION HAS NEVER BEEN RESCINDED OR MODIFIED.**

  
CITY CLERK

12-15-2017  
Dated

# NORTHWEST NEWMAN MASTER PLAN MASTER PLAN LAND USES

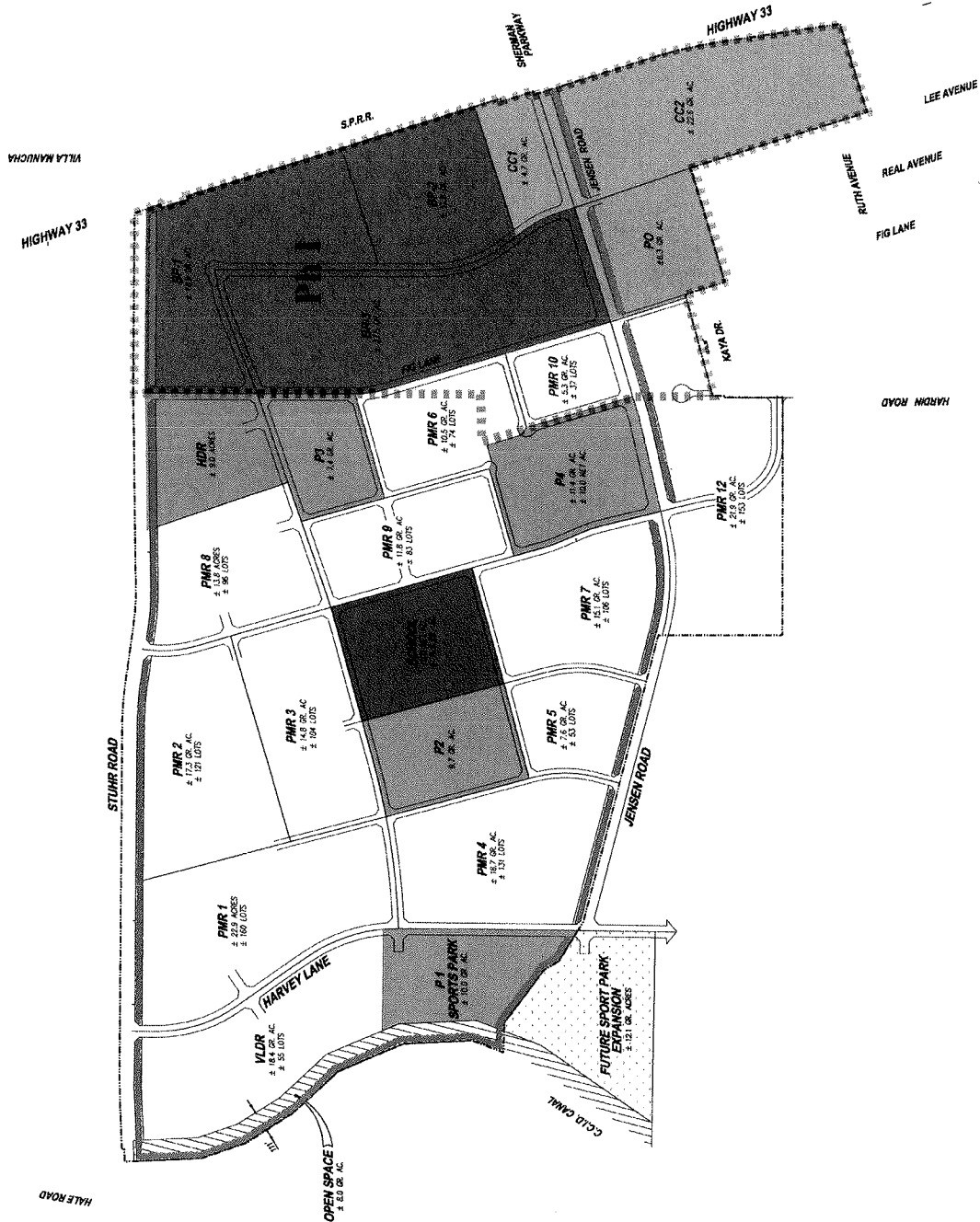
Figure:  
3.3

REVISED 1-15-17

**LEGEND**

MASTER PLAN BOUNDARY	PMR PLANNED MIXED RESIDENTIAL
VLDR VERY LOW DENSITY RESIDENTIAL	HDR HIGH DENSITY RESIDENTIAL
PO PROFESSIONAL OFFICE	CC COMMUNITY COMMERCIAL
BP BUSINESS PARK	POP SCHOOL/PUBLIC/QUASI-PUBLIC
P RECREATION AND PARKS	POTENTIAL LEVEE SETBACK AREA

GROSS LAND USE AREAS ARE TO C/L OF ST. (EXCLUDES  
PROPE. R/W AREA FOR JENSEN RD., STUHR RD. AND HWY  
33 ALONG WITH 40' WIDE TRAIL AREA DEDICATION)



**RESOLUTION NO. 2017-54**

**A RESOLUTION OF THE NEWMAN CITY COUNCIL TO CERTIFY AN ENVIRONMENTAL IMPACT REPORT, ADOPT FINDINGS RELATING TO SIGNIFICANT IMPACTS, ALTERNATIVES AND STATEMENT OF OVERRIDING CONSIDERATIONS FOR THE NORTHWEST NEWMAN MASTER PLAN**

**WHEREAS**, in April 2007, the City Council adopted Resolution 2007-12 *A Resolution of the Newman City Council to Certify its Final Environmental Impact Report, Adopt Findings relating to the Significant Impacts, Alternatives and Statement of Overriding Considerations and Adopt Newman 2030 General Plan*; and

**WHEREAS**, General Plan Policy LU 2.2 requires that “*The City shall, through the use of Master Plans ensure that growth and development occur in an orderly and contiguous manner,*” and

**WHEREAS**, in September 2012, the City Council authorized the City Manager to enter into a contract to prepare the Northwest Newman Master Plan and Environmental Impact Report, and

**WHEREAS**, a Notice of Preparation (NOP) was published on and filed with the Office of Planning and Research (OPR) on March 4, 2013. The NOP was circulated for public comment, along with an Initial Study, from March 5, 2013 to April 4, 2013 and a Scoping Meeting was held during this period on March 19, 2013; and

**WHEREAS**, the City completed a Draft Environmental Impact Report (DEIR), State Clearinghouse Number (SCH# 2013032010). On April 14, 2017, a Notice of Completion was published commencing the State-required forty-five (45) day public review period of the DEIR from April 14, 2017 to May 29, 2017.

**WHEREAS**, following closure of the public review period on the DEIR, the document was supplemented to incorporate comments submitted to the City and the City’s responses to said comments. The comments resulted in changes to the DEIR text, however, the changes do not constitute significant new information as defined in CEQA Guidelines, Section 15088.5; and

**WHEREAS**, on October 6, 2017, the Final Environmental Impact Report (FEIR) was published and made available. The FEIR includes edits to the DEIR text, updated data, and response to all comments on the DEIR; and

**WHEREAS**, the Environmental Impact Report (EIR) is comprised of both the Draft Environmental Impact Report and the Final Environmental Impact Report and together with the technical appendices, form the complete volume of data and information required by the California Environmental Quality Act; and

**WHEREAS**, per CEQA Guidelines section 15152, the Master Plan EIR tiers off of the 2030 General Plan EIR (GP EIR) and the GP EIR is incorporated into the Plan EIR’s analysis by reference; and

**WHEREAS**, the EIR was prepared for the Master Plan with program-level details and is a programmatic EIR consistent with CEQA Guidelines section 15168; and

**WHEREAS**, all provisions of the California Environmental Quality Act relating to Environmental Impact Reports have been complied with, including notice public reviews and public hearings; and

**WHEREAS**, the Environmental Impact Report identified that the project will have certain significant and unavoidable effects on the environment; and

**WHEREAS**, the City Council desires, in accordance with CEQA, to declare that, despite the occurrence of significant environmental effects that cannot be substantially lessened or avoided through the adoption of feasible mitigation measures or feasible alternatives, there exist certain overriding economic, social, and other considerations for approving the project that the Council believes justifies the occurrence of those impacts; and

**WHEREAS**, CEQA (Guidelines section 15043) affirms the City Council's authority to approve this project even though it may cause significant effects on the environment so long as the Council makes a fully informed and publicly-disclosed decision that there is no feasible way to lessen or avoid the significant effects and that there are specifically identified expected benefits from the project that outweigh the policy of reducing or avoiding significant environmental impacts of the project; and

**WHEREAS**, the Planning Commission reviewed and considered the Environmental Impact Report at its regular meeting on October 19, 2017, and prior to taking action on the application, the Commission received written and oral reports by the staff and received public testimony during a public hearing; and

**WHEREAS**, after hearing all qualified and interested persons and considering all relevant evidence, the City Council finds and determines as follows:

**NOW THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Newman as follows:

1. Exhibit A (CEQA Findings) and Exhibit B (Alternatives) provide findings for required under Section 15091 of CEQA Guidelines for significant effects of the Northwest Newman Master Plan. The City Council hereby adopts these various findings.
2. Exhibit C (Statement of Overriding Considerations) provides the findings required under section 15093 of the CEQA Guidelines relating to accepting adverse impacts of the project due to overriding considerations. The City Council has balanced the economic, legal, social, technological, and other benefits outweigh the unavoidable adverse environmental effects. The City Council, therefore, finds the adverse environmental effects of the Northwest Newman Master Plan to be "acceptable." The City Council hereby adopts the Statement of Overriding Considerations.
3. After considering the EIR and in conjunction with making these findings, the City Council hereby finds that pursuant to Section 15092 of the CEQA Guidelines that approval of the Northwest Newman Master Plan will result in significant effects on the environment, however, the City eliminated or substantially lessen these significant effects where feasible, and has determined that remaining significant effects are found to be unavoidable under Section 15091 and acceptable under Section 15093.
4. The City Council has considered alternatives to the Northwest Newman Master Plan and finds based on substantial evidence in the record that while some alternatives would have less of an effect to the environment, none of the alternatives considered meet the vision, goals and policies of the 2030 General Plan. The City Council hereby rejects all other alternatives and combinations and variations, thereof.
5. These findings made by the City Council are supported by substantial evidence in the record, as summarized in the Resolution and Exhibits A, B, and C.
6. In conformance with Section 15097 of the CEQA Guidelines, the City will conduct annual reporting of the Master Plan and mitigation measure and present a copy of said compliance review to the City Council.

7. The City Council hereby certifies the Environmental Impact Report for the Northwest Newman Master Plan and directs staff to file a Notice of Determination immediately after approval of the project.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 12<sup>th</sup> day of December, 2017, by Council Member Day, who moved its adoption, which motion was duly seconded by Council Member Graham, and the Resolution adopted by the following vote:

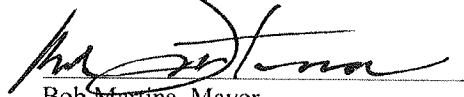
AYES: McDonald, Graham, Day and Mayor Martina.

NOES: None.

ABSTENTIONS: None.

ABSENT: Candea.

APPROVED:

  
Bob Martina, Mayor

ATTEST

  
Mike Maier, City Clerk

**I HEREBY CERTIFY THAT THE FOREGOING IS A FULL, CORRECT, AND TRUE COPY OF RESOLUTION NO. 2017-54 AS ADOPTED BY THE CITY COUNCIL OF THE CITY OF NEWMAN, A MUNICIPAL CORPORATION OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA, AT A REGULAR MEETING HELD ON DECEMBER 12, 2017, AND TO FURTHER CERTIFY THAT SAID RESOLUTION HAS NEVER BEEN RESCINDED OR MODIFIED.**

  
CITY CLERK

12-15-2017  
Dated



## **EXHIBIT A**

### **FINDINGS RELATED TO CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

The City Council finds that Environmental Impact Report includes mitigation measures to the maximum extent feasible to lessen the significant environmental effects identified. The City Council further finds that there are no other feasible mitigation measures that may avoid or reduce impacts to a less than significant level. Therefore, these impacts are significant and unavoidable. As a result, these impacts are overridden by project benefits as set forth in the Statement of Overriding Considerations in Exhibit C.

**Conversion of Farmland.** The proposed Master Plan would result in the conversion of approximately 5 acres of Grazing Land and 305 acres of Prime Farmland to non-agricultural uses and contribute to cumulative loss of agricultural land (General Plan Significant Impact - No New Impact). The City has instituted an Urban Growth Boundary to create strict limits for urban growth surrounding the developed portions of the City and also has a right-to-farm ordinance. Development of the Master Plan complies with LAFCO's Agricultural Preservation Policy and 2030 General Plan.

**Construction Emissions.** Construction activity would temporarily affect local air quality, causing a temporary increase in particulate dust and other pollutants. While the exact timing of construction is not known for Plan build-out, it is possible that SJVAPCD thresholds could be exceeded and contributions to regional exceedances could be significant. Implementation of Regulation VIII and Rule 9510 (MM Air-1) would result in the use of less-polluting construction equipment.

**Operational Emissions.** Operational emissions generated by Plan area development and related traffic would increase emissions in the region, affecting the attainment and maintenance of criteria air pollutant air quality standards. These increases would be above GAMAQI significance thresholds and the impact is considered significant. Implementation of Regulation VIII and Rule 9510 (MM Air-1) would result in the use of less-polluting construction equipment.

**Cumulative Construction and Operational Emissions.** Construction and operational impacts of Plan build-out would also contribute to cumulative air quality impacts. Implementation of Regulation VIII and Rule 9510 (MM Air-1) would result in the use of less-polluting construction equipment.

**Greenhouse Gas Emissions.** New development in the Plan area would be an additional source of GHG emissions, primarily through consumption of energy for transportation and energy usage, which could contribute to significant impacts on the environment. Development projects within the Plan area shall demonstrate GHG emissions reductions to comply with State and Federal requirements, as feasible, through implementation of SJVAPCD GHG emission reduction measures or quantification of reduction from additional measures. Implementation as such is expected to reduce GHG emission by approximately 30%; considered less than significant by the SJVAPCD.

**Increased Roadway Noise For Existing Uses.** The Plan would increase traffic noise levels substantially at sensitive uses along project roadways in its vicinity (General Plan Significant Impact - No New Impact). Pursuant to CEQA Guidelines section 15152, the impacts related to increased traffic noise levels in the Plan area were adequately addressed in the prior General Plan EIR and are therefore not treated as significant impacts for purposes of this EIR. The Plan would result in no new impacts (as compared to the General Plan) related to increased traffic noise.

**Construction Noise.** Businesses and residences throughout the Northwest Newman Master Plan area would be intermittently exposed to high levels of noise throughout the plan horizon. Construction would elevate noise levels at adjacent businesses and residences by 15 dBA or more. Nine (9) additional mitigation measures (in addition to GP mitigations) will be applied to reduce construction noise. Furthermore, construction noise is not a permanent impact.

## EXHIBIT A

Cumulative Traffic Noise. The Plan in combination with the effects of buildout of the surrounding community would increase traffic noise levels substantially along roadways in its vicinity (General Plan Significant Impact - No New Impact). Impacts would only be considered significant where noise sensitive receptors are located adjacent to the roadways. Furthermore, Mitigation Measures Noise-1a, 1b and 2 would reduce traffic noise.

SR 33 & Yolo Street, Cumulative. The addition of Plan traffic to this intersection would degrade the LOS from unacceptable F with overflow conditions in the a.m. peak hour and unacceptable E in the p.m. peak hours to an unacceptable LOS F during both peak hours. Mitigation Measures Traf-3 and 17 would result in a LOS improvement for the intersection.

Roadway Segment SR 33 - Jensen Road to Yolo Street. The addition of Plan traffic to this roadway segment would degrade the LOS D to an unacceptable LOS F. Widening the segment to four lanes would improve the LOS for the segment and be consistent with the Newman 2030 General Plan.

Roadway Segments Stuhr Road - Draper Road to Eastin Road and Eastin Road to Interstate 5. The addition of Plan traffic to these roadway segments would degrade the LOS from an unacceptable D to an unacceptable LOS E. The Newman General Plan EIR forecasts these interregional roadway segments operating at an unacceptable LOS. However, while the inter-regional street system is not the sole responsibility of the City of Newman, the City can investigate mechanisms for City development to participate on a "fair share" basis in the costs of maintaining and improving roads outside of the City limits.

## EXHIBIT B

### FINDINGS RELATED TO ALTERNATIVES

The EIR describes and evaluates three alternatives to the proposed Northwest Newman Master Plan (Master Plan). While each of the alternatives have the ability to reduce environmental impacts relative to the proposed project, none of them would completely reduce all of the environmental impacts to a level of insignificance.

As explained below, the City Council finds the various alternatives to be infeasible. Whether an alternative is considered to be feasible involves a determination of whether it is capable of being successfully accomplished within a reasonable period of time, taking into account environmental, economic, legal, social, technological and/or other relevant factors. A key factor is the degree to which the Master Plan and alternatives to the Master Plan will implement relevant City goals and policies.

The City Council finds that when looked at as a whole, and considering the benefits presented by the Master Plan together with its potential environmental impacts, the Master Plan offers a reasonable and desirable means for achieving the City's vision, goals and policies, including, among other, to increase land supply for industrial, office and employment-generating uses in this strategic location and balances this with the development of new housing. The Master Plan comprises a feasible and reasonable method of achieving these City goals and policies while offering benefits to the public that would not otherwise occur in the absence of the Plan. As explained in more detail below, the City Council finds that the alternatives to the Master Plan will not achieve these important City objectives to the same degree as the proposed Master Plan. Further, as explained in the findings for each alternative below, unlike the Northwest Newman Master Plan, some of the alternatives would impede achievement of City policies and objectives.

#### *No Project Alternative*

This alternative is required by CEQA, and assumes that the Master Plan would not be adopted, new uses proposed would not occur and infrastructure would not be constructed. The purpose of describing and analyzing a No Project alternative is to allow decision makers to compare the impacts of approving a proposed project with the impacts of not approving the proposed project. Under this alternative, the proposed Master Plan would not be adopted and the existing City Limits would remain in effect.

The City Council finds that this alternative is less desirable than the proposed project and is infeasible, and, therefore, rejects this alternative for the following reasons:

The 2030 General Plan vision is that City will have a variety of employment options for local residents, from entry-level to more advanced positions in the trade, office and higher-paying retail industries to improve the economic well-being of the community. While the No Project Alternative (Existing General Plan) and the proposed Master Plan have the same policies to achieve the goal of a variety of employment options the proposed Master Plan contains additional actions that will further the goal. Actions include identifying an area that will attract a wide range of new jobs including community commercial, business park and professional office type businesses. The preliminary Fiscal Impact Report indicates this area has the potential to create 2,000+ jobs. Therefore, the No Project Alternative is less desirable.

## EXHIBIT B

### *Reduced Intensity Alternative*

Under this alternative, the Plan area would be annexed into the City of Newman, but it would develop according to a reduced density development plan that increases residential development, slightly increase office development, and reduces business park and community commercial development, while maintaining a mix of uses in the Plan area. This alternative replaces 35.8 acres of non-residential uses with residential uses, specifically by replacing 27.5 acre of business park with Planned Mixed Residential, replacing 8.3 acres Professional Office area with Planned Mixed Residential. To retain the offices uses, 12.7 acre of Community Commercial would be replaced with Professional Office.

The City Council finds that this alternative is less desirable than the proposed project and is infeasible, and, therefore, rejects this alternative for the following reason:

A primary purpose for the City investing the money, time and effort of managing the preparation of the Master Plan is to realize some of the job-growth occurring on the west side of Stanislaus County. The reduction in non-residential uses is estimated to decrease the amount of jobs created at full-build-out by thirty-five (35%) percent (Table 21.1 of DEIR). In addition, the plan would generate an additional eighteen (18%) percent or two hundred fifty one (251) residential units. Together these changes significantly reduce the jobs-housing balance proposed in the Master Plan.

### *Reduced Footprint Alternative*

Under this Alternative, the footprint of the Plan area would be substantially reduced such that is no longer coincided with the Master Plan Area 3 identified within the General Plan. Under this alternative, the Plan area would be roughly halved such that the western half would be removed from the Plan area. Because the western portion of the Plan area is proposed for residential uses, this would have the effect of resulting in substantially fewer residential units to be developed over a smaller area. Non-residential uses would remain unchanged under this alternative as these are in the retained eastern portion of the Plan area.

The City Council finds that this alternative is less desirable than the proposed project and is infeasible, and, therefore, rejects this alternative for the following reasons:

The Reduced Footprint Alternative significantly reduces the amount of land that would be designated for residential uses, thereby reducing the amount of housing opportunities available to persons filling the 2,000+ jobs that would be created in the eastern half of the Master Plan area. Without available housing, employers may be less likely to locate their business within Newman. In addition, the lack of housing would require employees to commute into Newman from other communities creating higher air quality impacts due to the longer commute.

During workshops for the 2030 General Plan, the community stressed the need and their desire to have a comprehensive planning process for potential annexations. The opinion was strong enough that the General Plan committee bifurcated the Sphere of Influence into ten (10) sub-areas for which a Master Plan would be required prior to annexation. Reducing the footprint of the Master Plan project would be inconsistent with the 2030 General Plan and therefore not desirable.

## EXHIBIT C

### STATEMENT OF OVERRIDING CONSIDERATIONS

The Newman City Council adopts and makes this Statement of Overriding Considerations concerning the Northwest Newman Master Plan's unavoidable significant impacts to explain why the Plan's benefits override and outweigh its unavoidable impacts.

The Northwest Newman Master Plan has been developed in conformance with 2030 General Plan Policy LU 2.2 and General Plan LU.3.B *Master Plan Requirements*. The 2030 General Plan identifies Master Plans as the instrument to be used for guiding development in Master Plan sub-areas identified on Figure LU-4. The Northwest Newman Master Plan includes components to implement the 2030 General Plan goals and policies for properties located within Master Plan Area 3. The Master Plan includes anticipated future development within this area, including a combination of Residential, Professional Office, Community Commercial, Business Park, School, and Public and Recreational/Park uses. Development standards to guide future development are addressed in the Master Plan; as well as design guidelines and major land uses. The Master Plan increases the City's ability to manage this area for economic development, augments policy guidance to preserve and enhance community character, incorporates guidance for protecting the continued use of agricultural uses, supports diversity of housing types, and provides a policy framework for the orderly and systemic expansion of transportation and utility infrastructure and services as development occurs.

The City Council finds that the Northwest Newman Master Plan's unavoidable significant impacts are acceptable in light of the Plan's benefits. Each benefit set forth below constitutes an overriding consideration warranting approval of the plan, independent of the other benefits and despite each and every unavoidable impact.

1. The Northwest Newman Master Plan provides a comprehensive, orderly and balanced approach to growth, consistent with the 2030 General Plan goals to provide adequate land for development of employment and commercial uses that create high quality jobs, provide goods and services and enhance the economy of Newman. This approach requires a comprehensive land use framework that calls for the expansion of the City Limits and the intensification of land uses. It also recognizes the community's intention to continue to be a traditional small town with well-planned neighborhoods that provide housing for all segments and income levels and surrounded by agricultural lands.
2. The Northwest Newman Master Plan provides an enhancement of the community's overall quality of life by allowing the City to develop a more diverse local economy, with opportunities for higher wage jobs, and a full range of shopping and entertainment options. This would reduce the need for residents to travel outside the community, while also improving the City's jobs-housing balance.
3. The Northwest Newman Master Plan furthers the City's goal of creating a walkable community with a well-connected street grid, pedestrian amenities, and bike lanes. The proposed network will provide for the safe and efficient movement of people and goods throughout the Master Plan area and into the existing transportation network. The plan specifies development standards for the proposed transportation and circulation network and identifies where and how it would integrate into the existing system.
4. The Northwest Newman Master Plan allows the City to identify and plan for the most appropriate land uses and transportation and circulation improvements, which will help attract economic

## EXHIBIT C

development with long-term growth and income potential for local residents. The non-residential land uses are estimated to generate over 2,000 jobs in the community at full-build out of the Master Plan. Failure to plan for land uses and infrastructure that generate jobs within the community will negatively affect the City's ability to meet its long-term economic development objectives.

5. The Northwest Newman Master Plan will improve the City's tax base with a more diverse local economy, which will provide increase funding for public services and infrastructure. This will help ensure that sufficient infrastructure and public services are provided as the community grows, thereby contributing towards a safe environment a quality of life that residents value.
6. The Northwest Newman Master Plan identifies an elementary school site and several parks throughout the area to meet the open space, recreational and educational needs of the future residents. The identified facilities have been placed in locations that will promote community gatherings and a sense of a safe community where people know their neighbors.

## Notice of Determination

Appendix D

**To:**

☐ Office of Planning and Research

U.S. Mail:

P.O. Box 3044

Sacramento, CA 95812-3044

Street Address:

1400 Tenth St., Rm 113

Sacramento, CA 95814

☒ County Clerk

County of: Stanislaus

Address: 1021 I Street

Modesto, CA 95354

**From:**

Public Agency: City of Newman

Address: P.O. Box 787, 938 Fresno Street  
Newman, CA 95360

Contact: Stephanie Ocasio

Phone: (209) 862-3725, ext. 4

Alejandra Marroquin

Lead Agency (if different from above):

Address:

Contact:

Phone:

**SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.**

State Clearinghouse Number (if submitted to State Clearinghouse): 2013032010

Project Title: Northwest Newman Master Plan

Project Applicant: City of Newman

Project Location (include county): Bounded by Stuhr Rd, SR 33, CCID canal, & existing City limit/Jensen Rd.

**Project Description:**

The Northwest Newman Master Plan consists of a mix of residential, business park, community commercial, office, parks, & school uses in a 362-acre area identified in the Newman General Plan as Master Plan Area 3. The project includes approval of the Plan & related General Plan Amendment, Pre-Zone & Annexation of the Master Plan area into the City of Newman. The Master Plan establishes the location & intensity of various land uses; location of major roadways; provision of public facilities, parks & utilities; design guidelines; & provide for methods of financing improvements & implementation.

This is to advise that the City of Newman has approved the above  
(☒ Lead Agency or ☐ Responsible Agency)

described project on 12/12/17 and has made the following determinations regarding the above  
(date)  
described project.

1. The project [☒ will ☐ will not] have a significant effect on the environment.
2. ☒ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.  
☐ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [☒ were ☐ were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [☒ was ☐ was not] adopted for this project.
5. A statement of Overriding Considerations [☒ was ☐ was not] adopted for this project.
6. Findings [☒ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:

Newman City Hall, 938 Fresno Street, Newman, CA 95360

Signature (Public Agency):

*Stephanie Ocasio*

Title: City Planner

Date: 12/14/17

Date Received for filing at OPR:

Authority cited: Sections 21083, Public Resources Code.  
Reference Section 21000-21174, Public Resources Code.

Revised 2011



State of California - Department of Fish and Wildlife

**2017 ENVIRONMENTAL FILING FEE CASH RECEIPT**

DFW 753.5a (Rev. 01/01/17) Previously DFG 753.5a

Print

Start Over

Finalize &amp; Email

RECEIPT NUMBER:

50 — 2017 — 132

STATE CLEARINGHOUSE NUMBER (If applicable)

SCH no. 2013032010

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY

City of Newman

LEAD AGENCY EMAIL

DATE

12/14/2017

COUNTY/STATE AGENCY OF FILING

Stanislaus

DOCUMENT NUMBER

2017-132

PROJECT TITLE

Northwest Newman Master Plan

PROJECT APPLICANT NAME

City of Newman

PROJECT APPLICANT EMAIL

PHONE NUMBER

(209) 862-3725 ext 4

PROJECT APPLICANT ADDRESS

938 Fresno Street

CITY

Newman

STATE

CA

ZIP CODE

95360

PROJECT APPLICANT (Check appropriate box)

☒ Local Public Agency☐ School District☐ Other Special District☐ State Agency☐ Private Entity

## CHECK APPLICABLE FEES:

☒ Environmental Impact Report (EIR)

\$3,078.25

\$

3,078.25

☐ Mitigated/Negative Declaration (MND)(ND)

\$2,216.25

\$

0.00

☐ Certified Regulatory Program document (CRP)

\$1,046.50

\$

0.00

☐ Exempt from fee☐ Notice of Exemption (attach)☐ CDFW No Effect Determination (attach)☐ Fee previously paid (attach previously issued cash receipt copy)☐ Water Right Application or Petition Fee (State Water Resources Control Board only)

\$850.00

\$

0.00

☒ County documentary handling fee

\$

57.00

☐ Other

\$

## PAYMENT METHOD:

☐ Cash☐ Credit☒ Check☐ Other

TOTAL RECEIVED

\$

3,135.25

SIGNATURE

X

AGENCY OF FILING PRINTED NAME AND TITLE

Alejandra Marroquin, Legal Clerk





State of California - Department of Fish and Wildlife

## 2017 ENVIRONMENTAL FILING FEE CASH RECEIPT

DFW 753.5a (Rev. 01/01/17) Previously DFG 753.5a

### NOTICE

Each project applicant shall remit to the county clerk the environmental filing fee before or at the time of filing a Notice of Determination (Pub. Resources Code, § 21152; Fish & G. Code, § 711.4, subdivision (d); Cal. Code Regs., tit. 14, § 753.5). Without the appropriate fee, statutory or categorical exemption, or a valid No Effect Determination issued by the California Department of Fish and Wildlife (CDFW), the Notice of Determination is not operative, vested, or final, and shall not be accepted by the county clerk.

### COUNTY DOCUMENTARY HANDLING FEE

The county clerk may charge a documentary handling fee of fifty dollars (\$50) per filing in addition to the environmental filing fee (Fish & G. Code, § 711.4, subd. (e); Cal. Code Regs., tit. 14, § 753.5, subd. (g)(1)). A county board of supervisors shall have the authority to increase or decrease the fee or charge, that is otherwise authorized to be levied by another provision of law, in the amount reasonably necessary to recover the cost of providing any product or service or the cost of enforcing any regulation for which the fee or charge is levied (Gov. Code, § 54985, subd. (a)).

### COLLECTION PROCEDURES FOR COUNTY GOVERNMENTS

#### Filing Notice of Determination (NOD):

- ☐ Collect environmental filing fee or copy of previously issued cash receipt. *(Do not collect fee if project applicant presents a No Effect Determination signed by CDFW. An additional fee is required for each separate environmental document. An addendum is not considered a separate environmental document. Checks should be made payable to the county.)*
- ☐ Issue cash receipt to project applicant.
- ☐ Attach copy of cash receipt and, if applicable, previously issued cash receipt, to NOD.

If the project applicant presents a **No Effect Determination** signed by CDFW, also:

- ☐ Attach No Effect Determination to NOD *(no environmental filing fee is due)*.

#### Filing Notice of Exemption (NOE) *(Statutorily or categorically exempt project (Cal. Code Regs., tit. 14, §§ 15260-15285, 15300-15333))*

- ☐ Issue cash receipt to project applicant.
- ☐ Attach copy of cash receipt to NOE *(no environmental filing fee is due)*.

Within 30 days after the end of each month in which the environmental filing fees are collected, each county shall summarize and record the amount collected on the monthly State of California Form No. CA25 (TC31) and remit the amount collected to the State Treasurer. Identify the remittance on Form No. CA25 as "Environmental Document Filing Fees" per Fish and Game Code section 711.4.

#### The county clerk shall mail the following documents to CDFW on a monthly basis:

- ✓ A photocopy of the monthly State of California Form No. CA25 (TC31)
- ✓ CDFW/ASB copies of all cash receipts (including all voided receipts)
- ✓ A copy of all CDFW No Effect Determinations filed in lieu of fee payment
- ✓ A copy of all NODs filed with the county during the preceding month
- ✓ A list of the name, address and telephone number of all project applicants for which an NOD has been filed. If this information is contained on the cash receipt filed with CDFW under California Code of Regulations, title 14, section 753.5, subdivision (e)(6), no additional information is required.

### DOCUMENT RETENTION

The county shall retain two copies of the cash receipt (for lead agency and county clerk) and a copy of all documents described above for at least 12 months.

### RECEIPT NUMBER

- # The first two digits automatically populate by making the appropriate selection in the County/State Agency of Filing drop down menu.
- # The next eight digits automatically populate when a date is entered.
- # The last three digits correspond with the sequential order of issuance for each calendar year. For example, the first receipt number issued on January 1 should end in 001. If a county issued 252 receipts for the year ending on December 31, the last receipt number should end in 252. CDFW recommends that counties and state agencies 1) save a local copy of this form, and 2) track receipt numbers on a spreadsheet tabbed by month to ensure accuracy.

**DO NOT COMBINE THE ENVIRONMENTAL FEES WITH THE STATE SHARE OF FISH AND WILDLIFE FEES.**

#### Mail to:

California Department of Fish and Wildlife  
Accounting Services Branch  
1416 9th Street, 12th Floor, Suite 1215  
Sacramento, California 95814

**RESOLUTION NO. 2021-04**

**A RESOLUTION OF ANNEXATION REFERRAL TO THE STANISLAUS COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO) FOR THE ANNEXATION OF THE NORTHWEST NEWMAN MASTER PLAN – PHASE I AND RESCINDING RESOLUTION NO. 2020-41**

WHEREAS, the City of Newman, has requested a general plan amendment, prezone and annexation for the First Phase of the Northwest Newman Master Plan area; and

WHEREAS, The Northwest Newman Master Plan – Phase I proposed on approximately 53.7 acres of land has been submitted for specific pieces of property described in the County Assessor's Office Records as APNs

026-039-031	026-039-015	026-039-032	026-039-017	026-039-018
026-039-019	026-039-027	026-039-028	026-039-029	026-039-030
026-039-001	026-049-001	026-041-002	026-041-040	

to the City of Newman: and

WHEREAS, a General Plan Amendment application has been submitted to re-designate a portion of the Northwest Newman Master Plan project area in the City's General Plan; and

WHEREAS, a Prezoning application has been submitted to prezone the property in a manner consistent with the City's General Plan; and

WHEREAS, the Newman City Planning Commission, after conducting a public hearing on the project, voted 2-1 in favor of recommending the Council approve the Master Plan and related General Plan Amendment, Annexation and Prezone; and

WHEREAS, given the attendance of only three (3) members of the Planning Commission, the 2-1 vote resulted in the motion not being approved and the project proceeded to the City Council without a recommendation from the Planning Commission; and

WHEREAS, the Prezoning proposal, was found to be consistent with the City's General Plan and therefore the Council has taken action to approve the Prezoning of this property in accordance with the requirements of Section 5.26.030 of Newman Municipal Code; and

WHEREAS, General Plan Amendment No. 17-01, Prezone No. 17-02 and Annexation No. 17-02 constitute a project as defined under the California Environmental Quality Act (CEQA) and the Guidelines for Implementation of the California Environmental Quality Act (CEQA); and

WHEREAS, an Initial Study and Mitigated Negative Declaration (SCH #2013032010), has been prepared pursuant to the California Environmental Quality Act (CEQA; PRC Section 21000 et seq.) to analyze the environmental effects of the project; and

WHEREAS, on October 19, 2017 the Planning Commission held a public hearing to receive comments regarding the Initial Study and Mitigated Negative Declaration; and

WHEREAS, on October 19, 2017 the Planning Commission voted 2-1 in favor of recommending the certification of the Initial Study and Mitigated Negative Declaration; and

WHEREAS, given the attendance of only three (3) members of the Planning Commission, the 2-1 vote resulted in the motion not being approved and the Initial Study and Mitigated Negative Declaration proceeded to the City Council without a recommendation from the Planning Commission; and

WHEREAS, the City Council has reviewed the Initial Study and Mitigated Negative Declaration prepared for the project, the project staff report, the Planning Commission report, and all evidence received by the Planning Commission and at the City Council hearings, all of which documents and evidence are hereby incorporated by reference into this Resolution; and

WHEREAS, the City Council is required pursuant to CEQA (Guidelines Section 15021), to adopt all feasible mitigation measures or feasible project alternatives that can substantially lessen or avoid any significant environmental effects keeping in mind the obligation to balance a variety of public objectives; and

WHEREAS, a proposal for a change in local government reorganization shall be made by a resolution of application by the legislative body of an affected local agency pursuant to the Cortese-Knox Government Reorganization Act of 2000; and

WHEREAS, the Local Agency Formation Commission of the County of Stanislaus has adopted, pursuant to the Cortese-Knox Government Reorganization Act of 2000, Division 3, Part 2, commencing with Section 56425 of the California Government Code, both a primary and secondary sphere of influence for the City of Newman; and

WHEREAS, on April 10, 2007, the Newman City Council adopted the Newman 2030 General Plan which established formal city policies regarding land use designations and direction for the physical growth of the city; and

WHEREAS, the subject property is presently located within the City of Newman's primary Sphere of Influence and must be annexed to the City before these actions of the City can take effect, and

WHEREAS, the project site is located within the district boundaries of the Central California Irrigation District (CCID); and

WHEREAS, the City Council has determined that the City of Newman can provide all necessary public services needed to serve the area proposed for annexation; and

WHEREAS, the City Newman's Planning Commission has held a public hearing and reviewed the project in accordance with the requirements of Section 6.03.040 of the City of Newman Municipal Code, and

WHEREAS, the City Council rescinds Resolution No 2020-41 A Resolution of Annexation Referral To The Stanislaus County Local Formation Agency (LAFCO) For The Annexation Of The Northwest Newman Master Plan Phase I comprised of 65.3 acres of land; and

WHEREAS, once the City Council has authorized City staff to submit an application to LAFCO, staff will prepare and submit that application to LAFCO on behalf of the City. The City will be required to pay for all necessary LAFCO, Department of Equalization, and any/all other applicable fees.

THE NEWMAN CITY COUNCIL DOES HEREBY RESOLVE AS FOLLOWS:

I. Annexation of approximately 53.74 acres to the City of Newman, as requested by the City of Newman, is approved on the bases of the following findings:

1. The project is substantially consistent with the General Plan and any applicable Specific Plans. The Master Plan was prepared in accordance with General Plan LU 3.B Master Plan Requirements and the goals and policies throughout the document. With General Plan Amendment approval, proposed master plan land use designations, densities and uses are all consistent with the General Plan. Therefore, the project is substantially consistent with the General Plan.

2. The proposal is consistent with the General Plan and Zoning of the City. The Master Plan meets all applicable General Plan goals and policies (as detailed in the Planning Commission report on pages 6 through 10). The territory proposed for annexation (Phase I) was designed in accordance with General Plan LU 3.B Master Plan Requirements (page LU-21). Phase I of the Master Plan area has GP land use designations of BP (Business Park), CC (Community Commercial) and Planned Mixed Residential. Upon approval, said territory will be zoned as follows: M (Light Industrial/Business Park), P-O (Professional Office), C-8 (Highway Commercial) and R-2 Medium Density Residential. Therefore, the project is consistent with the General Plan.
3. The project site is physically suitable for the proposed type and density of development. Additionally, all development shall occur in accordance with adopted development standards, goals, objectives and policies in the Northwest Newman Master Plan, City of Newman Standards and Specifications and the related Environmental Impact Report.
4. The proposed project design and improvements are not likely to cause substantial and considerable damage to the natural environment, including fish, wildlife or their habitat. Biological resource surveys conducted as a part of the Newman 2030 General Plan EIR, concluded that the Sphere of Influence, which contains the Master Plan area, no longer maintains a wildland habitat for migratory fish or wildlife species nor is it a corridor or a nursery site. With implementation of the identified mitigation measures, biological impacts are less than significant.
5. Given that all development within the Master Plan shall conform to Federal, State and City health and safety standards, the proposed Master Plan design features and improvements are not likely to cause serious public health and safety problems.
6. The proposed Master Plan design will not conflict with public easements within or through the site. Public easements will be created upon future development to provide for infrastructure and utilities. Existing public easements will be located within the public right-of-way will be preserved unless deemed to be abandoned by the appropriate agencies.
7. The unincorporated territory to be annexed is within the City's Primary Sphere of Influence. The project site is within the primary SOI identified in the 2030 General Plan and approved by Stanislaus LAFCO on January 28, 2009.
8. The boundaries of the area proposed to be annexed are definite and certain. The project boundaries are clearly identified in the Master Plan Document, accompanying EIR and legal description.
9. The proposal does not split lines of assessment or ownership. All parcels in their entirety are included in the proposal.
10. While the proposal does create a 22.4+/- acre (three parcels) island, the proposal advances the orderly development of the community. The Master Plan has been a planned effort over time to bring economic development and housing to the City of Newman. The City designed the Master Plan in a manner that anticipates the project will be developed in phases. Phasing the project allows for controlled growth and for agricultural production in the area to continue as long as possible prior to conversion to other uses. The proposal would not frustrate provision of services, access to infrastructure, or traffic circulation in the area. Inability to implement this proposal would be detrimental to the goals of the Master Plan and General Plan. Despite the island, the proposal preserves the integrity of the Master Plan and its phased implementation, and therefore would not be detrimental to the orderly development of the community.
11. The proposed annexation is contiguous to the existing City limits and an orderly and efficient pattern of urban development. The project site is contiguous to the City limits on its southern boundary. Given its adjacent location to the City Limits and consistency with

the General Plan Master Plan Area No. 3 location, Phase I of the Master Plan area is a logical development site and expansion of City Limits. Furthermore, its location within the City's Primary SOI and Urban Growth Boundary identifies the subject properties as sufficient to accommodate development.

12. Public utility services are available and present to serve the project. Per the Master Plan's design and planned infrastructure, water, sewer, and storm drainage services will be available and have sufficient capacity to serve the proposed development. Future developers shall be responsible for extending said infrastructure as a part of their development(s).
13. Physical improvements are present upon the parcels within the area. Properties within Phase I of the Master Plan area currently contain a mix of agricultural, ranchettes, single-family residences, highway-oriented commercial, and light industrial land uses. Agricultural uses predominate in the northwestern, central, and southern portions of the Phase I area while residential ranchettes and single-family dwellings are generally located in the western portion of the area with a mix of residential, highway-serving commercial and light industrial uses fronting along Highway 33. Additional improvements such as road widening, creation of new roads, extension of infrastructure and non-motorized amenities shall be developed as part of the project.
14. Phase I of the Master Plan area contains territory identified as prime agricultural land as defined by GC §56064. The majority of the Master Plan area is identified as Prime Farmland. Phase I of the proposed Master Plan would result in the conversion of approximately 40 acres of Prime Farmland to non-agricultural uses and contribute to cumulative loss of agricultural land (General Plan Significant Impact - No New Impact). The City, via its adoption of the 2030 General Plan and Master Plan EIR, adopted Statements of Overriding Considerations which acknowledged this issue as a part of the GP's and Master Plan's EIR certifications. Furthermore, the City has instituted an Urban Growth Boundary to create strict limits for urban growth surrounding the developed portions of the City and also has a right-to-farm ordinance. Development of the Master Plan complies with LAFCO's Agricultural Preservation Policy and 2030 General Plan.
15. Phase I of the Master Plan does not include residential development. However, future phases will assist the City in meeting its respective 2014-2023 Regional Housing Needs Allocation (RHNA) as determined by StanCOG. The Master Plan, upon completion, will add up to approximately 1,353 various residential unit types to the City, exceeding the City's total 2014-2023 RHNA allocation of 778 units.
16. The Project will not physically divide an established community. The small community in the Fig Lane area is included The Master Plan area is a logical development site and expansion of City Limits. Existing residential neighborhoods would become a part of the City of Newman city limits. No division will occur.
17. The Project will not conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the Project adopted for the purpose of avoiding or mitigating an environmental effect. The Master Plan was designed in accordance with the 2030 General Plan, current design standards and local/regional policies. All environmental mitigations have been identified in the 2030 General Plan and Master Plan EIR. Said mitigations shall be implemented as development occurs.
18. The Project will not conflict with any applicable habitat conservation plan or natural community conservation plan. There are no habitat conservation plans or natural community conservation plans currently in force within the City of Newman or Stanislaus County.
19. The design of the Master Plan provides, to the extent feasible, future passive and natural heating or cooling opportunities. Passive and natural heating or cooling opportunities will

exist due to the project's location, design standards, the region's typical Northwest prevailing winds and placement of landscaping upon development.

- II. Detachment from the Central California Irrigation District (CCID) is recommended by the City of Newman based on the following findings:
1. The detachment is consistent with the Newman General Plan; and
  2. The detachment is consistent with the City policy to extend City water to the incorporated areas of the City; and
  3. The proposed detachment will not have a detrimental effect on adjacent unincorporated land that will continue to be provided water service by CCID.
- III. The California Environmental Quality Act (CEQA) requires a responsible agency to comply with CEQA by minimizing environmental damage and balancing competing public objectives. To comply with these responsibilities, a public agency will prepare an initial study to determine if the project may have a significant effect on the environment. However, said study is not necessary if the agency can determine that an Environmental Impact Report (EIR) will clearly be required for the project. Due to the size and scope of the project, the City elected to prepare the EIR at beginning of the process. Via Resolution No. 2017-54, the City Council certified the Environmental Impact Report, Adopted Findings Relating to Significant Impacts, Alternatives and Statement of Overriding Considerations for the Northwest Newman Master Plan.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 12<sup>th</sup> of January, 2021 by Council Member Candea, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES: McDonald, Pimentel, Candea and Mayor Graham.  
NOES: None.  
ABSENT: None.  
ABSTAIN: None.

APPROVED:

  
\_\_\_\_\_  
Mayor of the City of Newman

ATTEST:

  
\_\_\_\_\_  
City Clerk of the City of Newman

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## **EXHIBIT C**

### **Northwest Newman Annexation Property Tax Revenue Exchange Agreement**



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**NORTHWEST NEWMAN ANNEXATION  
PROPERTY TAX REVENUE EXCHANGE AGREEMENT**

This Northwest Newman Master Plan Area Property Tax Exchange Agreement ("Agreement") is made and executed on June 18, 2019, by and between the County of Stanislaus, a political subdivision of the State of California ("County") and the City of Newman, a municipal corporation of the State of California ("City").

**RECITALS**

A. The City intends to annex an area referred to as the Northwest Newman Master Plan Area and includes a total of 370.47 acres to be annexed to the City, referred to as the "Northwest Newman Master Plan Area" or "Plan Area" which is more particularly described in Exhibit A, and shown in the plat map attached as Exhibit B.

B. Section 99 of the Revenue and Taxation Code requires a city seeking to annex property to its incorporated territory and a county affected by such annexation to agree upon an exchange of property taxes which are derived from the annexed territory and available to the county and city following annexation of the property to the incorporated territory of the City.

C. The County and the City entered into an Agreement, also known and referred to as the Master Property Tax Sharing Agreement, effective April 9, 1996, for the purpose of adjusting the allocation of property tax revenue pursuant to Section 99 of the Revenue and Taxation Code upon a change of organization.

D. Section Seven of the Master Property Tax Sharing Agreement, as amended May 26, 2006 (Amendment No. 1), provides:

For annexations other than County unincorporated islands, the County shall retain its share of the property tax revenue attributable to the base year assessed valuation of the area being annexed. After annexation, the annexing city shall receive a 30% share of the County's property tax share that is attributable to an increase in assessed value above the base year amount. The County shall continue to receive 100% of the property tax revenue attributable to the County's share of the lower of the current year's assessed valuation or the base year assessed valuation and 70% of its share of the property taxes attributable to the increases of assessed valuation in the annexed area over the base year assessed valuation.

E. The County's Crow's Landing Industrial Business Park (CLIBP) Project, a 1,528 acre planned industrial park, is located northwest of the City and is anticipated to generate thousands of locally based jobs. Because of the proximity to the City and the jobs anticipated to be generated from the CLIBP, the County and City desire to separately negotiate property tax revenue sharing for the entire "Plan Area" described in Exhibit B, and have negotiated and have reached an understanding as to a rate of exchange of property tax revenues to be made pursuant to Section 99 of the Revenue and Taxation Code in connection with the Annexation of the Plan Area or portions thereof to the City.

F. County and City agree to the transfer of property tax revenue upon completion of an annexation of any portion of the Plan Area as set forth in this Agreement.

### AGREEMENT

#### Section 1. Definitions.

(a) "Plan Area" means that portion of the unincorporated area of the County described in the Northwest Newman Master Plan and more particularly described in Exhibit A and shown in Exhibit B.

(b) "Annexation Date" means the date specified by the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 as the effective date of the annexation.

(c) "Residential" means that property designated and developed for the following uses only: High Density Residential, Planned Mixed Residential, Very Low Density Residential.

(d) "Commercial/Job Generating Property" means that property designated and developed for the following uses only: Professional Office, Community Commercial, Retail and Business Park.

Section 2. General Purpose of Agreement. The general purpose of this Agreement is to establish an equitable exchange of property tax revenue between the County and the City for the Plan Area as required by Revenue and Taxation Code section 99.

Section 3. Exchange of Property Tax Revenue. Notwithstanding any prior or contemporaneous agreement related to the transfer, sharing or exchange of real property taxes, on and after the Annexation Date, the County and City shall exchange property tax revenue from the Annexation Area as follows:

(a) Allocation of Property Tax Increment. The County shall receive 100% of the property tax revenue attributable to the base assessed valuation for the portion of the Plan Area annexed developed as Residential and Commercial/Job Generating Property.

(1) After annexation, the annexing City shall receive a 40% share of the County's property tax share that is attributable to an increase in assessed value above the base amount for the portion of the Plan Area annexed and developed as Residential.

(2) After annexation, the annexing City shall receive a 50% share of the County's property tax share that is attributable to an increase in assessed value above the base amount for the portion of the Plan Area annexed and developed Commercial/Job Generating Property.

(b) This Agreement shall not preclude City from benefiting from any future County-wide policy changes regarding tax revenue exchange agreements.

(c) All property in the Plan Area other than Residential or Commercial/Job Generating Property as defined shall be subject to the terms of the Master Property Tax Sharing Agreement, effective April 9, 1996; as amended on May 26, 2006.

Section 4. Exchange by County Auditor. County and City further agree that all of the exchanges of property tax revenue required by this Agreement shall be made by the County Auditor.

Section 5. Effect of Tax Exchange Agreement. This Agreement shall be applicable solely to the Northwest Newman Annexation and does not constitute either a master tax sharing agreement or an agreement on property tax exchanges which may be required for any other annexation to the City, nor does it alter or enlarge any revenue sharing obligations of the Parties pursuant to other revenue sharing agreements.

Section 6. Entire Agreement. With respect to the subject matter hereof only, this Agreement supersedes any and all previous negotiations, proposals, commitments, writings, and understanding of any nature whatsoever between the County and the City related to the Northwest Newman Annexation. Any amendment, modification, or revision to this Agreement shall be in writing and executed by both Parties.

Section 7. Notices. All notices, requests, certifications or other correspondence required to be provided by the parties to this Agreement shall be in writing and shall be personally delivered or delivered by first class mail to the respective parties at the following addresses:

County  
Chief Executive Officer  
County of Stanislaus  
1010 Tenth Street, Suite 6800  
Modesto, CA 95354

City  
City Manager  
City of Newman  
P.O. Box 787  
Newman, CA 95360

Notice by personal deliver shall be effective immediately upon delivery. Notice by mail shall be effective upon receipt or three days after mailing, whichever is earlier.

Section 8. No Assignment. The Parties warrant and represent that they have the right and authority to execute this Agreement and that they have not assigned or transferred, or purported to assign or transfer, to any person or entity this Agreement or any portion thereof. The Parties shall not assign or transfer this Agreement without the written consent of the other Party.

Section 9. Construction of Agreement. Headings or captions to the provisions of this Agreement are solely for the convenience of the Parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both Parties had in fact drafted this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth above.

**COUNTY OF STANISLAUS**

By:   
Jody Hayes  
Chief Executive Officer


"County"

**CITY OF NEWMAN**

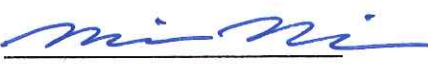
By:   
Michael Holland  
City Manager

"City"

ATTEST:  
Elizabeth A. King  
Clerk of the Board of Supervisors of the  
County of Stanislaus, State of California

By:   
Clerk of the Board  
6-18-2019

ATTEST:  
Mike Maier  
City Clerk  
Newman Clerk


By:   
Deputy Clerk

APPROVED AS TO FORM:  
Thomas E. Boze, County Counsel

By:   
Amanda DeHart  
Deputy County Counsel

Authorized by Resolution No **2019-0348**  
adopted **June 18, 2019**  
Stanislaus County Board of Supervisors

APPROVED AS TO FORM:

By:   
Nubia Goldstein  
City of Newman  
Newman City Attorney

Authorized by Resolution No **2019-20**  
Adopted **May 28, 2019**  
Newman City Council

EXHIBIT A

LEGAL DESCRIPTION

Northwest Newman Master Plan Area

## ANNEXATION TO THE CITY OF NEWMAN

### LEGAL DESCRIPTION

All that certain real property situate, lying, and being portions of Sections 12 and 13, Township 7 South, Range 8 East, and Sections 7 and 18, Township 7 South, Range 9 East, Mount Diablo Meridian; lying in the unincorporated area of Stanislaus County, State of California, being more particularly described as follows:

BEGINNING at a point on the existing City Limits, being the northwesterly corner of Resolution No. 1674, Walker Annexation; thence, the following thirty-nine (39) courses:

- 1) North 72°56'30" East 498.76 feet, along the existing City Limits per said Walker Annexation, to a point on the westerly line of Highway 33, also being the southwesterly corner of Resolution No. 92-60, Newman Center Reorganization; thence
- 2) North 7°57'31" West 506.03 feet, along the existing City Limits per said Newman Center Reorganization and per Resolution No. 2000-51, Hearthstone Ranch Reorganization, also being along the westerly line of Highway 33, to the beginning of a curve, concave to the west, having a radius of 3150.00 feet, and a central angle of 9°06'00"; thence
- 3) 500.30 feet, along the arc of said curve, continuing along the existing City Limits per said Hearthstone Ranch Reorganization and westerly line of said Highway 33; thence
- 4) North 17°03'30" West 652.96 feet, continuing along the existing City Limits per said Hearthstone Ranch Reorganization and westerly line of said Highway 33, thence
- 5) North 72°56'30" East 20.00 feet, continuing along the existing City Limits per said Hearthstone Ranch Reorganization; thence
- 6) North 17°03'30" West 162.73 feet, continuing along the existing City Limits per said Hearthstone Ranch Reorganization and westerly line of said Highway 33, thence
- 7) North 72°56'30" East 80.00 feet, continuing along the existing City Limits per said Hearthstone Ranch Reorganization, to a point on the easterly line of said Highway 33, thence, leaving the existing City Limits
- 8) North 17°03'30" West 2100.24 feet, along the easterly line of said Highway 33, to the intersection of said easterly line of said Highway 33 with the north line of Stuhr Road; thence
- 9) North 89°06'31" West 1091.76 feet, along the north line of said Stuhr Road; thence
- 10) South 0°02'19" East 10.21 feet, along the north line of said Stuhr Road; thence
- 11) North 89°03'23" West 989.71 feet, along the north line of said Stuhr Road, to the beginning of a curve, concave to the

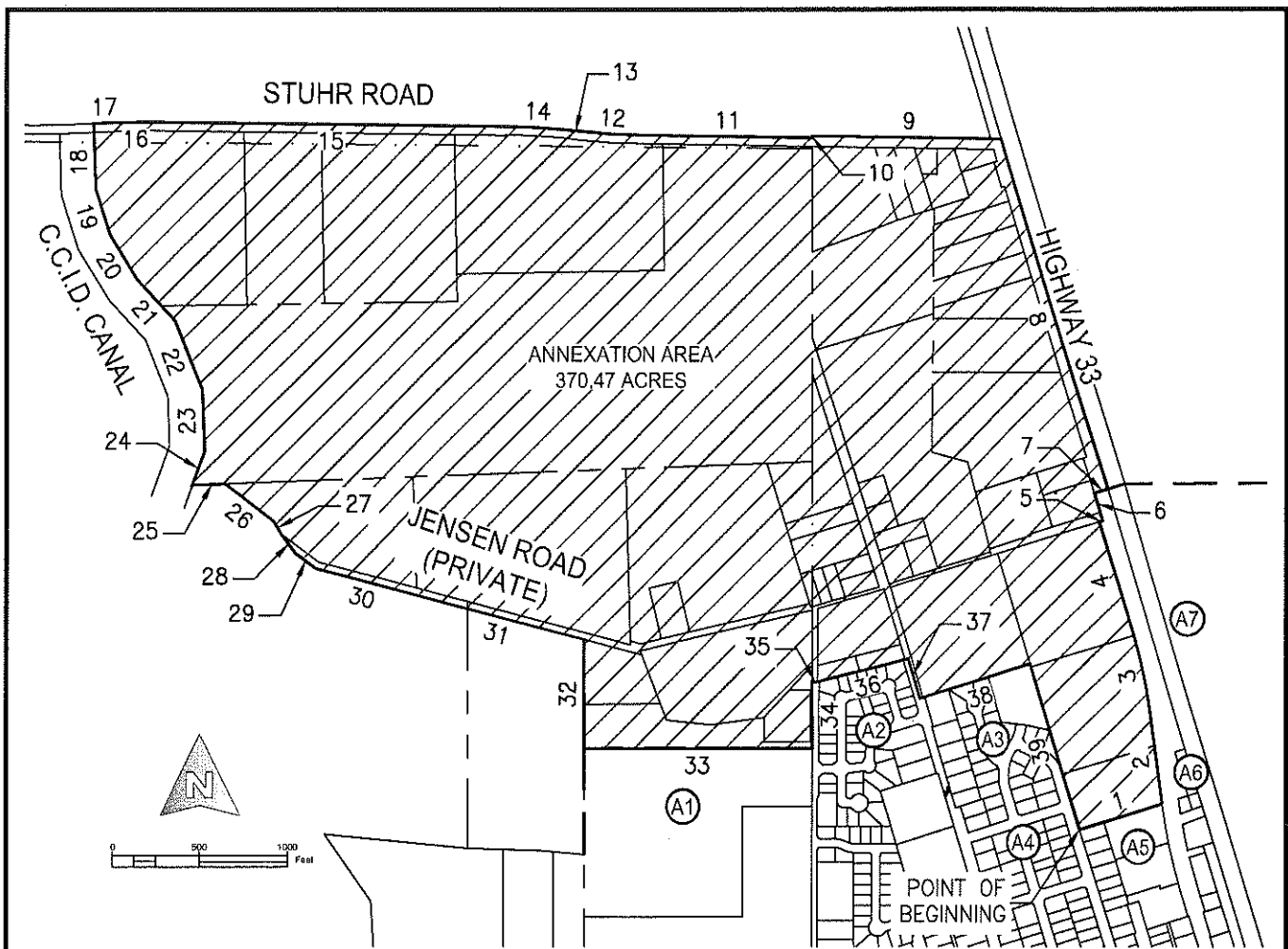


- north, having a radius of 3975.00 feet, and a central angle of 4°56'37"; thence
- 12) 342.97 feet, along the arc of said curve, also being along the north line of said Stuhr Road; thence
  - 13) North 84°06'46" West 77.06 feet, along the north line of said Stuhr Road, to the beginning of a curve, concave to the south, having a radius of 4025.00 feet, and a central angle of 5°09'45"; thence
  - 14) 362.66 feet, along the arc of said curve, also being along the north line of said Stuhr Road; thence
  - 15) North 89°16'31" West 2032.53 feet, along the north line of said Stuhr Road, to the beginning of a curve, concave to the south, having a radius of 4025.00 feet, and a central angle of 2°56'41"; thence
  - 16) 206.87 feet, along the arc of said curve, also being along the north line of said Stuhr Road; thence
  - 17) South 87°46'48" West 140.85 feet, along the north line of said Stuhr Road, to the intersection of said north line with the easterly line of the C.C.I.D. Canal; thence
  - 18) South 2°04'58" East 378.20 feet, along the easterly line of said C.C.I.D. Canal; thence
  - 19) South 17°14'58" East 271.90 feet, along the easterly line of said C.C.I.D. Canal; thence
  - 20) South 31°34'58" East 300.58 feet, along the easterly line of said C.C.I.D. Canal; thence
  - 21) South 42°31'58" East 327.55 feet, along the easterly line of said C.C.I.D. Canal; thence
  - 22) South 21°17'56" East 425.05 feet, along the easterly line of said C.C.I.D. Canal; thence
  - 23) South 2°07'34" East 354.65 feet, along the easterly line of said C.C.I.D. Canal; thence
  - 24) South 19°55'34" West 205.67 feet, along the easterly line of said C.C.I.D. Canal, to the southwesterly corner of the property described as Parcel 3, in Document No. 2003-0070892-00, Stanislaus County Records; thence
  - 25) North 87°51'51" East 186.05 feet, along the southerly line of said Parcel 3, to the most-westerly corner of the property described as Parcel No. 2, in Document No. 2003-0213839-00, Stanislaus County Records; thence
  - 26) South 52°40'40" East 345.25 feet, along the southwesterly line of said Parcel No. 2; thence
  - 27) South 30°43'19" East 87.98 feet, along the southwesterly line of said Parcel No. 2, to the most-westerly point on Jensen Road (Private); thence
  - 28) South 36°38'21" East 138.00 feet, along said southwesterly line of Jensen Road (Private); thence
  - 29) South 53°29'19" East 144.29 feet, along said southwesterly line of Jensen Road (Private); thence
  - 30) South 75°32'19" East 600.35 feet; along said southwesterly

- line of Jensen Road (Private); thence
- 31) South 75°08'19" East 1006.32 feet, along said southwesterly line of Jensen Road (Private), to the northwest corner of the property described in Document No. 980096452, Stanislaus County Records; thence
  - 32) South 0°10'09" East 621.67 feet, along the west line of said property, and southerly extension thereof, to a point on the existing City Limits per the 1961 Orestimba Union High School Addition; thence
  - 33) North 89°58'21" East 1322.44 feet, along the existing City Limits per NEED THIS ANNEXATION, to a point on the existing City Limits per Resolution No. 78-91, North Annexation No. 1; thence
  - 34) North 0°02'09" West 382.59 feet, along the existing City Limits per said North Annexation No. 1; thence
  - 35) North 89°57'51" East 30.00 feet, continuing along the existing City Limits per said North Annexation No. 1; thence
  - 36) North 75°37'30" East 530.85 feet, continuing along the existing City Limits per said North Annexation No. 1; thence
  - 37) South 16°54'30" East 237.32 feet, continuing along the existing City Limits per said North Annexation No. 1, to the northwesterly corner of Resolution No. 80-39, North Newman No. 2 Annexation; thence
  - 38) North 73°03'30" East 679.74 feet, continuing along the existing City Limits per said North Newman No. 2 Annexation; thence
  - 39) South 16°54'30" East 987.86 feet, continuing along the existing City Limits per said North Newman No. 2 Annexation and Ordinance No. 187; to the point of beginning.

Containing a total of 370.47 Acres, more or less.

EXHIBIT B  
MAP  
Northwest Newman Master Plan Area



#### EXISTING ANNEXATIONS

- A1 ORESTIMBA UNION HIGH SCHOOL ADDITION, 1961
- A2 RESOLUTION NO. 78-91, NORTH ANNEXATION NO. 1
- A3 RESOLUTION NO. 80-39, NORTH NEWMAN NO. 2
- A4 ORDINANCE NO. 187
- A5 RESOLUTION NO. 1674, WALKER ANNEXATION
- A6 RESOLUTION NO. 92-60, NEWMAN CENTER REORGANIZATION
- A7 RESOLUTION NO. 2000-51, HEARTHSTONE RANCH REORGANIZATION

#### NOTES

- 1. SEE SHEET 2 FOR NUMBERED COURSES.
- 2. TOTAL AREA OF THIS ANNEXATION IS 370.47 ACRES.



P.O. Box 11930  
Oakdale, CA  
95361  
(209) 845-2594 office  
(209) 845-2555 fax  
epicsurveying.com

#### NEWMAN MASTER PLAN

ANNEXATION EXHIBIT  
for  
CITY OF NEWMAN  
CALIFORNIA

JUL 2017

RJS

SHEET

1 OF 2

**RESOLUTION NO. 2019 -20**

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE  
STANISLAUS COUNTY MASTER PROPERTY TAX SHARING AGREEMENT BETWEEN  
STANISLAUS COUNTY AND THE CITY OF NEWMAN**

WHEREAS, the City Council on December 12, 2017, approve the Northwest Newman Master Plan and Annexation 17-02 for the project known as Northwest Newman Master Plan Annexation; and

WHEREAS, the City Council on March 27, 2018, authorized staff to submit an application with Stanislaus County Local Agency Formation Commission requesting its approval of Northwest Newman Master Plan Annexation consisting of approximately 370.4 acres, and

WHEREAS, Section 99 of the Revenue and Taxation Code requires a city seeking to annex property and a county affected by such annexation to agree upon an exchange of property taxes which have derived from the annexed territory, and

WHEREAS, the City Council on April 23, 1996 adopted Resolution No. 96-20 executing a master property tax sharing agreement with Stanislaus County pursuant to Section 99 of the Revenue and Taxation Code; and

WHEREAS, the City and Stanislaus County desire to separately negotiate property tax revenue sharing for the Northwest Newman Master Plan Annexation and have reached an understanding as to a rate of exchange of property tax revenue to be made pursuant to Section 99 of the Revenue and Taxation Code; and

WHEREAS, the City Council on March 27, 2018, approved Resolution No. 2018-29 approving and authorizing the execution of Property Tax Revenue Exchange Agreement for the Northwest Newman Annexation; and

WHEREAS, due to changes in the terms of the Property Tax Revenue Exchange Agreement for the Northwest Newman Annexation the City Council rescinded Resolution No. 2018-29 on, May 28<sup>th</sup>, 2019; and

WHEREAS, the City and Stanislaus County agree that this agreement is subject to the annexation receiving approval for Stanislaus LAFCO and will be effective upon the completion of the annexation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Newman hereby authorizes the City Manager to sign the Northwest Newman Annexation Property Tax Revenue Exchange Agreement which is attached to this resolution as Exhibit "A".

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 28<sup>th</sup> day of May, 2019 by Council Member Candea, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES: McDonald, Graham, Candea and Mayor Martina.  
NOES: None.  
ABSENT: Day.

APPROVED:



Bob Martina, Mayor

ATTEST:

  
Mike Maier, City Clerk

## **EXHIBIT D**

### **Plan for Services**

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# **PLAN FOR SERVICES**



## **Northwest Newman Master Plan Annexation - Phase I Plan for Services**

### **Wastewater**

The City of Newman operates a wastewater treatment facility about three-quarters of a mile northeast of the City on Hills Ferry Road adjacent to the San Joaquin River. The facility provides primary and secondary treatment. Treated effluent is reclaimed via irrigation of fodder crops. During winter months, treated effluent is stored in two onsite storage reservoirs.

The City recently renewed its treatment plant permit to allow treatment of an average dry weather flow ADWF of 2.4 mgd. The Plant currently processes an ADWF of approximately 1.14 mgd and the City is currently in the process of identifying the improvements required to achieve the capacity to accommodate future wastewater flows generated by the build-out of the full Master Plan area (all phases), which is estimated to be 304,419 gallons per day.

Master Plan Figure 5.2 (attached) shows the proposed expansion of the Newman wastewater system to accommodate future land uses in the full Master Plan area. Generally, wastewater will gravity flow through a series of underground pipes ranging from 10 to 15 inches in diameter to connect with an existing 15-inch diameter pipe southeast of the Master Plan area in Sherman Parkway for transport to the City's wastewater plant. Wastewater improvements will generally be installed by individual project developers in the Master Plan area.

The City may be required to make minor upgrades to the wastewater treatment plant as well as secure additional properties to dispose of treated effluent to meet Regional Water Quality Control Board (RWQCB) permit requirements.

### **Storm Drain**

Proposed City stormwater drainage facilities are shown on Figure 5.4 of the Master Plan (attached). Storm drain facilities includes a combination of surface stormwater flows within the curb and gutter area of local in-tract local streets into a series of underground pipes ranging in size between 18 and 42 inches in diameter. Ultimately, storm drain lines within the Master Plan area will connect to the existing City of Newman storm drain system to the east located within Sherman Parkway

Critical components of the Master Plan drainage system are one or more drainage basins located on the north side of Jensen Road. Stormwater basins are intended to intercept peak stormwater flows and temporarily detain peak flows to ensure that the local and regional drainage system is not overburdened. Stormwater basins are also used for parks and playfields during the non-winter months of the year. Proposed basins are generally depicted in Master Plan Figure 5.3 (attached), but the sizes and

locations of the drainage basins may change based on future, more detailed engineering analyses and hydrology standards.

### **Water**

The city relies on groundwater supplies. According to the General Plan EIR (page 4.14-7), the city has an adequate supply of groundwater to serve all development anticipated at General Plan build-out. The proposed project does not exceed the development density anticipated by the General Plan, so adequate groundwater supplies exist to serve the proposed project.

Upon annexation to the City of Newman, water to Phase I of the Master Plan area will be provided by the City of Newman. The City owns and operates a municipal water system to serve all uses within the community. The municipal system relies on pumped groundwater as the primary water supply, with four wells providing this supply. The proposed project would pay water impact fees that would contribute towards water system costs.

Furthermore, the City is currently constructing a new municipal well in the southwestern portion of the complete Master Plan area. When the new well comes on-line, the City of Newman has determined that an adequate long-term water supply will be available for domestic and fire-fighting purposes. The City is also constructing a 1M gallon water storage tank adjacent to the new well. Additionally, future development in all Master Plan phases will be subject to water conservation methods to minimize the need for water.

### **Waste Disposal**

The City contracts for removal of garbage and recyclable materials from commercial properties and residential curbsides. Waste is taken to the Fink Road landfill at Crow's Landing, where it is either recycled, buried, or burned in a co-generation energy plant. The land fill has adequate capacity to serve build-out of the General Plan (General Plan EIR page 4.14-17). All waste disposal is paid for by developers/occupants.

### **Roads**

Regional access to the full Master Plan area is provided by State Route 33 (SR 33) a north-south, two-lane state highway serving Newman and other Central Valley communities to the north and south. SR-33 forms the eastern boundary of the Master Plan area. Stuhr Road is a two-lane major east-west roadway connecting with I-5 to the west terminating at Hills Ferry Road just east of Newman. Stuhr Road provides the northern boundary of the Master Plan area.

Figure 4.2 shows the proposed roadway system for the full Master Plan area (all phases), including a number of other roadways (unnamed), a Major Collector and a number of Minor Collector roadways serve interior land uses.

The Circulation Plan intends that the north-south Minor Collector Road in the approximate center of the Planning Area extends south of Jensen Road to the southern edge of the Planning Area, then east to connect with Angelina Avenue to provide improved access to and from Orestimba High School.

Construction of ultimate street and roadway improvements as shown in the Master Plan will normally be required of the property owner by the City of Newman as a condition of approving development on adjacent parcels of land. In limited instances, the City may require property developers to improve certain streets and roads on other properties to ensure that adequate access and circulation can be provided. Sidewalks will be provided along all roadways within the Master Plan area. In addition to vehicular roads, Master Plan Figure 4.4 (attached) identifies the location of pedestrian and bicycle facilities in the project area.

For full traffic analysis and LOS impacts, please refer to Chapter 18 of the Draft EIR.

#### **Public safety services.**

Current law enforcement service is provided by Stanislaus County Sheriff's Department. Since there is a limited number of deputies within the area, Newman Police Department often assists the sheriff with calls in the affected area. As a result, they are familiar with the area.

The City and West Stanislaus Fire Protection District have a reciprocal service agreement. Newman firefighters are West Stan firefighters as well. This agreement is further demonstrated in a shared FT position that serves as the Newman Fire Chief and a District Chief within West Stan organizational structure. This agreement has been in place since October 2015 as was just renewed for another three (3) years.

The area proposed for annexation is included within the City's impact fee program. The City is in the process of updating this program to ensure that the appropriate fees will be collected.

The entire project would add 4,600 residents to Newman, plus more than 2,000 jobs. The City's service standard is to provide 1.3 to 1.5 sworn officers per 1,000 population, which would indicate that the City would need to add about 5 or 6 new officers to serve the entire master plan. Phase 1 will be significantly lower since 90% of the phase is non-residential development. Currently, less than 15% of the calls for police service originate from non-residential uses.

Based on the current City budget for fire protection services the fiscal analysis indicates that the City would need to increase expenditures by \$75,000 per year to serve the

master plan area. This is less than the additional property tax the City would expect to receive based on the West Stanislaus FPD tax allocation. In addition, this is based largely on volunteer fire services and an existing fire station in Newman. If a new station is needed in the master plan area and if additional paid staff are required, then the costs would be significantly higher. It should be noted that the master plan development would pay into a development impact fee fund to finance new fire station facilities and equipment.

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## **EXHIBIT E**

### **Plan for Agricultural Preservation**

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# **PLAN FOR AG PRESERVATION**



**Northwest Newman Master Plan Annexation - Phase I**  
**Plan for Agricultural Preservation**

The following actions provide the City's Plan for Agricultural Preservation as required by the LAFCO policy.

- 1) Existing Williamson Act properties located in the Master Plan area may remain until either non-renewed by the property owner or cancelled by action of the Lead Agency (City of Newman or County of Stanislaus).
- 2) Sale or rental of future residences shall include notification to buyers or renters of the existence of the Newman right-to-farm ordinance. Therefore, agricultural operations within or near the Master Plan area may generate noise (including early morning or night noise, dust, night lighting, frost protection activities, farm traffic and potential spraying of agricultural chemicals (to the extent allowed by the County Agricultural Commissioner) which could result in inconveniences to residents. The City of Newman acknowledges agricultural uses and finds that on-going uses are beneficial to the community and will not act on complaints to normal and customary agricultural operations as noted above. Continuance of existing agricultural uses in the Newman Planning area is also ensured by adherence to General Plan Natural Resources Element Action 1.7 that mandates the City to continue to enforce its right-to-farm ordinance.
- 3) The City of Newman has established an Urban Growth Boundary (UGB) that is coterminous with the City's Sphere of Influence line established by the Local Agency Formation Commission for the City, as it existed of January 1, 2014. Until December 31, 2040, the City shall restrict urban services (except temporary mutual assistance with other jurisdictions) and urbanized uses of land to within the Newman UGB, except as provided herein and except for the purpose of completing roadways designated in the circulation element of the Newman General Plan as of January 1, 2014, construction of public potable water facilities, public schools, public parks or other government facilities. Other than the exceptions provided for herein, upon the effective date of this UGB General Plan amendment, the City and its departments, boards, commissions, officers and employees shall not grant, or by inaction allow to be approved by operation of law, any general plan amendment, rezoning, specific plan, subdivision map, conditional use permit, building permit or any other ministerial or discretionary entitlement, which is inconsistent with the purposes of this General Plan amendment, unless in accordance with the Amendment Procedures of Section D of this General Plan Amendment. "Urbanized uses of land" shall mean any development which would require the establishment of new community sewer and/or water systems or the significant expansion of existing community sewer and/or water systems; or, would result in the creation of residential densities greater than one primary residential unit per 10 acres in area; or, would result in the establishment of commercial or industrial uses which are neither agriculturally-related nor related to the production of mineral resources. The Newman UGB may not be amended, altered, revoked or otherwise changed

prior to December 31, 2040, except by vote of the people or by the City Council pursuant to the procedures set forth in Section D of this General Plan Amendment.  
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- 4) The proposed Phase 1 annexation consists of 53.7 acres identified for future commercial, business park, professional office and residential uses. The residential component accounts for only 1.0+/- acres of the phase. Over 98% of the first phase of annexation is targeted at job-generating land uses. Currently the City has no finished lots and approximately 120 paper lots available for residential development. In addition to the approved lots, the City has less than 20 acres of vacant residential properties; with the largest parcel measuring 12.9 acres.

The commercial designation is intended for uses that are more land-extensive than the City's downtown district. This designation comprises approximately 5+/- acres. The City current inventory is limited to approximately 20 +/- acres of vacant commercial property. Phase 2 of the Nob Hill/Rite Aid shopping center is 4.5 acres and a new commercial business opened in the Summer 2020. Along the southern city limits, at the Merced County line, is 11 acres of commercial property that lacks the appropriate infrastructure for development. The remaining 5+/- acres is comprised of smaller (less than an acre in size) infill lots that will develop with single tenants but lack the ability to create a community serving development.

The Business Park segment is intended to complement development that is occurring, and planned, in the communities to the north of Newman. Phase 1 is comprised of approximately 33.3 acres and estimated to generate more than 350 jobs for the community. The strategy is to provide an environment for support and supplies services/businesses to the large corporations locating within the region. The City's current inventory of vacant properties available for business park type development is estimated at less than 5 acres.

The proposed Professional Office properties comprises approximately 10 gross acres. This is a relatively new land use classification for the City. Therefore the City does not have any vacant Professional Office land available in the city.

As demonstrated in the summary of land uses within the Phase 1 development, the City's intent is to annex land that has the potential to generate jobs for the community. Subsequent phases will focus on annexing residential lands as infrastructure is extending into the area.

- 5) Public safety services. Current law enforcement service is provided by Stanislaus County Sheriff's Department. Since there is a limited number of

deputies within the area, Newman Police Department often assists the sheriff with calls in the affected area. As a result, they are familiar with the area.

The City and West Stanislaus Fire Protection District have a reciprocal service agreement. Newman firefighters are also West Stan firefighters as well. This agreement is further demonstrated in a shared FT position that serves as the Newman Fire Chief and a District Chief within West Stan organizational structure. This agreement has been in place since October 2015.

The area proposed for annexation is included within the City's impact fee program. The City is in the process of updating this program to ensure that the appropriate fees will be collected.

The entire project would add 4,600 residents to Newman, plus more than 2,000 jobs. The City's service standard is to provide 1.3 to 1.5 sworn officers per 1,000 population, which would indicate that the City would need to add about 5 or 6 new officers to serve the entire master plan. Phase 1 will be significantly lower since 98% of the phase is non-residential development. Currently, less than 15% of the calls for police service originate from non-residential uses.

Based on the current City budget for fire protection services the fiscal analysis indicates that the City would need to increase expenditures by \$75,000 per year to serve the master plan area. This is less than the additional property tax the City would expect to receive based on the West Stanislaus FPD tax allocation. In addition, this is based largely on volunteer fire services and an existing fire station in Newman. If a new station is needed in the master plan area and if additional paid staff are required, then the costs would be significantly higher. It should be noted that the master plan development would pay into a development impact fee fund to finance new fire station facilities and equipment.

## **EXHIBIT F**

### **Comment Letters from CCID and Landowner**

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SEXTON & COOPER, LLP  
Legal Counsel

To: Stanislaus LAFCO

From: Jarrett Martin, General Manager *JM*

Subject: Application No. 2021-01 – Northwest Newman Phase 1 Reorganization

Date: March 2, 2021

Thank you for the opportunity to comment on LAFCO Application No. 2021-01 Northwest Newman Phase 1 Reorganization. Over the past several months, Central California Irrigation District (CCID) and the City of Newman (City) have discussed opportunities to work together to reduce the quantity of CCID "islands" within the City boundaries.

In reviewing the City's application, the CCID recognizes that approval of LAFCO Application No. 2021-01 will create a 22.4+/- acre island, spanning three parcels, within the CCID. The CCID, consistent with its' policy, is opposed to creating additional islands within the City.

Currently there are over ten CCID islands that need to be detached from the City. The CCID and the City are working on a proposal that when coupled with the Northwest Newman Phase 1 Reorganization, will eliminate the pre-existing islands and replace them with the one island considered under LAFCO Application No. 2021-01. This plan would further the CCID's goal by eliminating a significant number of islands within the City. The one remaining island would be located in an area that provides an opportunity of being annexed to the City and, simultaneously, being detached from the CCID. The goal of the proposal is to create a distinction between CCID and City/urbanized properties without overlap.

In general, the CCID is opposed to the creation of any new islands within the CCID. The CCID and the City are currently working on the terms of a proposal that would be mutually beneficial. The CCID reserves the right to withdraw this comment letter in the event the CCID and City agree on terms of the proposal.

---

**Juan Carlos Mendez**

27650 Harding Rd

(209)289-4455

[estradamendezcarlos@gmail.com](mailto:estradamendezcarlos@gmail.com)

**Stanislaus Local Agency Formation Commission**

Dear : LAFCO

I would like to address the issue of making my property a part of the city of Newman, To my knowledge the city of Newman want to make my property be part of the city limits, I would like oppose this decision because, I recently became the owner of this property because I have always wanted to own piece of land were I could build a home and own farm animals. With this being said, if my property becomes part of the city I would not be able to own farm animals, and raise my family with animals around them. I sold my home last year to buy this property in January 2021 and make our family dreams come true of owning land and having farm animals, this would really affect my life and that of my family.

Sincerely,

Juan Carlos Mendez

**EXHIBIT G**

**Draft LAFCO Resolution No. 2021-04**



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**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 28, 2021

**NO. 2021-04**

**SUBJECT: LAFCO APPLICATION NO. 2021-01 - NORTHWEST NEWMAN PHASE I  
REORGANIZATION TO THE CITY OF NEWMAN**

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

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, the City of Newman has requested to annex approximately 53 acres known as the Northwest Newman Phase I Reorganization to the City of Newman and detach said acreage from the West Stanislaus Fire Protection District and Central California Irrigation District;

**WHEREAS**, the City of Newman adopted a Resolution of Application and pre-zoned the proposed annexation area, located within the City of Newman existing Sphere of Influence and Primary Area;

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

**WHEREAS**, the County and City have negotiated and reached an agreement as to a rate of exchange of property tax revenues, pursuant to Section 99 of the Revenue and Taxation Code, which is applicable solely to the Northwest Newman Master Plan area;

**WHEREAS**, there is one (1) active Williamson Act contracted land within the boundaries of the reorganization;

**WHEREAS**, pursuant to Government Code Section 51243.5, the Commission must determine whether a city may exercise an option not to succeed to a Williamson Act contract upon annexation;

**WHEREAS**, the City of Newman must succeed to Williamson Act Contract No. 75-2249 upon annexation, as the findings in Government Code Section 51243.5 have not been met;

**WHEREAS**, pursuant to Government Code Section 56856.5(c), the Commission may approve a change of organization or reorganization that would result in the annexation of Williamson Act lands only if it makes a specific finding;

**WHEREAS**, the City of Newman was the Lead Agency in preparing the environmental documentation which included the proposed annexation;

**WHEREAS**, the City of Newman, as Lead Agency, has certified a Final Environmental Impact Report for the proposal, in compliance with the California Environmental Quality Act (CEQA) and State CEQA Guidelines;

**WHEREAS**, the City of Newman shall be responsible for monitoring and reporting to ensure CEQA compliance;

**WHEREAS**, the City of Newman has determined that there are impacts, which could not be mitigated to acceptable levels and adopted CEQA Findings of Fact and Statements of Overriding Considerations, as put forth in the City of Newman Resolution No. 2017-54;

**WHEREAS**, the Commission has reviewed the environmental documentation prepared by the City of Newman, including the Final Environmental Impact Report and Statements of Overriding Considerations, and has not identified any feasible mitigation measures that would substantially lessen the identified impacts of the proposal;

**WHEREAS**, the Commission is not aware of any legal challenge filed against the City's environmental determinations for the proposal;

**WHEREAS**, the Commission has reviewed the Plan for Agricultural Preservation submitted by the City for the proposal which provides information regarding impacts to agricultural lands and the City's strategy to minimize the loss of agricultural lands;

**WHEREAS**, at the time and in the form and manner provided by law, the Executive Officer provided notice of the April 28, 2021 public hearing by this Commission; and

**WHEREAS**, the Commission has heard all interested parties desiring to be heard and has considered the proposal and report by the Executive Officer and all other relevant evidence and information presented or filed at the hearing.

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

1. Acting as a Responsible Agency pursuant to CEQA Guidelines Sections 15051, 15052, 15096, and 15391, the Commission has reviewed and considered the Final Environmental Impact Report for the Northwest Newman Master Plan, and adopts the same findings regarding the environmental impacts of the proposal and the statement of overriding considerations, all as approved and adopted by the City of Newman acting as the Lead Agency and put forth in Newman City Council Resolution No. 2017-54; and additionally makes the following findings:
  - A. As a "Responsible Agency", Stanislaus LAFCO has independently evaluated the City's certified EIR, and has complied with all actions and guidelines pursuant to CEQA Guidelines Section 15096, and has reached an independent conclusion that determines the EIR adequately addresses the potential impacts related to the proposal that the Stanislaus LAFCO has been asked to approve;

- B. On the basis of substantial evidence in light of the whole record, none of the conditions identified in the CEQA Guidelines Section 15052 have occurred that would necessitate LAFCO assuming the role of Lead Agency from the City of Newman;
  - C. On the basis of substantial evidence in light of the whole record, none of the conditions identified in CEQA Guidelines Section 15162 or 15163 have occurred that would necessitate preparation of a Subsequent EIR or Supplemental EIR as certified by the City of Newman;
  - D. On the basis of substantial evidence in light of the whole record, in compliance with CEQA Guidelines Section 15096(g)(2), that there are no feasible alternatives to the proposal or feasible mitigation measures within the Stanislaus LAFCO's powers that would substantially lessen or avoid any significant effect the proposal would have on the environment;
  - E. On the basis of substantial evidence in light of the whole record, in compliance with CEQA Guidelines Section 15096(h), that the Stanislaus LAFCO, as a "Responsible Agency" adopts the same findings put forth in Newman City Council Resolution No. 2017-54 as required by Section 15091(a) for each significant effect of the proposal and makes the findings in Section 15093 as necessary, adopts the same Statement of Overriding Considerations, also contained in said referenced resolution, and to further require the filing of a Notice of Determination in compliance with CEQA Guidelines Section 15096(i); and,
  - F. The City of Newman shall be responsible for the Mitigation Monitoring and Reporting Program, all as approved and adopted by the City to ensure CEQA Compliance.
- 2. Determines, the City of Newman shall succeed to Williamson Act Contract No. 76-2249, upon annexation, as the criteria contained in Government Code Section 51243.5, have not been met.
  - 3. Finds, pursuant to Government Code Section 56856.5, the reorganization is appropriate to provide necessary urban services to a planned, well-ordered, and efficient urban development pattern by the City of Newman, and whose adopted plans and policies includes appropriate consideration for the preservation of open space lands within those urban development patterns upon annexation.
  - 4. Determines that the Plan for Agricultural Preservation, as submitted by the City, contains sufficient evidence demonstrating consistency with the goals of the Commission's Agricultural Preservation Policy.
  - 5. Determines that the approval of the reorganization is consistent with overall Commission policies and the City's General Plan and that the City has provided sufficient evidence to show that the required services are available and will be provided upon development of the area.
  - 6. Approves the proposal subject to the following terms and conditions:

- A. The applicant shall pay 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 territory to the City of Newman and detachment from the West Stanislaus Fire Protection District and Central California Irrigation 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 no limited to the following: sidewalks, trails, landscaped areas, open space, street lights, signals, bridges, storm drains, and pipes shall vest in the City; except for those properties to be retained by the County.
  - G. Pursuant to Government Code Section 56889, the City shall adopt the rules and procedures required by the Williamson Act, including but not limited to the rules and procedures required by Government Code Sections 51231, 51237, and 51237.5.
- 7. Designates the proposal as the "Northwest Newman Phase I Reorganization to the City of Newman."
  - 8. Designates the Commission as conducting authority pursuant to Government Code Section 56029 for the reorganization.
  - 9. Authorizes and directs the Executive Officer, pursuant to Government Code Section 56881(d), to initiate the protest proceedings for the reorganization pursuant to Part 4, commencing with Section 57000, in compliance with this Resolution and upon receipt of a map and legal description accepted to form by the Executive Officer.

**ATTEST:** \_\_\_\_\_  
Sara Lytle-Pinhey  
Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT**  
**APRIL 28, 2021**

TO: LAFCO Commissioners

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

**SUBJECT: PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2021-2022**

**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. 2021-05, approving the Proposed LAFCO Budget for Fiscal Year 2021-2022.
3. Schedule a public hearing for May 26, 2021, to consider adoption of the Final LAFCO Budget for Fiscal Year 2021-2022.

**EXECUTIVE SUMMARY**

The Proposed Fiscal Year (FY) 2021-2022 Budget includes operating expenses totaling \$555,560 and reflects a 4% increase as compared to the 2020-2021 budget. The increase is attributable to increases to retirement costs and the costs for the biennial audit (delayed during adoption of the current year's budget). 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 2020-2021</b>	<b>Proposed Budget FY 2021-22</b>	<b>% Change (Proposed v. Current)</b>
Salaries & Benefits	\$456,320	\$467,380	2%
Services & Supplies	74,970	86,980	16%
Other Charges	1,200	1,200	0%
<b>Total Expenses</b>	<b>\$532,490</b>	<b>\$555,560</b>	<b>4%</b>
<b>Revenues</b>			
Undesignated Fund Balance	(\$59,315)	(\$42,402)	-29%
Application & Other Revenues	(20,000)	(20,000)	0%
<b>Agency Contributions</b>	<b>\$453,175</b>	<b>\$493,158</b>	<b>9%</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 \$42,402 in undesignated fund balance to offset the FY 2021-2022 budget. A chart depicting individual accounts for the Proposed Fiscal Year 2021-2022 Budget is attached to this report.

## **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 2% overall during Fiscal Year 2021-2022. 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. Health insurance costs are anticipated to have a slight decrease.

### ***SERVICES AND SUPPLIES (Accounts 60000+)***

The proposed expenditures in the Services and Supplies category have increased by 16% as compared to the FY 2020-2021 budget. This is primarily due to the inclusion of the Special Department Expense item (Account #65660) for the Commission's biennial audit which was delayed during approval of the current year's budget. 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 and overhead charges. The following are highlights for various line items in the Services and Supplies category.

Insurance – SDRMA (Account #61000)

Like many other LAFCOs, the Commission uses the Special District Risk Management Authority (SDRMA) for its general liability insurance. SDRMA's rates had remained relatively stable over the last decade, with the exception of an increase in the current year based on overall rate increases in the insurance market. The overall increase was less than anticipated and combined with longevity credits, Staff expects a slight decrease in the rate for Fiscal Year 2021-2022.

CALAFCO Membership (Account #62200)

The California Association of Local Agency Formation Commissions (CALAFCO) serves as an organization that assists LAFCOs with educational, technical, and legislative resources that would otherwise not be available. In 2019, CALAFCO approved a restructuring of its membership dues. An additional adjustment this year based on population in each County resulted in a slight reduction in membership rate for Stanislaus LAFCO.

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. Estimates from most of these charges typically come from the County's CAP charges issued annually in March. As the County is now using a 2-year budget cycle, accurate estimates for these charges will not be received until after LAFCO's budget is adopted. The current estimate is that most of these charges will have an approximately 3% increase. Staff will continue to monitor these throughout the year.

Special Department Expense - Audit (Account #65660)

Preparation of the current year's budget occurred during the onset of the pandemic with many unknowns regarding the ability for in-person office work. Due to this concern as well as the Commission's desire to reduce agency allocations, in FY 20-21 the Commission chose to defer the biennial audit. The audit line item, which will now cover three years, has been returned to the budget and is estimated at \$12,000.

Education and Training (Account #65780)

The Education and Training account is typically budgeted at \$5,500, allowing for at least two Staff to participate in the CALAFCO Annual Conference and Staff Workshop held during the year. The item was reduced during the current year, in anticipation of cancellations of in-person events, and is currently proposed at \$2,500, which would allow for one Staffperson's attendance. It is anticipated that this item will be restored during the following Fiscal Year's budget (FY 2022-2023) with minimal impact to the overall budget.

*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. While copy costs trended lower in the current fiscal year, it is recommended to maintain the item at \$1,200.



## **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.

Application revenues, although charged at actual cost, represent a small percentage of LAFCO revenues (typically 4-6%). The majority of Staff's duties are considered unfunded State mandates, including preparation of municipal service review updates, informational reports, responses to inquiries, and coordination with local and state agencies. For FY 2021-22, Staff proposes budgeting fee revenues at an estimate 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 factored in 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."

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 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 \$318,752.

*Table 2: LAFCO Fund Balance*

<b>Fund Balance July 1, 2020</b>		<b>\$ 341,964</b>	
<b>Revenues</b>	<b>Estimated Year-End</b>	<b>Budgeted FY 20-21</b>	<i>Variance with Budget Over / (Under)</i>
City/County Contribution	\$ 453,175	\$ 453,175	\$ -
Application Revenue	32,700	20,000	12,700
Interest	6,020	-	6,020
<b>Total Revenues</b>	<b>\$ 491,895</b>	<b>\$ 473,175</b>	<b>\$ 18,720</b>
<b>Expenses</b>	<b>Estimated Year-End</b>	<b>Budgeted FY 20-21</b>	<i>Difference</i>
Salaries and Benefits	\$ 455,150	\$ 456,320	\$ (1,170)
Services and Supplies	59,457	74,970	(15,513)
Other Charges (Copier)	500	1,200	(700)
<b>Total Expenses</b>	<b>\$ 515,107</b>	<b>\$ 532,490</b>	<b>\$ (17,383)</b>
<b>Net Gain (Loss)</b>	<b>\$ (23,212)</b>	<b>\$ (59,315)</b>	<b>\$ 36,103</b>
<b>Estimated Fund Balance June 30, 2021</b>		<b>\$ 318,752</b>	

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). The Commission also requested reverse 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>\$ 83,350</b>
<b>Accrued Leave Fund (Cash-Out Liability)</b>	<b>93,000</b>
<b>Long-Term Liability Reserve</b>	<b>100,000</b>
<i>Total Reserves</i>	<i>\$ 276,350</i>

The Commission's addition of a Long-Term Liability Reserve was in response to an 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.

Long-term pension liability was previously reported on the Commission's balance sheet in the amount of \$503,091, a reduction from a prior reported amount of \$554,866. It is important to also note that the estimate of unfunded pension liability is based on LAFCO's proportion of the StanCERA system's overall unfunded pension liability and not actual amounts for LAFCO employees based on their years of service, retirement date, etc. 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.

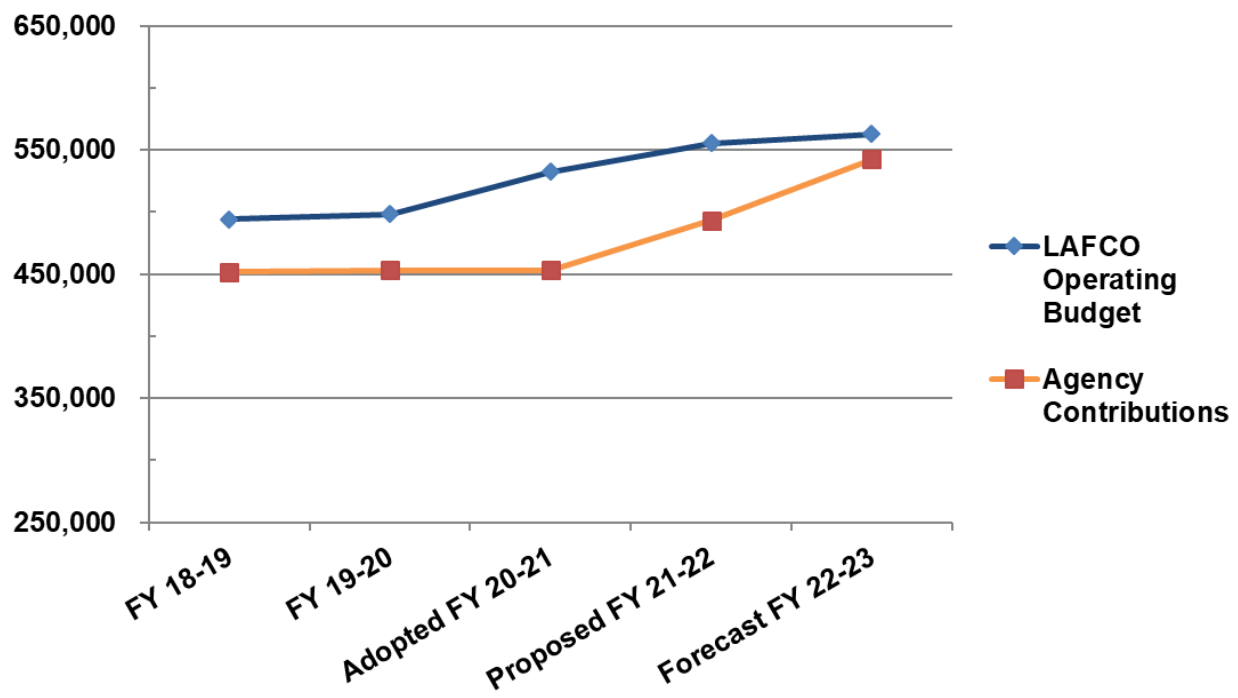
Fund Balance Status – Use of Undesignated Funds

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's budget, the Commission directed Staff to keep agency contributions the same as the prior year. For the Proposed Budget, an estimated \$42,402 in undesignated fund balance is available to offset agency contributions. This amount, in addition to \$20,000 in estimated application revenues will help to offset contributions; however, as anticipated, agency contributions are now gradually rising to meet the Commission's actual operating expenses. 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 Figure 1 on the next page).

Table 4: Total Budget & Agency Contributions

	FY 20-21	Proposed FY 21-22	Forecasted FY 22-23
<b>Total Budget</b>	\$ 532,490	\$ 555,560	\$ 562,572
<b>Agency Contributions</b>	453,175	493,158	542,572
<b>Fund Balance Beg.</b>	341,964	318,752	276,350
<b>Drawdown</b> (Projected Use of Fund Balance to Reduce Agency Contributions)	(23,212)	<b>(42,402)</b>	(0)
<b>Fund Balance End (Est.)</b>	318,752	276,350	276,350
<b>Designated Reserves: 15% Reserve</b>	77,928	83,350	84,386
<i>Accrued Leave (Cash-Out Liability)</i>	87,000	93,000	93,000
<i>Long-Term Liability Reserve</i>	100,000	100,000	100,000
<i>Total Reserves</i>	264,928	276,350	\$ 277,386
<b>Estimated Undesignated Fund Balance for Use in <u>Following</u> Year</b>	<b>\$ 53,824</b>	<b>\$ 0</b>	<b>\$ (1,036)</b>

Figure 1: Forecast of Agency Contributions

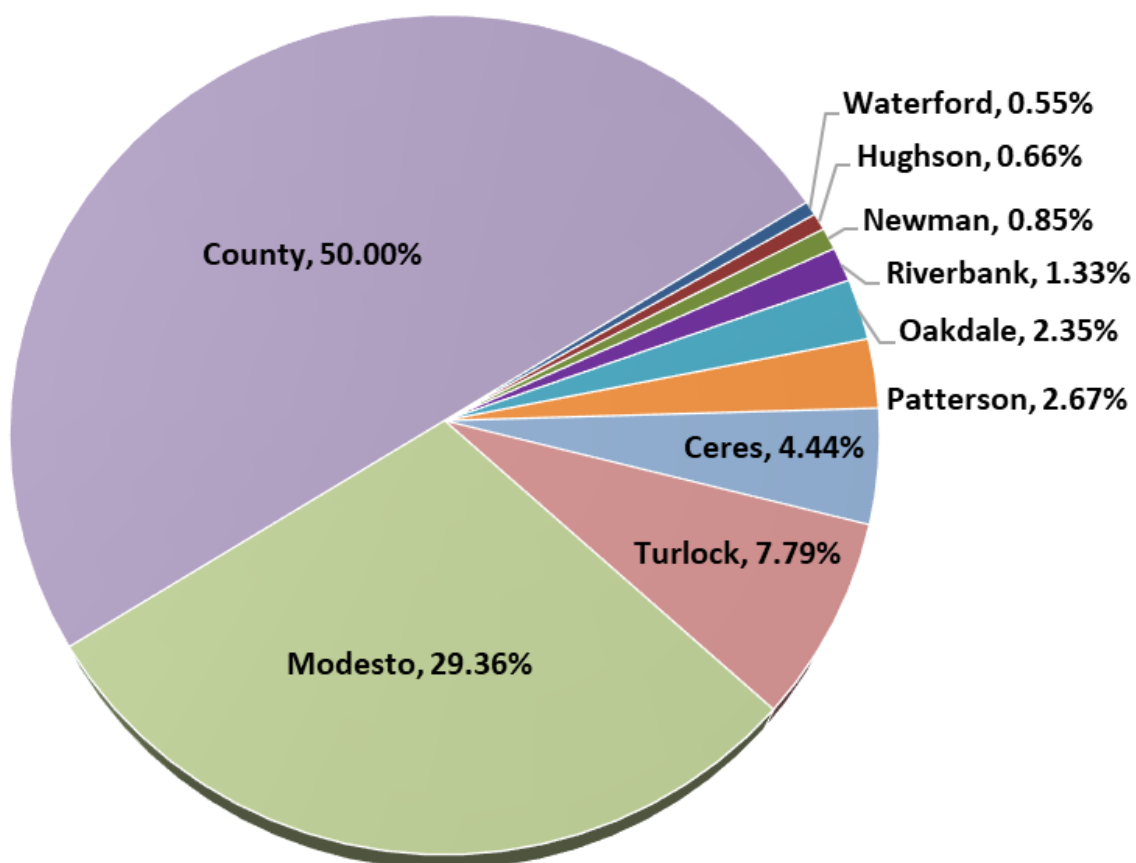


### Agency Contributions

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 (see Chart 1 below). Contribution amounts fluctuate 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. Table 5 on the next page outlines the County and Cities' contributions to the LAFCO budget for the current year and an estimate of the contributions for FY 2021-2022 based on the proposed budget.

*Chart 1: City/County Allocations (Estimated FY 2020-2021)\**



\* City allocations are based proportionally on total revenues, as reported by the most recent State Controller Annual Cities Revenue Report.

Table 5: Estimated Agency Contributions FY 2021-2022\*

	State Controller Reported Revenues (FY 18-19)	% of LAFCO Budget	Current FY 20-21 Contribution	Estimated FY 21-22 Contribution	Total Change	% Increase (Decrease)
<b>Ceres</b>	68,168,892	4.44%	18,355	21,874	3,519	18.97%
<b>Hughson</b>	10,140,639	0.66%	3,410	3,254	(156)	(4.58%)
<b>Modesto</b>	451,188,274	29.36%	135,010	144,774	9,764	7.23%
<b>Newman</b>	13,038,899	0.85%	3,882	4,184	302	7.77%
<b>Oakdale</b>	36,142,038	2.35%	10,598	11,597	999	9.43%
<b>Patterson</b>	41,060,009	2.67%	12,733	13,175	442	3.47%
<b>Riverbank</b>	20,470,620	1.33%	5,759	6,568	809	14.05%
<b>Turlock</b>	119,783,598	7.79%	34,457	38,435	3,978	11.54%
<b>Waterford</b>	8,471,420	0.55%	2,383	2,718	335	14.06%
<b>All Cities</b>	768,464,389	50%	226,588	246,579	19,992	8.82%
<b>County Contribution</b>		50%	226,588	246,579	19,992	8.82%
<b>Total Agency Contributions</b>		<b>100%</b>	<b>\$ 453,175</b>	<b>\$ 493,158</b>	<b>\$ 39,983</b>	<b>8.82%</b>

\* Estimates are based on the most recent State Controller's Reports. Final amounts will be determined by the County Auditor following adoption by the Commission.

## **WORK PROGRAM & APPLICATION ACTIVITY**

Despite the unique challenges of the current fiscal year, LAFCO Staff was able to complete the Commission's 2020 work program and has begun work on updates scheduled for 2021. During this time, Staff has continued to process applications, including the large-scale Salida proposal, district and city annexations, and out-of-boundary service extensions. City and district application activity has remained steady, and we continue to receive inquiries regarding upcoming applications and potential annexations.

## **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 municipal service review updates, policy development, and current projects.

Attachments: LAFCO Resolution No. 2021-05  
Proposed Fiscal Year 2021-2022 Budget Detail

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** April 28, 2021

**NO. 2021-05**

**SUBJECT: Adoption of the Proposed LAFCO Budget for Fiscal Year 2021-2022**

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**, 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 28, 2021, to consider the Proposed Budget for Fiscal Year 2021-2022, as submitted by the Executive Officer.

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

1. Finds that the Proposed Budget for Fiscal Year 2021-2022 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 2021-2022 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 2021-2022, for the Commission's May 26, 2021 meeting.

**ATTEST:**

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

Attachment: Proposed Fiscal Year 2021-2022 Budget

**Stanislaus LAFCO**  
**PROPOSED FISCAL YEAR 2021-2022 BUDGET**

Account	FY 20-21 Adopted Budget	FY 20-21 Estimated Year-End	FY 21-22 PROPOSED BUDGET	Increase or (Decrease)	% Change
<b>Salaries and Benefits</b>					
50000+ Salaries and wages	\$ 279,800	\$ 279,500	\$ 285,000	\$ 5,200	2%
52000 Retirement	83,100	83,600	89,990	6,890	8%
52010 FICA	22,100	20,800	22,500	400	2%
53000 Group health insurance	60,800	60,800	59,300	(1,500)	-2%
53020 Unemployment insurance	360	360	360	-	0%
53051 Benefits admin fee	190	160	190	-	0%
53081 Long term disability	425	385	425	-	0%
54000 Workers compensation insurance	995	995	1,035	40	4%
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	3,950	3,950	3,980	30	1%
<b>Total Salaries and Benefits</b>	<b>\$ 456,320</b>	<b>\$ 455,150</b>	<b>\$ 467,380</b>	<b>\$ 11,060</b>	<b>2%</b>
<b>Services and Supplies</b>					
60400 Communications (ITC - Telecom)	\$ 1,145	\$ 1,177	\$ 1,290	\$ 145	13%
61000 Insurance (SDRMA)	5,230	5,092	4,800	(430)	-8%
61030 Fiduciary liability insurance	40	60	70	30	75%
62200 Memberships (CSDA, CALAFCO)	10,800	10,377	10,560	(240)	-2%
62400 Miscellaneous expense	3,000	3,000	3,000	-	0%
62450 Indirect costs (A87 roll forward)	(460)	(460)	(460)	-	0%
62600 Office supplies	1,500	1,200	1,500	-	0%
62730 Postage	1,200	500	1,200	-	0%
62750 Other mail room expense	445	445	470	25	6%
63000 Professional & special serv	12,360	11,891	12,515	155	1%
Building maint & supplies	3,430	3,200	3,540	110	3%
Office lease	4,100	3,861	4,000	(100)	-2%
Utilities	1,515	1,515	1,560	45	3%
Janitorial	830	830	855	25	3%
Purchasing	285	285	295	10	4%
HR/Risk Mgt overhead	2,200	2,200	2,265	65	3%
63090 Auditing & accounting	2,430	2,430	2,505	75	3%
63400 Engineering services	2,000	2,000	2,000	-	0%
63640 Legal services	12,000	6,000	12,000	-	0%
63990 Outside data proc services (IT & GIS Lic)	12,200	11,875	12,950	750	6%
IT Services (ITC)	8,500	8,475	9,250	-	9%
Video Streaming (ITC)	1,000	1,000	1,000	-	0%
Mtg Recording (Final Cut Media)	1,500	1,200	1,500	-	0%
GIS License (ITC)	1,200	1,200	1,200	-	0%
65000 Publications & legal notices	1,000	900	1,000	-	0%
65780 Education & training	3,000	150	2,500	(500)	-17%
65660 Special dept. expense (3yr audit)	-	-	12,000	12,000	new
65810 Other supportive services (messenger)	350	240	350	-	0%
65890 Commission expense (stipends, training)	6,100	2,400	6,100	-	0%
67040 Other travel expenses (mileage)	500	50	500	-	0%
67201 Salvage disposal	130	130	130	-	0%
<b>Total Services and Supplies</b>	<b>\$ 74,970</b>	<b>\$ 59,457</b>	<b>\$ 86,980</b>	<b>\$ 12,010</b>	<b>16%</b>
<b>Other Charges</b>					
73024 Planning dept services	\$ 1,200	\$ 500	\$ 1,200	\$ -	0%
<b>Total Other Charges</b>	<b>\$ 1,200</b>	<b>\$ 500</b>	<b>\$ 1,200</b>	<b>\$ -</b>	<b>0%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 532,490</b>	<b>\$ 515,107</b>	<b>\$ 555,560</b>	<b>\$ 23,070</b>	<b>4%</b>
<b>TOTAL REVENUES</b>	<b>\$ 532,490</b>	<b>\$ 491,895</b>	<b>\$ 555,560</b>	<b>\$ 23,070</b>	<b>4%</b>
40680+ Agency Contributions	453,175	453,175	493,158	39,983	9%
36414 Application & Other Revenues	20,000	32,700	20,000	-	0%
17000+ Interest Earnings & Refunds	-	6,020	-	-	-
<b>Use of Undesig. Fund Balance</b>	<b>\$ 59,315</b>		<b>\$ 42,402</b>	<b>\$ (16,913)</b>	<b>-29%</b>



**Stanislaus LAFCO**  
**PROPOSED FISCAL YEAR 2021-2022 BUDGET**  
**Reserve Funds & Undesignated Fund Balance**

Estimated Fund Balance June 30, 2021	\$	318,752
<i>General Fund Reserve (15%)</i>		(83,350)
<i>Accrued Leave Fund (Cash-Out Liability)</i>		(93,000)
<i>Long-Term Liability Reserve</i>		(100,000)
<b>Undesignated Fund Balance (Est.)</b>	<b>\$</b>	<b>42,402</b>