



**STANISLAUS LAFCO
LOCAL AGENCY FORMATION COMMISSION**

Sara Lytle-Pinhey, Executive Officer
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Modesto, California 95354
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Chair Terry Withrow, County Member
Vice Chair Richard O'Brien, City Member
Amy Bublak, City Member
Vito Chiesa, County Member
Ken Lane, Public Member
Javier Lopez, Alternate City Member
Mani Grewal, Alternate County Member
Bill Berryhill, Alternate Public Member

**AGENDA
Wednesday, May 25, 2022
6:00 P.M.
Joint Chambers—Basement Level
1010 10th Street, Modesto, California 95354**

- Members of the public may attend this meeting in person.
- 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>

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 April 27, 2022 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.

- 1. Letter from Stanislaus County regarding item 7A, dated May 18, 2022.

- B. Informational Correspondence.

C. "In the News."

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

6. CONSENT ITEMS

A. **INDEPENDENT AUDIT FOR FISCAL YEARS 2018-2019, 2019-2020 AND 2020-2021.** (Staff Recommendation: Accept and File Audit Report.)

B. **SCHEDULE OF FEES AND DEPOSITS UPDATE.** (Staff Recommendation: Adopt the updated Schedule of Fees and Deposits.)

7. PUBLIC HEARINGS

A. **Continued from March 23, 2022 LAFCO APPLICATION NO. 2022-01, MUNICIPAL SERVICE REVIEW NO. 2022-01, & SOI UPDATE NO. 2022-01 – ACTIVATION OF LATENT POWERS (SEWER SERVICE) FOR THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT.** A request by the Monterey Park Tract Community Services District to provide sewer services within the existing boundaries of the 30± acre District. Currently the District is only authorized to provide water services. The District includes the rural subdivision known as the Monterey Park Tract and is located one mile west of the West Monte Vista Avenue and Crows Landing Road intersection. An updated Municipal Service Review and Sphere of Influence will also be considered for the proposal. (Staff Recommendation: Approve the application and Resolution No. 2022-03.)

B. **FINAL LAFCO BUDGET FOR FISCAL YEAR (FY) 2022-2023.** The Commission will consider the adoption of the final LAFCO budget consistent with Government Code Sections 56380 and 56381. (Staff Recommendation: Approve the Final Budget and adopt Resolution No. 2022-07.)

8. OTHER BUSINESS

None.

9. COMMISSIONER COMMENTS

Commission Members may provide comments regarding LAFCO matters.

10. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

The Commission Chair may announce additional matters regarding LAFCO matters.

11. EXECUTIVE OFFICER'S REPORT

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

A. On the Horizon.

12. ADJOURNMENT

A. Set the next meeting date of the Commission for June 22, 2022.

B. Adjournment.

LAFCO Disclosure Requirements

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

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

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

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

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

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

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



STANISLAUS LOCAL AGENCY FORMATION COMMISSION

MINUTES

April 27, 2022

1. CALL TO ORDER

Chair Withrow called the meeting to order at 6:01 p.m.

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

Commissioners Present: Terry Withrow, Chair, County Member
Richard O'Brien, Vice-Chair, City Member
Amy Bublak, City Member
Vito Chiesa, County Member
Javier Lopez, Alternate City Member

Commissioners Absent: Mani Grewal, Alternate County Member
Ken Lane, Public Member
Bill Berryhill, Alternate Public Member

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

2. PUBLIC COMMENT

Jami Aggers, Barney Aggers, Dan Whetstone, and Fred Walton all spoke regarding their concerns about the City of Riverbank's River Walk Specific Plan proposal.

3. APPROVAL OF MINUTES

- A. Minutes of the March 23, 2022 Meeting.

Motion by Commissioner O'Brien, seconded by Commissioner Bublak and carried with a 4-0 vote to approve the Minutes of the March 23, 2022 meeting by the following:

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

4. CORRESPONDENCE

- A. Specific Correspondence.
- None.
- B. Informational Correspondence.
- None.
- C. "In the News."

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

6. CONSENT ITEM

- A. **MUNICIPAL SERVICE REVIEW NO. 2022-02 AND SPHERE OF INFLUENCE UPDATE NO. 2022-02 – KNIGHTS FERRY COMMUNITY SERVICES DISTRICT**
The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Knights Ferry Community Services District. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to sections 15306 and 15061(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2022-06.)

Motion by Commissioner O'Brien, seconded by Commissioner Chiesa, and carried with a 4-0 vote to approve the update and adopt Resolution No. 2022-06, by the following vote:

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

7. PUBLIC HEARING

- A. **PROPOSED LAFCO BUDGET FOR FISCAL YEAR (FY) 2022-2023.** 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. 2022-05.)

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

The Commission requested that Staff bring back additional information regarding job classifications and a salary survey at a later meeting.

Chair Withrow opened the item up for Public Comment at 6:29 p.m.

There was none.

Chair Withrow closed the Public Hearing at 6:29 p.m.

Motion by Commissioner Chiesa, seconded by Commissioner O'Brien and carried with a 4-0 vote to approve the Proposed Budget and adopt Resolution No. 2022-05, by the following vote:

<i>Ayes:</i>	<i>Commissioners: Bublak, Chiesa, O'Brien and Withrow</i>
<i>Noes:</i>	<i>Commissioners: None</i>
<i>Ineligible:</i>	<i>Commissioners: Lopez</i>
<i>Absent:</i>	<i>Commissioners: Berryhill, Grewal and Lane</i>
<i>Abstention:</i>	<i>Commissioners: None</i>

8. OTHER BUSINESS

None.

9. COMMISSIONER COMMENTS

Commissioner Chiesa invited everyone to attend Mayor Bublak's State of Turlock address on April 28, 2022.

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:

- Staff is in the process of finalizing the Fairview Village No. 2 Reorganization.
- The Executive Officer attended the local CSDA chapter meeting and gave updates on LAFCO projects and received interest from the special districts regarding representation on LAFCO.
- For the May 25th meeting, the Commission will hear the Final LAFCO budget and the continued item for the Monterey Park Tract Community Services District.

12. ADJOURNMENT

A. Chair Withrow adjourned the meeting at 6:33 p.m.

DRAFT

Sara Lytle-Pinhey, Executive Officer

**CHIEF EXECUTIVE OFFICE**

Jody L. Hayes
CHIEF EXECUTIVE OFFICER

Patrice M. Dietrich
ASSISTANT EXECUTIVE OFFICER

Tina M. Rocha
ASSISTANT EXECUTIVE OFFICER

May 18, 2022

Sara Lytle-Pinhey, Executive Officer
Stanislaus LAFCO
1010 10th Street, 3rd Floor
Modesto, CA 95354

RE: LAFCO – APPLICATION NO. 2022-01, MUNICIPAL SERVICE REVIEW NO. 2022-01, & SOI UPDATED NO. 2022-01 – ACTIVATION OF LATENT POWERS (SEWER SERVICE) FOR THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT

Dear Ms. Lytle-Pinhey:

This letter is in reference to the above subject to provide Stanislaus County's formal response for consideration by the Stanislaus Local Agency Formation Commission (LAFCO).

On February 9, 2022, the Stanislaus LAFCO issued an Agency Referral and Request for Comments for Application No. 2022-01, a request by the Monterey Park Tract Community Services District (CSD) to provide sewer services within the boundaries of the 30+/- acre district. The application was initially noticed for consideration at the March 23, 2022, LAFCO meeting. On March 14, 2022, Stanislaus County (County) submitted a letter to LAFCO requesting the commission delay consideration of the application to provide the County an opportunity to review additional information provided by the CSD and work with the CSD to address the County's concerns. County staff has reviewed the application and supporting documents and has concerns regarding permitting authority, capacity, area requirements for the site and replacement field, and financial feasibility of the project.

Permitting Authority

The State Water Resources Control Board protects water quality by setting statewide policy, coordinating and supporting the nine Regional Water Quality Control Boards' efforts, and reviewing petitions that contest regional board actions. Stanislaus County falls within the jurisdiction of the Central Valley Regional Water Quality Control Board (Regional WQCB). On June 13, 2017, the Regional WQCB approved the Local Agency Management Program (LAMP) for Stanislaus County Department of Environmental Resources, which includes the Water Quality Control Policy for Siting, Design, Operation and Maintenance of Onsite Wastewater Treatment Systems (OWTS).

Stanislaus County's ability and authority to approve OWTS is governed by the LAMP. Pursuant to section 9.1.2 of the LAMP, the County is prohibited from approving an OWTS receiving a projected flow of over 10,000 gallons per day without a Waste Discharge Requirements and Monitoring Program approved by the Regional WQCB. The anticipated gallons per day wastewater flows provided by the CSD exceed levels that are allowed under the LAMP. As such, the project will require a Waste Discharge Requirements and Monitoring Plan approved by the Regional WQCB.



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The Onsite Wastewater Branch of the Regional WQCB pointed to a different section of its General Order for Small Domestic Wastewater Treatment Systems and stated the County does have the authority to permit an OWTS receiving a projected flow of over 10,000 gallons per day. Until this discrepancy is resolved, the County will continue to rely on the authority provided under the LAMP and asserts the authority to permit an OWTS receiving a projected flow of over 10,000 gallons per days resides with the Regional RWQCB. Notwithstanding the permitting authority, the County does have the following concerns:

Onsite Wastewater Treatment System (OWTS) Capacity

1. The submitted plans have not adequately addressed if the proposed OWTS and components (*i.e.*, wastewater surge tank, disposal field, etc.) are sufficient in size to accommodate anticipated wastewater flows for the subdivision as it exists today and for its projected buildout.

As noted below in comment No. 2, the designated areas for the primary leach field may have been incorrectly sized because site-specific soil characteristics were not properly evaluated.

If the primary field is not large enough to accommodate all existing residences, some residences may be required to remain on septic as well as any future residences on currently undeveloped parcels.

2. The proposed subsurface disposal design, which is to utilize leach fields, makes use of theoretical values within the California Plumbing Code to size the minimally required size of the leach field. This approach does not account for site-specific characteristics of the community. Percolation tests and soil mantle tests for the primary disposal field and replacement field, rather than reference to County soil maps, are required to determine the minimum size needed for the disposal and replacement fields.

Furthermore, the Monterey Park Tract Community Services District 2021 Septic to Sewer System Feasibility Study (Feasibility Study) does not fully take into consideration that the community is located within a known geographical area within the County that may have a shallow water table. A shallow water table could require a significant redesign of the proposed centralized OWTS.

3. The September 2020 adopted Initial Study/Mitigated Negative Declaration Monterey Park Tract – Septic to Sewer Project and feasibility study did not consider the potential development of undeveloped parcels, Accessory Dwelling Units (ADU), or Junior Accessory Dwelling Units (JADU).

Inclusion of the potential development of ADUs or JADUs in the system would result in larger-than-projected wastewater flows to the proposed centralized OWTS. Such unanticipated wastewater flows could result in overloading the OWTS causing premature failure, requiring repairs or replacement.

Currently, there are a total of 50 single-family dwellings in the CSD, and each dwelling has an average of three bedrooms. According to EPA's Onsite Wastewater Treatment Systems Manual, 150 gallons of wastewater flow is expected for each bedroom per day. Currently, the total wastewater flow per day is anticipated at 22,500 gallons which exceeds the currently proposed design by 12.5%. After the construction of this wastewater treatment system, the CSD has the potential of constructing a maximum of 14 additional single-family dwellings, 19 ADUs, and 37 JADUs. Assuming each ADU is constructed with three bedrooms and JADU is constructed with one bedroom, at final build-out, the total wastewater flow per day is anticipated at 42,900 gallons per day which exceeds the currently proposed design by 114.5%.

After initial discussion of the County's concerns, a response from the CSD was received on, March 11, 2022, stating that ADUs were considered when designing the system, but that constraints on water supply would severely limit any development of ADUs. The District's limitations are noted, however, the District should be aware, that if constraints on capacity were to change in the future, the presence of public water and sewer availability would allow for ADU development under the County's zoning ordinance.

4. Section 4.4.6 of the Feasibility Study, which discusses community issues and environmental impacts states, "the recommended site is the only rural and vacant location within the MPTCSD that is large enough to house both the wastewater treatment units and the new leach field". For the reasons mentioned above, the CSD's ability to provide the minimum required site area to accommodate the proposed centralized OWTS and replacement area may not be possible.
5. It is unclear whether the CSD owns the property where the primary leach field will be located. The CSD must have fee title ownership of the primary field prior to commencement of the project. Additionally, the property must be deed restricted to be used only as a leach field until the sewer plant is no longer being utilized to provide wastewater treatment for the CSD.

OWTS Replacement Area

In Chapter 4 of the Feasibility Study, "Community Sewer Collection System with a Centralized Wastewater Treatment Facility," the proposed plan fails to identify an appropriately designed future 100% replacement area. Pursuant to Section 8.1.8 of the LAMP, dispersal systems shall have a 100% replacement area that is equivalent and separate, and available for future use.

The CSD must have fee title ownership of the replacement field prior to commencement of the project. Additionally, the property must be deed restricted to be used only as a leach field until the sewer plant is no longer being utilized to provide wastewater treatment for the CSD. (As mentioned above, these ownership requirements and use restriction apply to the primary field as well.)

If the replacement field parcel or parcels are not contiguous to the primary leach field, a lift station (if required by the topography and distance between the primary field and the replacement field) must be built as part of the project and be already in place to take wastewater in case of a failure of the primary leach field. The applicant should provide details of all components of the OWTS, including, but not limited to percolation test data, sewer conveyance lines, sewer lift stations, distribution boxes, surge tanks, pre-treatment tanks, primary and secondary wastewater treatment units, disposal fields, and replacement areas.

Conformance with the County's General Plan and Zoning Ordinance

The project proposes to acquire real property within Unincorporated Stanislaus County, which is zoned General Agriculture (A-2-10). Development of public facilities in the General Agriculture zone requires a Tier III use permit, as stipulated by Chapter 21.20.30(C)(2)(J) of the County's Zoning Ordinance. Additionally, Government Code Section 65402(c), requires the CSD to seek a determination of conformance with the County's General Plan prior to acquisition of any parcel utilized as part of the project. County Staff requests the CSD be notified of these requirements.

Financial/Revenue Requirements

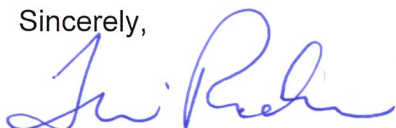
LAFCO determines whether a special district will have sufficient revenues to carry out the proposed new or different functions or class of services. Revenues for this project will need to pay for all project costs, including, but not limited to, the following:

- Land purchases to provide fee title ownership of both the primary leach field and replacement field
- Cost of the treatment plant and components (sewer conveyance lines, distribution boxes, surge tanks, pre-treatment tanks, primary and secondary wastewater treatment units)
- Cost of a lift station, if replacement field is not adjacent to primary field, and other lift stations, if required
- Cost to fund a reserve account for replacing system or major components in case of failure
- Cost of operator with managerial and technical expertise to operate the proposed system.

A rate study to determine the required monthly charges to residents to cover the above wastewater system costs has not been completed, and it is not known whether the CSD residents would be willing to pay the extra cost for the proposed service. The County has concerns regarding the costs of acquisition, operations and maintenance, management and administration of the proposed centralized OWTS.

Thank you for providing the opportunity to comment on this application.

Sincerely,



Tina Rocha
Assistant Executive Officer

cc: Environment Review Committee

IN THE NEWS

Newspaper Articles

- The Mercury News, May 13, 2022, “California to open first new state park in 13 years.”
- The Modesto Bee, May 16, 2022, “Stanislaus County Leaders move forward with an in-house agency to monitor EMS system.”
- The Modesto Bee, May 17, 2022, “Squatters removed, abandoned house torn down as Stanislaus County focuses on islands.”
- The Modesto Bee, May 18, 2022, “Stanislaus County is getting its own EMS agency. Here’s who will pay the higher costs.”
- Ceres Courier, May 11, 2022, “River Oaks protest hearings put off indefinitely.”
- Ceres Courier, May 11, 2022, “Council changes minds about hotel height.”

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California to open first new state park in 13 years

2,100-acre Dos Rios Ranch between San Jose and Modesto will be first new state park since Fort Ord Dunes in 2009

BY Paul Rogers

MODESTO — At a scenic spot where two rivers meet amid sprawling almond orchards and ranchlands between San Jose and Modesto, California's state park system is about to get bigger.

On Friday, as part of his revised May budget, Gov. Gavin Newsom is scheduled to announce that the state is acquiring 2,100 acres near the confluence of the San Joaquin and Tuolumne rivers to become a new state park — an area rich with wildlife and brimming with possibilities to reduce flood risk and restore some of California's lost natural heritage.

The property in Stanislaus County, 40 miles east of San Jose and 10 miles west of Modesto, is known as Dos Rios Ranch. It will become the first new state park established since 2009, when the U.S. Army donated four miles of beaches in Monterey County to become Fort Ord Dunes State Park.

That 13-year gap in new parks is the longest since the state parks department was created in 1927.

"This will provide incredible public access," said State Parks Director Armando Quintero as he toured Dos Rios Ranch on Wednesday, binoculars in hand. "People will be able to hike on trails, and fish and paddle the river."

More than 68 million people a year visit California's 279 state parks, a nationally renowned collection of spectacular beaches, ancient redwood forests and historic sites that include everything from the shores of Lake Tahoe to the summit of Mount Diablo and the Avenue of the Giants in Humboldt Redwoods State Park.

Environmental groups have lamented for years that former Gov. Jerry Brown and Arnold Schwarzenegger failed to keep pace with the growing population's need for new parks, particularly in low-income areas, as they underfunded the state parks system and attempted to close dozens of parks to balance the state budget.

Now as California enjoys budget surpluses, Newsom's administration says it is trying to regain momentum.

In an editorial board meeting April 29 with the Bay Area News Group, Newsom cited \$548 million in new state grants announced last December to boost city and county parks, many of which were flooded with people seeking exercise during COVID lockdowns, and a new program championed by his wife, Jennifer Siebel Newsom, to allow people to check out free state parks passes in libraries.

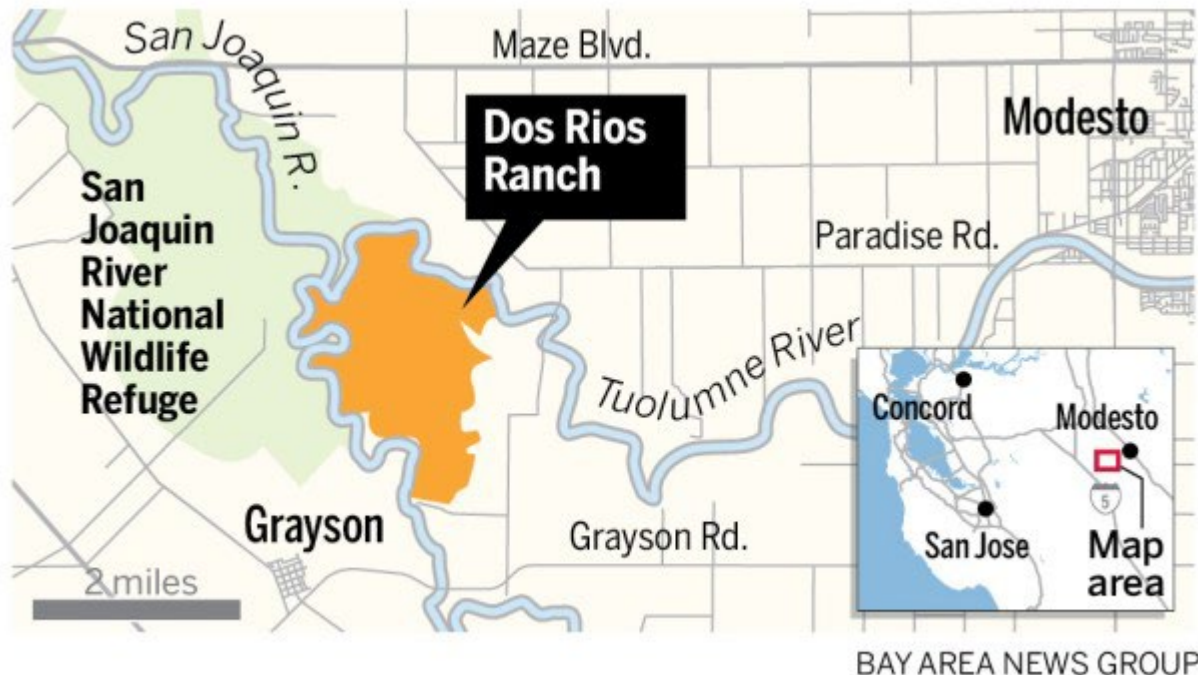
"My mom was a rec director, and I was a big parks advocate as a supervisor and mayor, and I'm really proud of the work we are doing," Newsom said. "We have a number of acquisitions that we are in advanced negotiations on."

Last year, state parks officials attempted to purchase a sprawling, hilly 50,000-acre property near Livermore to establish a new state park. The N3 Ranch extends across Santa Clara, Alameda, San Joaquin and Stanislaus counties. Twice the size of San Francisco, it is home to tule elk, mountain lions, bald eagles and other wildlife.

IN THE NEWS – The Mercury News, May 13, 2022, Page 2

But the owners, a Southern California family, [sold the property](#) instead at the last minute for \$63 million to an East Bay businessman and rancher, William Brown.

“We got played on that. I’m still raw about it,” Newsom said.



The Dos Rios Ranch offers a different landscape but one that is also quintessentially Californian.

The riverfront property east of Interstate 5 was assembled from two former ranches used mostly to grow hay, alfalfa and other feed for dairy cows. Under the deal, River Partners, an environmental group based in Chico, purchased the two ranches for \$32 million in 2012 and 2014, much of it with grants from federal and state agencies, along with private donations.

Since then the group has worked tirelessly to restore the landscape.

Workers have planted more than 350,000 trees, shrubs and other plants, including cottonwoods, willows, wild blackberry and wild rose. They altered earthen berms along the rivers that dated back to the 1930s to allow water to flood back over the banks during wet winter storms, as it did historically.

That, said Julie Rentner, president of River Partners, not only restores wildlife, such as sandhill cranes, ducks and fall-run Chinook salmon, but it also allows the water to spread out and seep slowly back into the ground, recharging aquifers and reducing flooding pressure downstream in Manteca and Stockton. She said her organization has 48 similar floodplain restoration projects ongoing between San Diego and Redding.

“The Central Valley used to have hundreds of thousands of acres like this,” she said. “When this property floods, it’s like the bayou.”

Located on the Pacific Flyway, the ranch, which now has 20-foot-high trees where flat hayfields grew 10 years ago, is a stopover for more than 250 species of migrating birds from Canada and Alaska, including the endangered Aleutian Canada Goose. It is also home to neo-tropical song birds and endangered species such as brush rabbits and Swainson’s Hawks.

IN THE NEWS – The Mercury News, May 13, 2022

“Lots of wildlife are responding,” Rentner said, ambling along one of the trails. “Birds are moving in like crazy. There hadn’t been deer on this property for 60 years. Now they are back. Can you imagine walking down this path with your kids? It’s just gorgeous.”

The state expects to take title to the land, which River Partners will donate, by the end of next year, and public access will begin in late 2023, Quintero said. Newsom’s budget will shift \$5 million to draft a general plan, conduct title searches and research potential legal claims and easements, and to cover other costs.

Parking lots, restrooms, interpretive signs on trails and picnic areas should be built in less than five years, with plans after that for a campground, he added. Quintero noted that the San Joaquin Valley has the fewest state parks of any region in the state.

“It’s about owning your sense of place,” he said. “You don’t have to only go to the coast or the Sierra to experience nature. It’s all around us.”

IN THE NEWS – The Modesto Bee, May 15, 2022

Stanislaus County leaders move forward with an in-house agency to monitor EMS system

BY Ken Carlson

Stanislaus County supervisors are expected to introduce an ordinance Tuesday evening to establish fees for an in-house emergency medical services agency.

The county served notice in March 2021 it was withdrawing from the Mountain-Valley EMS Agency composed of Stanislaus, Calaveras, Mariposa, Amador and Alpine counties.

The county will operate its own EMS agency as a division of the Sheriff's Department. The regulatory fees charged to ambulance providers and hospitals will cover costs of monitoring ambulance service, trauma centers and other components of the EMS system.

The board will consider the fees at a 6:30 p.m. public hearing Tuesday.

Most of the fees, from employee accreditations to costs for field handbooks, will stay within the Mountain-Valley EMS current cost structure, with a 12% hike based on cost-of-living adjustments. The Mountain-Valley agency had not adjusted many fees in the past three years, a county staff report says.

Hospitals could pay substantially higher fees for heart attack specialty centers, a \$16,500 increase, and stroke centers, a \$40,000 increase, because of the workload of monitoring and coordinating those centers. The fee for a Level II trauma center could increase by \$78,490.

REVIEW OF COUNTY ISLANDS

On Monday, the Board of Supervisors will continue a series of exploratory meetings in the field to look at the needs of county islands.

Board members will hear a Public Works presentation at Oregon Park in the airport neighborhood at 9 a.m. before going to what's known as the "Sylvan Island" near Beyer Park in Modesto at 10 a.m.

The final stop will be Oasis of Hope Church on Claus Road, where supervisors will learn about service needs in the east Riverbank unincorporated area.

The Board of Supervisors held special meetings May 5 in neighborhoods of west and south Modesto and Ceres.

Board Chairman Terry Withrow said the unincorporated islands are lacking curb, gutter, sidewalks, water hookups and wastewater service.

The county has documented about \$650 million in infrastructure needs in county islands.

The board has designated \$50 million in funds from the American Rescue Plan to make improvements. It's possible the county can leverage more funds from state and federal sources to address more of the needs.

The county Board of Supervisors will hold its regular meeting at 6:30 p.m. Tuesday in the meeting chambers at Tenth Street Place, at 1010 10th St., Modesto.

Squatters removed, abandoned house torn down as Stanislaus County focuses on islands

By Ken Carlson

Stanislaus County took action Monday to remove blight and start making improvements to a neighborhood in southwest Modesto.

About 12 to 15 people were squatting on a residential parcel at Kenneth and Hays streets, south of Robertson Road.

A demolition crew tore down an abandoned house filled with refuse.

Doug Holcomb, manager for housing and homeless services, said the people living illegally on the site were signed up for shelter services and began paperwork making them eligible for other assistance.

Bob Garner, a neighbor, said the man who previously owned the house died. A family member took possession of the home and then left. County officials said people began living on the property in unsanitary and dangerous conditions, including a child who visited the place during the day.

Garner pointed to where a fire started and scorched his fence. During the cleanup Monday, an old motor home was pulled away from the property.

County Board Chairman Terry Withrow, whose district includes the Robertson Road area, said the county will clear the site and work with the Housing Authority to build some new housing units that residents can afford. The department of Housing and Urban Development has a lien on the parcel.

Withrow said he promised action to Garner when the longtime resident complained about the situation a year ago. A code enforcement process was initiated. If the county project goes as planned, affordable housing units will replace the blight at the street corner.

Withrow convened a special board meeting near the site this month as the county brings attention to the needs of unincorporated islands, or pieces of county territory that are surrounded by city neighborhoods. Often, county islands are lacking urban improvements such as curb, sidewalks, adequate drainage, lighting, and water and sewer hookups for residents.

The county Board of Supervisors held additional special meetings in the field Monday to learn about the needs of county islands in the airport neighborhood, Modesto's Beyer Park area and east Riverbank.

Withrow said board members are well aware of the county islands in their respective districts, but the field trips let them see the challenges in other districts.

Board members made a 45-minute stop at Oregon Park in the airport neighborhood to talk about ongoing improvements and needs for the community.

The neighborhood gets water service from Modesto, and a wastewater main was installed, though the costs of connecting service lines has kept many homes from starting wastewater service, residents said. County staff said residents possibly don't know about assistance that is available.

IN THE NEWS – The Modesto Bee, May 17, 2022 page 2

Public Works Director David Leamon said a \$3.2 million sidewalk project is in the works for the airport neighborhood, which will make it easier for children to walk to school.

Board Member Mani Grewal said a total of \$18 million in infrastructure needs has been identified for the neighborhood.

The county plans to spend \$50 million in American Rescue Plan Act funds for improvements in unincorporated islands. A total of \$650 million in infrastructure needs has been identified for those areas.

The county has arranged for a survey asking community members where the ARPA funds should be invested. Workshops will be held in the coming weeks.

MORE LEARNED ABOUT 'SYLVAN ISLAND'

A county pocket called "Sylvan Island", near Coffee Road and Thorsen Avenue, includes 275 parcels surrounded by city neighborhoods. The homes in Sylvan Island are connected to city water but septic tanks are still in use. The area is in Supervisor Buck Condit's district.

County staff said some people living in county islands don't want to be annexed. The county would most likely survey residents before developing an improvement project for Sylvan Island.

The county group also made a stop at Oasis of Hope Church on Claus Road in Riverbank, near Santa Fe Street, just south of Highway 108. The city of Riverbank has grown to the east of the county pocket. The island includes 37 parcels and could use an estimated \$6.7 million in improvements.

Stanislaus County leaders will keep studying the needs in the five supervisorial districts and will continue seeking public input on necessary improvements. The county hopes to use the \$50 million in ARPA funds as leverage for seeking additional funding from the federal and state governments.

Stanislaus County is getting its own EMS agency. Here's who will pay the higher costs.

By Ken Carlson

Hospitals are facing higher fees for their trauma and stroke centers as a new emergency medical services agency is established in Stanislaus County.

The county Board of Supervisors gave approval Tuesday evening for the newly created Local Emergency Medical Services Agency to assess the annual monitoring fees, but \$174,500 will be used to subsidize the costs and soften the blow for hospital budgets next fiscal year.

"When we embarked on this path, we didn't expect it to go smoothly," Supervisor Vito Chiesa said. "We've had hiccups on the way, but we are going in the right direction."

Stanislaus County served notice in March 2021 it was breaking away from the Mountain-Valley EMS joint powers authority, a multi-county partnership for regulating ambulance service and the emergency medical services system.

Stanislaus will operate its own EMS agency, called LEMSA, as a division of the Sheriff's Department. It recently developed the new fees to cover the agency's annual costs, but county officials said hospital administrators and representatives of the Hospital Council of Northern & Central California told them the sharp increases over Mountain-Valley's charges would impact hospital budgets.

The subsidy for hospitals was proposed in the staff report for Tuesday's board item. No one spoke at the public hearing.

Stanislaus was by far the largest county in the Mountain-Valley EMS Agency, which also included Calaveras, Mariposa, Amador and Alpine counties. The county is adopting almost 100 fees that were assessed by Mountain-Valley. The JPA agency had not adjusted the hospital specialty center fees for years.

The fees approved Tuesday represent a total increase of \$348,944 for hospitals that have trauma, heart attack and stroke centers. The county held onto money in an EMS enhancement fund to pay for \$390,650 in startup costs for LEMSA, and will shift \$174,472 from that fund to subsidize half the fee increase for hospitals for one year.

The fund, used for enhancing the EMS system, is fed by monetary penalties when ambulance companies don't meet standards for response. The fund balance was \$1.92 million in April.

LEVEL I TRAUMA CENTER IS PLANNED

The annual fees for the two Level II trauma centers in Stanislaus County will jump from \$100,000 to \$178,490.

Doctors Medical Center is applying for Level I trauma status, which will require more agency staff time for monitoring, a county staff report said. The Level I trauma center fee will be just over \$200,000.

IN THE NEWS – The Modesto Bee, May 18, 2022, Page 2

The fees for hospital stroke centers will rise to about \$65,000, a \$40,000 increase, and centers for emergency treatment of patients suffering from myocardial infarction will be assessed \$48,500, a \$16,500 increase. Other fees for ambulance providers are going up 12%.

River Oaks protest hearings put off indefinitely.

By Jeff Benziger

River Oaks Golf Course's appeal of a project proposed for a neighboring parcel will not be decided anytime soon after the Ceres City Council "indefinitely" postponed hearings at its April 25 meeting.

Owners of the golf course are appealing a March 2020 Planning Commission approval for Surjit Singh to build three retail commercial buildings sized at 3,500-, 4,835- and 14,160-square-feet on 2.16 acres at the south end of their driving range.

Hearings have been postponed for over two years by the City Council as the two parties try to come to some agreements relating to netting and liability insurance.

During the 2018 update of the General Plan, Singh requested that the city change the General Plan designation. His property had a Commercial Recreation designation in the old General Plan and asked that it be changed to Community Commercial. The Planning Commission and City Council approved the changes.

Singh's site is zoned Mixed Use (MX)-2 through the Mitchell Road Corridor Specific Plan (MRCSP) which allows limited commercial such as professional offices. If the council agrees with the commission, the MRCSP amendment will make the General Plan designation and the MRCSP consistent.

Singh also owns the Punjab Plaza at Central Avenue at Pine Street.

Ken Thornberry expressed a desire to resolve the issue "as soon as possible," saying plans to improve the golf course have been on hold pending the outcome of a decision. He indicated that part of the delay is to wait for a full City Council. It is currently missing a member.

Thornberry has stated numerous times that Singh's project would threaten the viability of the golf course.

Community Development Director Christopher Hoem said that attorneys representing the golf course and Singh are in discussions and "agree together that they need more time to deliberate on this so they both jointly requested that this be continued to a date uncertain. This would mean that we will have to provide public notice whenever this does come back to the City Council for a final decision."

City Attorney Tom Hallinan explained that the two parties are trying "to see if they can make a deal, for lack of a better term, to remove the appellant's opposition to the project in general."

He said the use of the term "indefinite" might give the impression it will not happen soon but he noted "it doesn't have to be a long time."

Pam Thornberry weighed in, saying her golf course is appealing the zoning "nothing to do with the applicant."

IN THE NEWS – The Ceres Courier, May 11, 2022, Page 2

"It has to do with us trying to protect our golf course's driving range," she said, "where the applicant wants to build a dense commercial building in front of it thus it will kill our golf course."

She added, "We're trying to reverse a bad decision. I'm sorry that the man bought the land but the problem is he saw what was there and he bought the land anyway and he's going to try to change the landscape. It doesn't work."

Singh's attorney, Dave Romano, said he agreed with the continuance.

"Indefinite sounds like a long time but what indefinite means is that it's just not date certain," said Romano. "We can return to the council on short notice with a 10-day notice."

Council changes mind about hotel height.

BY Jeff Benziger

Last month the Ceres City Council voted against allowing buildings taller than 35 feet in the Regional Commercial zone. But on Monday members did an about-face after a staff member alleviated concerns that a proposed hotel would be at the expense of other businesses by blocking freeway visibility of the Walmart Supercenter and other businesses in the Mitchell/Service roads area.

City staff recommended that the Planning Commission have the authority to approve the construction of buildings taller than the current 35-foot height limit on properties zoned Regional Commercial, or RC. The action was requested in response to interest in building a four-story hotel in the Ceres Gateway Center near Highway 99. That hotel could be as tall as 45 or 50 feet, said Senior Planner James Michaels.

On April 11 the council voted 2-3 for allowing the taller structure. However, after Community Development Director Christopher Hoem made his case on Monday the council voted unanimously to allow a hotel to be as tall as 50 feet.

Hoem showed visual representations of how a hotel might affect visibility of the new Walmart as well as future businesses. He noted that a 35-foot-tall hotel structure as currently permitted would also block the view of Walmart from the freeway at points. As northbound travelers pass the hotel and approach the Service Road overpass there will be a clear view of the major retailer.

The Planning Commission would be the “final” decision on any hotel structure in the Ceres Gateway Center but that any decision can be appealed to the council.

The height exception would not apply to Community Commercial (CC) zones on Mitchell Road. It will allow taller buildings in the Mitchell Ranch Shopping Center, Ceres Gateway Center, the northeast corner of Mitchell and Service and the future SamBella Plaza at the southeast corner of Mitchell and Rhode Road.

Councilman Mike Kline, who voted against raising the limit to 50 feet in April, said his concerns were alleviated. Kline said he checked the four-story hotel along Highway 99 at Lander Avenue in Turlock and did not realize it was 50 feet tall.

Ceres resident John Warren suggested that having a 50-foot-tall hotel in close proximity to the freeway would present a noise problem for guests.

Vice Mayor Bret Silveira commented that “up and down Highway 99, 120, I-5, all throughout California there are hotels up to six and eight stories high. This is not unusual. It would be different for our community but it’s not unusual to have hotels the size of the one at Lander like Councilman Kline said. It’s just what’s going on in the world right now and putting them next to the freeway is where the companies all want to put them and they know there could be noise issues.”

Ceres Gateway Center construction has begun with multiple new eateries.

**EXECUTIVE OFFICER'S AGENDA REPORT
MAY 25, 2022**

TO: LAFCO Commissioners

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

SUBJECT: **INDEPENDENT AUDIT FOR FISCAL YEARS 2018-2019, 2019-2020, AND 2020-2021**

RECOMMENDATION

It is recommended that the Commission accept and file the financial audit for fiscal years 2018-2019, 2019-2020, and 2020-2021.

DISCUSSION

The Commission's outside audit firm, Cropper Accountancy Corp., has completed the LAFCO 3-year audit for fiscal years 2018-2019, 2019-2020 and 2020-2021.

The purpose of the audit is for an independent third-party to review and assess the Commission's financial records to determine their compliance with generally accepted governmental accounting standards. LAFCO currently contracts with the County Auditor-Controller Office for financial services and maintains its funds in the County Treasury, pursuant to an adopted Memorandum of Understanding. The outside audit provides an opportunity for a third-party to identify reporting errors and omissions as well as to make suggestions for improvements.

As with the prior audits, the auditor found that the financial statements present fairly the financial position of the Commission. The final audit is attached in full to this memo.

Attachment: Independent Audit for Fiscal Years 2018-2019, 2019-2020, and 2020-2021

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STANISLAUS LOCAL AGENCY
FORMATION COMMISSION
FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
FOR THE FISCAL YEARS ENDED
JUNE 30, 2019, JUNE 30, 2020, AND JUNE 30, 2021

STANISLAUS LOCAL AGENCY FORMATION COMMISSION

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INDEPENDENT AUDITORS' REPORT

To the Commissioners
Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Stanislaus Local Agency Formation Commission (LAFCO), as of and for the years ended June 30, 2019, 2020, and 2021, and the related notes to the financial statements, which collectively comprise the LAFCO's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the LAFCO, as of June 30, 2019, 2020 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the Schedule of the Commission's Proportionate share of the Net Pension Liability, Schedule of the Commission's Pension Contributions, Schedule of the Commission's Proportionate Share of the Net OPEB Liability, and the Schedule of the Commission's OPEB Contributions, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LAFCO's basic financial statements. The combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2022, on our consideration of the LAFCO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the LAFCO's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LAFCO's internal control over financial reporting and compliance.



CROPPER ACCOUNTANCY CORPORATION

Walnut Creek, California

April 15, 2022

MANAGEMENT'S DISCUSSION & ANALYSIS

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2019, 2020, AND 2021

As management of the Stanislaus Local Agency Formation Commission (the Commission), we offer readers of the Commission's financial statements this discussion and analysis of the financial activities of the Commission for the above years. We encourage readers to consider the information presented in this report in conjunction with the Commission's financial statements and the accompanying notes to the basic financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis report is intended to serve as an introduction to the Commission's basic financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Commission. The financial statements also include various note disclosures that further describe the Commission's activities.

Government-Wide Financial Statements

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Commission's assets and liabilities, with the difference between the two reported as net position.

The Statement of Activities presents information showing how the Commission's net position changed during each fiscal year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows (accrual basis). Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g. accounts payable and receivable).

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The Commission, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements report essentially the same functions as those reported in the governmentwide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than government-wide financial statements, it is useful to compare the information presented. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and government wide statements.

Notes to Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL ANALYSIS OF THE COMMISSION

The Commission has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB 34), Basic Financial Statements and Management's Discussion and Analysis (MD&A) for State and Local Governments.

The following table presents a condensed Statement of Net Position for the fiscal years ending June 30, 2019, 2020, and 2021.

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2019, 2020, AND 2021**

Condensed Statement of Net Position			
As of June 30,			
	2019	2020	2021
ASSETS			
Assets	\$ 348,182	\$ 368,952	\$ 361,824
Deferred Outflows of Resources	405,083	-	-
LIABILITIES & NET POSITION			
Total Liabilities	656,805	26,987	12,277
Total Deferred Inflows of Resources	21,357	-	-
Total Net Position	<u>\$ 75,103</u>	<u>\$ 341,965</u>	<u>\$ 349,547</u>

The Statements of Net Position present complete information on the Commission's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the difference reported as net position. Changes in net position that occur over time may serve as an indicator of the Commission's financial position.

Changes in Net Position

State Law requires the County and the nine cities of Stanislaus County fund the Commission's budget each year. The Commission is also authorized to establish and collect fees for the purposes of offsetting agency contributions. It is the practice of the Commission to make use of unrestricted fund balance to help cover operating costs and minimize the fiscal impact on the local funding agencies. This practice of using unrestricted fund balance occasionally results in budgeting an operating shortfall, as was the case in the fiscal years ending June 30, 2019, 2020, and 2021.

Condensed Statement of Activities			
As of June 30,			
	2019	2020	2021
REVENUE			
Program Revenues			
Intergovernmental	\$ 451,919	\$ 453,175	\$ 453,175
Application Fees	35,968	34,006	51,331
General Revenues			
Interest & Other Income	10,749	13,788	8,890
Total Revenue	<u>498,636</u>	<u>500,969</u>	<u>513,396</u>
EXPENSES			
Personnel expenses	382,423	432,680	450,560
Services and Supplies	68,390	45,742	55,254
Total Expenses	<u>450,813</u>	<u>478,422</u>	<u>505,814</u>
CHANGE IN NET POSITION	47,823	22,547	7,582
NET POSITION – BEGINNING, AS RESTATED	<u>27,280</u>	<u>319,418</u>	<u>341,965</u>
NET POSITION - ENDING	<u>\$ 75,103</u>	<u>\$ 341,965</u>	<u>\$ 349,547</u>

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
MANAGEMENT'S DISCUSSION & ANALYSIS
JUNE 30, 2019, 2020, AND 2021**

Financial Analysis of the Commission's Governmental Fund

As noted earlier, fund accounting is used by the Commission to ensure and demonstrate compliance with finance-related legal requirements. For the fiscal year ending June 30, 2019, the Commission reported an ending fund balance of \$306,788, an increase of \$25,687 over the prior year. For the fiscal year ending June 30, 2020, the Commission reported an ending fund balance of \$341,965, for an increase of \$35,177 as a result of operations and the prior period adjustment. For fiscal year ending June 30, 2021, the Commission reported an ending fund balance of \$349,547, for an increase of \$7,582.

Expenditures and revenues increased in fiscal years ending June 30, 2019, 2020, and 2021, as the Commission budgeted for three full-time employees, following a previous reduction in staffing levels during the economic downturn.

BUDGETARY HIGHLIGHTS

The Commission practices bottom-line accounting, giving management the discretion to use excess funds in one account to offset deficits in other accounts. This allows management to minimize fiscal impact of unanticipated increases in contracted administrative services by controlling spending in other accounts. A Budgetary Comparison Schedule is included in the Required Supplementary Information (RSI) section of this report. In all three years, revenues exceeded budgeted amounts, primarily due to application revenues exceeding those anticipated. Expenditures were also less than budgeted, due to various charges for services being lower than anticipated, including charges for legal services.

CAPITAL ASSETS

The Commission has no capital assets.

DEBT ADMINISTRATION

GASB 68 was implemented in the 2014-2015 fiscal year which required long-term net pension liability to be recognized. More information regarding pension liability, deferred outflows and inflows is described in Note 7. GASB 75 was implemented in the 2017-2018 fiscal year which required other postemployment benefits liability to be recognized. See Note 6 for additional information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Commission is committed to fulfilling its State-mandated mission with as little fiscal impact to local agencies as possible. In preparing the budget for fiscal year 2021-2022, the Commission used spending baseline to estimate how much it would cost to continue the level of activities and services at next year's price for labor and supplies. The Commission's adopted fiscal year 2021-2022 budget is \$555,560, an overall increase of 4% from the prior year's adopted budget.

CONTACTING THE COMMISSION

These financial statements are designed to provide a general overview of the Commission's finances for all those interested. Through a memorandum of understanding, the County provides certain support functions, including financial management and accounting. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Stanislaus Local Agency Formation Commission, 1010 10th Street, Suite 3600, Modesto, CA 95354.

BASIC FINANCIAL STATEMENTS

BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
June 30, 2019

	General Fund	Adjustments (Note 4)	Statement of Net Position
ASSETS			
Current Assets:			
Cash and Investments, Unrestricted	\$ 348,182	\$ -	\$ 348,182
Total Assets	348,182	-	348,182
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pension	-	405,083	405,083
Total Deferred Outflows of Resources	-	405,083	405,083
LIABILITIES			
Current Liabilities:			
Accounts Payable	378	-	378
Accrued Compensated Absenses	12,630	-	12,630
Deferred revenues	8,000		8,000
Payroll Liabilities	20,386	-	20,386
Total Current Liabilities	41,394	-	41,394
Noncurrent Liabilities:			
Compensated Absences Due in More Than One Year	-	65,636	65,636
Net Pension Liability	-	527,222	527,222
Net OPEB Liability	-	22,553	22,553
Total Noncurrent Liabilities	-	615,411	615,411
Total Liabilities	41,394	615,411	656,805
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pension	-	14,856	14,856
Deferred Inflows Related to OPEB	-	6,501	6,501
Total Deferred Inflows of Resources	-	21,357	21,357
FUND BALANCE / NET POSITION			
Unassigned - Fund Balance	306,788	(306,788)	-
Unrestricted - Net Position		75,103	75,103
Total Fund Balance / Net Position	\$ 306,788	\$ (231,685)	\$ 75,103

The accompanying notes are an integral part of the financial statements

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Adjustments (Note 5)</u>	<u>Statement of Activities</u>
REVENUES			
Charges for Services:			
Intergovernmental Revenue	\$ 451,919	\$ -	\$ 451,919
Application Fees	35,968	-	35,968
Total Charges for Services	<u>487,887</u>	<u>-</u>	<u>487,887</u>
Interest income	10,719	-	10,719
Other Income	<u>30</u>	<u>-</u>	<u>30</u>
 Total Revenue	 <u>498,636</u>	 <u>-</u>	 <u>498,636</u>
EXPENDITURES / EXPENSES			
Current program - General Government:			
Salaries and Benefits	404,559	-	404,559
Pension expense (benefit)	-	(32,577)	(32,577)
OPEB expense (benefit)	-	920	920
Noncurrent accrued compensation expense	-	9,521	9,521
Services and Supplies, and Other Charges	<u>68,390</u>	<u>-</u>	<u>68,390</u>
Total Expenditures / Expenses	<u>472,949</u>	<u>(22,136)</u>	<u>450,813</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES / EXPENSES	25,687	22,136	47,823
FUND BALANCE / NET POSITION			
BEGINNING OF YEAR	<u>281,101</u>	<u>(253,821)</u>	<u>27,280</u>
END OF YEAR	<u><u>\$ 306,788</u></u>	<u><u>\$ (231,685)</u></u>	<u><u>\$ 75,103</u></u>

The accompanying notes are an integral part of the financial statements

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for Services				
Intergovernmental Revenue	\$ 451,919	\$ 451,919	\$ 451,919	\$ -
Application Fees	12,000	12,000	35,968	23,968
Total Charges for Services	463,919	463,919	487,887	23,968
Interest income	-	-	10,719	10,719
Other Income	-	-	30	30
Total Revenue	463,919	463,919	498,636	34,717
EXPENDITURES				
Current program - General Government				
Salaries and Benefits	406,165	406,165	404,559	1,606
Services and Supplies, and Other Charges	87,754	87,754	68,390	19,364
Total Expenditures / Expenses	493,919	493,919	472,949	20,970
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ (30,000)</u>	<u>\$ (30,000)</u>	25,687	<u>\$ 55,687</u>
FUND BALANCE			281,101	
BEGINNING OF YEAR				
END OF YEAR			<u>\$ 306,788</u>	

The accompanying notes are an integral part of the financial statements

BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
June 30, 2020

	<u>General Fund</u>	<u>Adjustments (Note 4)</u>	<u>Statement of Net Position</u>
ASSETS			
Current Assets:			
Cash and Investments, Unrestricted	\$ 368,952	\$ -	\$ 368,952
Total Assets	<u>368,952</u>	<u>-</u>	<u>368,952</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pension	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
 LIABILITIES			
Current Liabilities:			
Accounts Payable	675	-	675
Accrued Contract Labor	26,312	-	26,312
Total Current Liabilities	<u>26,987</u>	<u>-</u>	<u>26,987</u>
Total Liabilities	<u>26,987</u>	<u>-</u>	<u>26,987</u>
 FUND BALANCE / NET POSITION			
Unassigned - Fund Balance	341,965	(341,965)	-
Unrestricted - Net Position	341,965	341,965	341,965
Total Fund Balance / Net Position	<u>\$ 341,965</u>	<u>\$ -</u>	<u>\$ 341,965</u>

The accompanying notes are an integral part of the financial statements

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2020

	<u>General Fund</u>	<u>Adjustments (Note 5)</u>	<u>Statement of Activities</u>
REVENUES			
Charges for Services			
Intergovernmental Revenue	\$ 453,175	\$ -	\$ 453,175
Application Fees	34,006	-	34,006
Total Charges for Services	487,181	-	487,181
Interest income	13,788	-	13,788
Other Income	-	-	-
	<u>500,969</u>	<u>-</u>	<u>500,969</u>
EXPENDITURES / EXPENSES			
Current program - General Government			
Contract labor	432,680	-	432,680
Pension expense (benefit)	-	-	-
OPEB expense (benefit)	-	-	-
Noncurrent accrued compensation expense	-	-	-
Services and Supplies, and Other Charges	45,742	-	45,742
Total Expenditures / Expenses	478,422	-	478,422
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES / EXPENSES	<u>22,547</u>	<u>-</u>	<u>22,547</u>
FUND BALANCE / NET POSITION			
BEGINNING OF YEAR, AS PREVIOUSLY STATED	306,788	(231,685)	75,103
PRIOR PERIOD ADJUSTMENT (NOTE 10)	12,630	231,685	244,315
BEGINNING OF YEAR, AS RESTATED	<u>319,418</u>	<u>-</u>	<u>319,418</u>
END OF YEAR	<u>\$ 341,965</u>	<u>\$ -</u>	<u>\$ 341,965</u>

The accompanying notes are an integral part of the financial statements

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for Services				
Intergovernmental Revenue	\$ 453,175	\$ 453,175	\$ 453,175	\$ -
Application Fees	20,000	20,000	34,006	14,006
Total Charges for Services	473,175	473,175	487,181	14,006
Interest income	-	-	13,788	13,788
Other Income	-	-	-	-
Total Revenue	473,175	473,175	500,969	27,794
EXPENDITURES				
Current program - General Government				
Contract Labor	429,200	429,200	432,680	(3,480)
Services and Supplies, and Other Charges	68,975	68,975	45,742	23,233
Total Expenditures / Expenses	498,175	498,175	478,422	19,753
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ (25,000)</u>	<u>\$ (25,000)</u>	22,547	<u>\$ 47,547</u>
FUND BALANCE			306,788	
BEGINNING OF YEAR				
END OF YEAR			<u>\$ 329,335</u>	

The accompanying notes are an integral part of the financial statements

BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET
June 30, 2021

	<u>General Fund</u>	<u>Adjustments (Note 4)</u>	<u>Statement of Net Position</u>
ASSETS			
Current Assets:			
Cash and Investments, Unrestricted	\$ 361,824	\$ -	\$ 361,824
Total Assets	<u>361,824</u>	<u>-</u>	<u>361,824</u>
 DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pension	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
 LIABILITIES			
Current Liabilities:			
Accounts Payable	-	-	-
Accrued Contract Labor	12,277	-	12,277
Total Current Liabilities	<u>12,277</u>	<u>-</u>	<u>12,277</u>
Total Liabilities	<u>12,277</u>	<u>-</u>	<u>12,277</u>
 FUND BALANCE / NET POSITION			
Unassigned - Fund Balance	349,547	(349,547)	-
Unrestricted - Net Position	349,547	349,547	349,547
Total Fund Balance / Net Position	<u>\$ 349,547</u>	<u>\$ -</u>	<u>\$ 349,547</u>

The accompanying notes are an integral part of the financial statements

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
COMBINED GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT
OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Adjustments (Note 5)</u>	<u>Statement of Activities</u>
REVENUES			
Charges for Services			
Intergovernmental Revenue	\$ 453,175	\$ -	\$ 453,175
Application Fees	51,331	-	51,331
Total Charges for Services	<u>504,506</u>	<u>-</u>	<u>504,506</u>
Interest income	8,880	-	8,880
Other Income	<u>10</u>	<u>-</u>	<u>10</u>
 Total Revenue	 <u>513,396</u>	 <u>-</u>	 <u>513,396</u>
EXPENDITURES / EXPENSES			
Current program - General Government			
Contract labor	450,560	-	450,560
Pension expense (benefit)	-	-	-
OPEB expense (benefit)	-	-	-
Noncurrent accrued compensation expense	-	-	-
Services and Supplies, and Other Charges	55,254	-	55,254
Total Expenditures / Expenses	<u>505,814</u>	<u>-</u>	<u>505,814</u>
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES / EXPENSES	7,582	-	7,582
FUND BALANCE / NET POSITION			
BEGINNING OF YEAR	<u>341,965</u>	<u>-</u>	<u>341,965</u>
END OF YEAR	<u><u>\$ 349,547</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 349,547</u></u>

The accompanying notes are an integral part of the financial statements

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for Services				
Intergovernmental Revenue	\$ 453,175	\$ 453,175	\$ 453,175	\$ -
Application Fees	20,000	20,000	51,331	31,331
Total Charges for Services	473,175	473,175	504,506	31,331
Interest income	-	-	8,880	8,880
Other Income	-	-	10	10
Total Revenue	473,175	473,175	513,396	40,221
EXPENDITURES				
Current program - General Government				
Contract Labor	456,320	456,320	450,560	5,760
Services and Supplies, and Other Charges	76,170	76,170	55,254	20,916
Total Expenditures / Expenses	532,490	532,490	505,814	26,676
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	\$ (59,315)	\$ (59,315)	7,582	\$ 66,897
FUND BALANCE			341,965	
BEGINNING OF YEAR				
END OF YEAR			\$ 349,547	

The accompanying notes are an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Local Agency Formation Commission of Stanislaus County (the Commission) was created in 1963 by the California Legislature to encourage the orderly formation and development of local agencies, promote the efficient extension of municipal services, and protect against the premature conversion of agricultural and open space lands. In 2001, following the enactment of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Commission became an independent agency separate from Stanislaus County. The financially independent Stanislaus LAFCO fund was established on July 1, 2001. As of June 30, 2019, 2020, and 2021, there are nine cities under the jurisdiction of the Commission of Stanislaus County.

The Commission is comprised of five regular and three alternate members. Each member is appointed pursuant to California Government Code Section 56000 et. Seq. and represents one of the following three interests:

County Members — two regular and one alternate member represent Stanislaus County. These members are County Supervisors. Appointments are made by the Board of Supervisors.

City Members — two regular and one alternate member represent the nine cities in Stanislaus County. The members are mayors or city council members. Appointments are made by the City Selection Committee.

Public Members — one regular and one alternate member represent the general public. Appointments are made by the County and city members of the Commission.

The Commission includes all activities (operations of its administrative staff and commission officers) considered to be a part of the Commission. The Commission reviewed the criteria developed by the Governmental Accounting Standards Board (GASB) in its issuance of Statement No. 61, relating to the financial reporting entity to determine whether the Commission is financially accountable for other entities. The Commission has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in the financial statements. In addition, the Commission is not aware of any entity that would be financially accountable for the Commission that would result in the Commission being considered a component unit of that entity.

Basis of Presentation and Accounting

Government-Wide Statements

The statement of net position and the statement of activities report information on all of the Commission's activities. These statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of the Commission. Revenues that are not classified as program revenues are presented as general revenues.

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government Fund Statements

The Government Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers most revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a current liability is incurred, as under accrual accounting. The General Fund is the Commission's primary operating fund. It accounts for all financial resources of the general government.

Revenue

Revenue to finance the Commission's operation is primarily derived pursuant to Government Code Section 56381. Under this section, the Commission is required to adopt a fiscal budget which includes anticipated funding needed for the year. Stanislaus County is responsible for funding one half of the budgeted revenue and the nine cities within the Stanislaus County are collectively responsible for funding the other one half of the budgeted revenue.

Implementation of New Accounting Pronouncements

For the fiscal year ended June 30, 2019, the Commission was not required to adopt any new accounting pronouncements due to the issuance of GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*".

For the fiscal year ended June 30, 2020, the Commission was required to adopt the following accounting pronouncements:

- GASB Statement No. 83, "*Certain Asset Retirement Obligations*"
- GASB Statement No. 88, "*Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*"
- GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*"

For the fiscal year ended June 30, 2021, the Commission was required to adopt the following accounting pronouncements:

- GASB Statement No. 84, "*Fiduciary Activities*"
- GASB Statement No. 90, "*Majority Equity Interests – an amendment of GASB Statement No. 14 and 61*"
- GASB Statement No. 93, "*Replacement of Interbank Offered Rates*"

Fund Accounting

The accounts of the Commission are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liability, fund equity, revenues and expenditures or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The Commission has only one fund group, government funds.

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fund - The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund.

Fund Equity

The Commission reports under GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The following classifications describe the relative strength of the spending constraints:

Non-spendable fund balance – amounts that are not in spendable form (such as prepaid expenses) or are required to be maintained intact. The Commission does not have any non-spendable funds as of June 30, 2019, 2020, and 2021 in a form or that are legally or contractually required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the Commission itself, using its highest level of decision-making authority (i.e., Commissioners). To be reported as committed, amounts cannot be used for any other purpose unless the Commission takes the same highest level of action to remove or change the constraint. Committed funds may be modified or rescinded only through resolutions approved by the Commissioners.

Assigned fund balance – amounts the Commission intends to use for a specific purpose. Intent can be expressed by the Commissioners or by an official or body to which the Commissioners delegate the authority. The Commission does not have any assigned funds as of June 30, 2019, 2020, and 2021.

Unassigned fund balance – all amounts not included in other spendable classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Commission's policy is first to apply restricted and then unrestricted funds. Similarly, the policy is to first use committed, then assigned, then unassigned amounts.

Capital Assets

Capital assets, which include property, plant and equipment assets, are reported in the government wide financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Property, plant and equipment of the Commission are depreciated using the straight-line method over the estimated useful lives. The Commission does not own any capital assets as of June 30, 2019, 2020, and 2021.

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

Through June 30, 2019, Commission employees were eligible to earn vacation leave, accrued holiday leave, and compensation time. This time may either be taken or accumulated until paid upon termination or retirement. Sick leave may be accumulated without limitation, but upon termination or retirement, an employee will be paid for a maximum of 600 hours of unused sick leave. The amount depends on the length of service and if it is a retirement or regular separation. As of June 30, 2019, the accrual for accrued compensated absences totaled \$78,266. After June 30, 2019, the Commission's accrued compensated absence liability was transferred to Stanislaus County.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget and Budgetary Accounting

The Commissioners shall adopt a preliminary operating budget for the fiscal year commencing July 1. Public hearings are conducted at an advertised location to obtain public comments. Prior to June 15, the budget is adopted by vote of the Commissioners. Once approved, the Commissioners may amend the legally adopted budget when unexpected modifications are required.

Under GASB Statement No. 34, budgetary comparison information is required to be presented for the general fund and each major special revenue fund with a legally adopted budget. The Commission does not have any funds other than the General Fund. Therefore, budget comparison information is presented for the general fund only. For years ended June 30, 2019, 2020, and 2021 actual expenditures were lower than the budgeted amounts.

NOTE 2 CASH AND CASH EQUIVALENTS

The Commission considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The Commission maintains all of its cash in the Stanislaus County Treasury. The County pools these funds with those of other agencies in the County and invests the cash as prescribed by the California Government Code. These pooled funds are carried at cost plus accrued interest, which approximates market value. Interest earned is deposited quarterly into participating funds. The Commission's deposits in the County pool may be accessed at any time. Stanislaus County's credit rating is A+, by Standard and Poor's. Required disclosure information regarding categorization of investments and other deposit and investment risk disclosures can be found in Stanislaus County's financial statements which can be obtained by contacting Stanislaus County's Auditor-Controller's Office at 1010 Tenth Street, Suite 5100, Modesto, California, 95353. The Stanislaus County Treasury Oversight Committee oversees the Treasurer's investments and policies.

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 3 RELATED PARTY TRANSACTIONS

During the fiscal years ended June 30, 2019, 2020, and 2021, the Commission paid Stanislaus County, a related party, for legal services, operating support services, and contract employees as follows:

<u>Fiscal Year Ended</u>	<u>Legal Services</u>	<u>Operating Support Services</u>	<u>Contract Employees</u>	<u>Total</u>
June 30, 2019	\$ 8,027	\$ 31,755	\$ -	\$ 39,782
June 30, 2020	\$ 3,113	\$ 21,124	\$ 430,639	\$ 454,876
June 30, 2021	\$ 2,148	\$ 28,667	\$ 451,874	\$ 482,689

The following is a summary of the amounts the Commission received during the fiscal years ended June 30, 2019, 2020, and 2021 from Stanislaus County and the nine cities within the County, related parties. The nine cities which provided funding to the Commission were City of Ceres, City of Hughson, City of Modesto, City of Newman, City of Oakdale, City of Patterson, City of Riverbank, City of Turlock, and City of Waterford.

<u>Fiscal Year Ended</u>	<u>County</u>	<u>Cities</u>	<u>Total</u>
June 30, 2019	\$ 225,960	\$ 225,959	\$ 451,919
June 30, 2020	\$ 226,588	\$ 226,587	\$ 453,175
June 30, 2021	\$ 226,588	\$ 226,587	\$ 453,175

The lease payments (Note 4) are made to the City of Modesto, a related party.

NOTE 4 OPERATING LEASE

The Commission leases office space located on Tenth Street Place in Modesto, California under an operating lease expiring June 30, 2022. The total annual lease payment is \$3,851, adjusted annually. The total amounts paid during the years ended June 30, 2019, 2020, and 2021 was \$3,851, \$3,851, and \$3,860, respectively.

The total future anticipated payments pursuant to this operating lease are as follows:

<u>Fiscal Year Ended</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>
2020	\$ 3,851	-	-
2021	\$ 3,860	\$ 3,860	-
2022	\$ 4,064	\$ 4,064	\$ 4,064

NOTE 5 OTHER POST-EMPLOYMENT BENEFIT PLAN

After June 30, 2019, the Commission's employees became employees of Stanislaus County, and consequently the related OPEB liability, deferred inflows, and deferred outflows were transferred to the County.

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 5 OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Plan Description

The Commission, through its employment arrangement with Stanislaus County, is a participant in the Stanislaus County Employees Retirement Association (StanCERA), a cost-sharing multi-employer defined benefit public employee retirement system. Stanislaus County offers post-employment health and welfare benefits to its retirees. While the Commission does not directly contribute towards the cost of premiums for retirees, the ability to obtain coverage at an active employee rate constitutes a significant economic benefit, called an “implicit subsidy” under GASB Statement No. 75.

The Commission offers medical insurance plans to retirees that mirror those that are offered to active Commission employees. Retirees pay 100% of the premium costs for themselves and their dependents plus a 2% administration fee. Commission employees who attain age 50 and complete five years of service with the Commission and have 10 years of StanCERA membership, are eligible to retire and participate in the County’s medical insurance program. Eligibility for coverage under the Commission’s medical plans ends when the retiree or surviving spouse reaches age 65.

The inclusion of the retirees increases the Commission’s overall health insurance rates. The amount of this subsidy is calculated in the actuarial valuation report.

	June 30, 2019
Inactives currently receiving benefits	-
Inactives entitled to but not yet receiving benefits	1
Active employees	4
Total	<u>5</u>

Contributions

The Commission does not make direct contributions to the plan. All contributions are a result of the implicit subsidy.

Net OPEB Liability

At June 30, 2019, the Commission reported a net OPEB liability of \$22,553. The Commission’s net OPEB liability was measured as of June 30, 2019, and the Total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018, updated to June 30, 2019.

	Total OPEB, Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2018	\$ 28,134	\$ -	\$ 28,134
Charges for the year:			
Service cost	1,286	-	1,286
Interest cost	1,107	-	1,107
Actual vs. expected experience	(239)	-	(239)
Changes in assumptions	(6,254)	-	(6,254)
Benefit payments (implicit subsidy)	(1,481)	-	(1,481)
Balances at June 30, 2019	<u>\$ 22,553</u>	<u>\$ -</u>	<u>\$ 22,553</u>

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 5 OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

General inflation	2.75%, annually
Salary Increase Rate	3.00%, annually
Discount rate	3.13% at June 30, 2019 3.62% at June 30, 2018
Health cost trend rates	7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Mortality rates	Pre-retirement mortality rates were based on the CalPERS 1997-2015 Experience Study. Post-retirement mortality Projected fully generational with Scale MP-2018.
Retirement, disability, termination	StanCERA 2012-2015 Experience Study
Participation	Future Retirees: 20% participate at retirement. Current retirees: current participants assumed to continue coverage.
Spouse coverage	20%
ACA Excise tax	2% load on liability

Discount Rate

GASB Statement No. 75 requires a discount rate then reflects the following:

- a) The long-term expected rate of return on OPEB plan investments - to the extent that OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return;
- b) A yield or index rate for 20-year. Tax-exempt general obligation municipal bonds with an average rating of AA/aa or higher - to the extent that the conditions in (a) are not met.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The net OPEB liability of the Commission, as well as what the Commission's net OPEB liability would be if it were calculated using a discount rate (3.13%) that is 1- percentage point lower (2.13%) or 1- percentage point higher (4.13%) than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Commission's proportionate share	\$25,020	\$22,553	\$20,350

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage- point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Commission's proportionate share	\$19,468	\$22,553	\$26,284

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 5 OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the Commission recognized OPEB actuarial expense of \$1,404. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method.

At June 30, 2019, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	\$ -	\$ (206)
Changes in assumptions	-	(6,294)
Total	<u>\$ -</u>	<u>\$ (6,501)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year ended June 30,</u>	
2020	\$ (979)
2021	(979)
2022	(979)
2023	(979)
2024	(979)
Thereafter	(1,607)
Total	<u>(6,501)</u>

NOTE 6 RETIREMENT PLAN

After June 30, 2019, the Commission's employees became employees of Stanislaus County, and consequently the related pension liability, deferred inflows, and deferred outflows were transferred to the County.

General Information about the Pension Plan

Plan Description: Through the County, the Commission is a participant in the Stanislaus County Employees Retirement Association (StanCERA), a retirement system organized under the 1937 Retirement Act. StanCERA is a cost-sharing multiple-employer Public Employee Retirement System (PERS). StanCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits. Health and welfare insurance for retirees and their dependents is available, however it is administered independently of StanCERA. The pension plan is administered by StanCERA. An actuarial valuation is performed for the system annually as a whole and the contribution rate is determined for each participating entity. The participating entities are the County of Stanislaus, City of Ceres and six special districts located in the County not governed by the County's Board of Supervisors. StanCERA issues a Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for StanCERA. The CAFR may be obtained by writing to:

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 6 RETIREMENT PLAN (CONTINUED)

Stanislaus County Employees Retirement Association
P.O. Box 3150
Modesto, CA 95353-3150
or by calling (209) 525-6393

The StanCERA CAFR is prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. All other securities are valued at the last reported market price at current exchange rates.

Summary of Plans and Eligible Participants

General Tiers 1, 2, 4, 5 (not open to new members)	Vests after five years of credited service and may retire at age 50 or older with 10 or more years of membership with StanCERA or any age with 30 or more years of credited service.
General Tier 3 (not open to new members)	Vests after 10 years of credited service and may retire at age 55 with 10 or more years of credit service.
General Tier 6 (open to new members)	Vests after five years of credited service and may retire at age 52 with five years of service credit or age 70 regardless of service credit

Benefits Provided: Members terminating employment before accruing five years (ten years for Tier 3) of retirement service credit forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Nonvested members who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Members who terminate after earning 5 or 10 years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement. Difference between expected or actual experience for vested and non-vested benefits may result in an increase or decrease to pension expense and net pension liability.

For members with Tier 1, Tier 4, or Tier 5 benefits, final average salary is the average monthly salary based on the highest twelve consecutive months of earnings. For members with Tier 2, Tier 3, or Tier 6 benefits, final average salary is the average monthly salary based on the highest thirty-six consecutive months of earnings. The retirement benefit for Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 members includes a post-retirement cost-of-living (COL) adjustment based upon the Consumer Price Index. COL increases/decreases are limited to a maximum of 3% annually. Total COL decrease(s) cannot exceed the cumulative amount of previous COL increase(s). Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 provide death and disability benefits.

Those members participating in Tier 1, Tier 2, Tier 4, Tier 5, and Tier 6 are required by statute to contribute to the pension plan. Members' contribution rates for Tier 1, Tier 2, Tier 4, and Tier 5 are formulated on the basis of the age at date of entry and the actuarially calculated future benefits. Members' contribution rate for Tier 6 is a flat rate based on the actuarially calculated future benefit. The Commission is required by statute to contribute the remaining amounts necessary to finance the estimated benefits accrued to its members. Member and employer contribution rates for each plan are as follows:

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 6 RETIREMENT PLAN (CONTINUED)

Plan	Employer Contribution Rates	Employee Contribution Rates
General Tier 1	31.54%	5.08-8.18%
General Tier 2	27.91%	6.69-11.58%
General Tier 3	20.92%	Non-contributory
General Tier 4	34.08%	4.88-7.96%
General Tier 5	29.37%	7.95-12.88%
General Tier 6	26.24%	8.06%

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the Commission reported a liability of \$527,222 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2017. The Commission's proportion of the net pension liability was based on a projection of the Commission's long-term share of contributions to the pension plan relative to the projected contributions of all Pension Plan participants, actuarially determined. At June 30, 2018, the Commission's proportion was 0.0912% of the County, compared to 0.0855% at June 30, 2017, an increase of 0.0057%.

For the year ended June 30, 2019, the Commission recognized an actuarial pension expense of \$103,021. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method and plan benefits.

At June 30, 2019, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 14,461	\$ (10,049)
Changes in assumptions	88,101	-
Net differences between projected and actual earnings on pension plan investments	-	(3,922)
Changes in proportion and differences between Commission contributions and proportionate share of contributions	3,789	(564)
Commission contributions subsequent to the measurement date	71,953	-
Differences due to change in allocation percentage	226,779	(321)
Total	<u>\$ 405,083</u>	<u>\$ (14,856)</u>

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 6 RETIREMENT PLAN (CONTINUED)

The Commission contributions of \$71,953 made subsequent to the measurement date are reported as deferred outflows of resources for fiscal year ending June 30, 2019 and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019.

Other amounts report as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Fiscal Year ended June 30,</u>	
2020	\$ 217,108
2021	176,760
2022	(64,506)
2023	(11,087)
2024	
Thereafter	
Total	<u>318,275</u>

Actuarial assumptions: The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00% per year
Salary Increases	3.25% per year plus merit component based on employee classification and years of service
Investment Rate of Return	7.25% per year, net of investment expenses
Cost-of-Living Adjustments	100% of CPI up to 3.0% annually with banking, 2.7% annual increase assumed
Postretirement mortality	Fully generational mortality improvement projection from base year 2009 using Scale MP-2015.

The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2015-June 30, 2018.

The target allocation and best estimate of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>2019 Long-Term Expected Real Rate of Return</u>	<u>2019 Target Allocation</u>
Domestic Equities:		
U.S. Large Cap	2.40%	18.50%
U.S. Small Cap	2.30%	5.50%
International Equities:		
International Development	6.50%	18.00%
Emerging Market Equity	5.20%	6.00%
U.S. Fixed Income:		
U.S. Treasury	0.30%	3.00%
Short-term Gov/Credit	0.40%	19.00%
Real Estate:		
Core	3.90%	7.70%
Value-add	5.90%	1.70%
Risk Party	5.10%	14.00%
Private Equity	4.30%	-
Private Credit	4.80%	5.00%
Infrastructure	5.00%	0.60%
Cash	0.10%	1.00%

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 6 RETIREMENT PLAN (CONTINUED)

Discount rate: The discount rate used to measure the total pension liability was 7.25% as of June 30, 2019. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Commission's proportionate share of the net pension liability to changes in the discount rate: The following presents the Commission's proportionate share of the net pension liability calculated using the applicable discount rate for fiscal year ended June 30, 2019, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Commission's proportionate share	\$846,324	\$527,221	\$267,111

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued StanCERA financial report.

NOTE 7 RISK MANAGEMENT

The Commission is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission participates in Stanislaus County's risk pool.

Information about coverage can be found in the County's basic financial statements. In addition, the Commission also participates in the property and liability program offered by the Special District Risk Management Authority (SDRMA). Contact information for the SDRMA is: 1112 1 Street, Suite 300, Sacramento, CA, 95814.

NOTE 8 GOVERNING BOARD

As of June 30, 2021, the Commissioners of Stanislaus LAFCO were as follows:

<u>Name</u>	<u>Position</u>
Amy Bublak	City Member (Chair)
Richard O'Brien	City Member
Terry Withrow	County Member (Vice Chair)
Vito Chiesa	County Member
Ken Lane	Public Member
Javier Lopez	Alternate City Member
Mani Grewal	Alternate County Member
William Berryhill	Alternate Public Member

NOTE 9 PRIOR PERIOD ADJUSTMENT

A prior period adjustment is presented in the June 30, 2020, Combined Government-Wide Statement of Activities and Government Fund Financial Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds to remove compensated absences (current and noncurrent), and related pension and OPEB balances

STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019, 2020, AND 2021

NOTE 10 PRIOR PERIOD ADJUSTMENT (CONTINUED)

During the year ended June 30, 2020, the Commission's employees became employees of Stanislaus County, and consequently the related compensated absence, pension, and OPEB balances were transferred to the County.

	<u>Fund Balance</u>	<u>GASB No. 34 Adjustments</u>	<u>Net Position</u>
Balances at June 30, 2019	\$ 306,788	\$ (231,685)	\$ 75,103
Prior period adjustment:			
Deferred outflows – Pension	-	(405,083)	(405,083)
Compensated absences, current	12,630	-	12,630
Compensated absences, noncurrent	-	65,636	65,636
Net Pension Liability	-	527,222	527,222
Net OPEB Liability	-	22,553	22,553
Deferred inflows – Pension	-	14,856	14,856
Deferred inflows - OPEB	-	6,501	6,501
Total prior period adjustment	<u>12,630</u>	<u>231,685</u>	<u>244,315</u>
Balances at June 30, 2019, as restated	<u>\$ 319,418</u>	<u>\$ -</u>	<u>\$ 319,418</u>

NOTE 11 SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the Independent Auditors' Report, the date the financial statements were available to be issued and has not noted any material events that are required to be disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
SCHEDULE OF THE COMMISSION'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

Stanislaus County Employees' Retirement Association Last 8 Fiscal Years Ending June 30								
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commission's proportion of the net pension liability	N/A	N/A	0.09124%	0.07562%	0.07526%	0.05718%	0.08044%	0.08019%
Commission's proportionate share of the net pension liability	N/A	N/A	\$ 527,222	\$ 503,091	\$ 554,866	\$ 168,764	\$ 187,477	\$ 305,314
Commission's covered-employee payroll	N/A	N/A	\$ 219,978	\$ 193,906	\$ 184,986	\$ 135,172	\$ 178,101	\$ 174,122
Commission's proportionate share of the net pension liability as a percentage of its covered-employee payroll	N/A	N/A	239.67%	259.45%	299.95%	124.85%	105.26%	175.34%
Plan fiduciary net position as a percentage of the total pension liability	N/A	N/A	76.70%	75.00%	70.60%	86.10%	88.50%	80.20%

Notes:

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

After June 30, 2019, the Commission's employees became employees of the County. Therefore, no data is available for subsequent years.

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
SCHEDULE OF THE COMMISSION'S PENSION CONTRIBUTIONS**

	Stanislaus County Employees' Retirement Association Last 8 Fiscal Years Ending June 30							
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	N/A	N/A	\$ 62,650	\$ 47,475	\$ 43,874	\$ 30,624	\$ 37,616	N/A
Contributions in relation to the contractually required contribution	N/A	N/A	62,650	47,475	43,874	30,624	37,616	N/A
Contribution deficiency (excess)	N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
District's covered-employee payroll	N/A	N/A	\$ 219,978	\$ 193,906	\$ 184,986	\$ 135,172	\$ 178,101	\$ 174,122
Contributions as a percentage of covered-employee payroll	N/A	N/A	28.48%	24.48%	23.72%	22.66%	21.12%	N/A

Notes:

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

After June 30, 2019, the Commission's employees became employees of the County. Therefore, no data is available for subsequent years.

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
SCHEDULE OF THE COMMISSION'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY**

Stanislaus County Employees' Retirement Association
Last 8 Fiscal Years Ending June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commission's proportion of the net OPEB liability	N/A	N/A	0.09124%	0.08549%
Commission's proportionate share of the net OPEB liability	N/A	N/A	\$ 22,553	\$ 28,134
Commission's covered-employee payroll	N/A	N/A	\$ 242,854	\$ 205,386
Commission's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	N/A	N/A	9.29%	13.70%
Plan fiduciary net position as a percentage of the total OPEB liability	N/A	N/A	0.00%	0.00%

Notes:

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.

After June 30, 2019, the Commission's employees became employees of the County. Therefore, no data is available for subsequent years.

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
SCHEDULE OF THE COMMISSION'S OPEB CONTRIBUTIONS**

Stanislaus County Post-Employment Medical Benefits Plan
Last 4 Fiscal Years Ending June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	N/A	N/A	\$ 1,480	\$ 1,439
Contributions in relation to the contractually required contribution	N/A	N/A	1,480	1,439
Contribution deficiency (excess)	N/A	N/A	\$ -	\$ -
District's covered-employee payroll	N/A	N/A	\$ 242,854	\$ 193,906
Contributions as a percentage of covered-employee payroll	N/A	N/A	0.61%	0.74%

Notes:

Data to be reported for the last 10 years. Additional years will be presented as data becomes available.
After June 30, 2019, the Commission's employees became employees of the County. Therefore, no data is available for subsequent years.

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2019, 2020, AND 2021**

Changes of Benefit Terms

There were not changes of benefit terms for fiscal year ended June 30, 2019.

Changes of Assumptions

There were no changes in assumptions approved by the Board of Retirement for fiscal year ended June 30, 2019.

ADDITIONAL REPORTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS*

To the Commissioners
Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Stanislaus Local Agency Formation Commission (LAFCO), as of and for the years ended June 30, 2019, 2020, and 2021, and the related notes to the financial statements, which collectively comprise the LAFCO's basic financial statements, and have issued our report thereon dated April 15, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the LAFCO's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LAFCO's internal control. Accordingly, we do not express an opinion on the effectiveness of the LAFCO's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LAFCO's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cropper Accountancy Corporation

CROPPER ACCOUNTANCY CORPORATION

Walnut Creek, California

April 15, 2022

**EXECUTIVE OFFICER'S AGENDA REPORT
MAY 25, 2022**

TO: LAFCO Commissioners

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

SUBJECT: SCHEDULE OF FEES AND DEPOSITS UPDATE

RECOMMENDATION

It is recommended that the Commission adopt an updated Schedule of Fees and Deposits to be effective June 1, 2022.

DISCUSSION

Government Code section 56383 allows LAFCOs to recover costs by charging fees, provided that the fees do not exceed the estimated reasonable cost of providing those services for which the fee is charged. LAFCO collects application fees for review of boundary changes, sphere of influence requests, out-of-boundary service extensions, and other LAFCO services. The majority of these fees are deposits. Projects are then cost-accounted to reflect the actual cost of processing the application. Should the cost be less than the deposit, the difference is refunded to the applicant. Should the cost exceed the deposit, the applicant is immediately notified and invoiced.

The last update of LAFCO's fee schedule occurred in 2020 and included an increase to application deposits for annexations. For the current update, Staff reviewed other non-annexation application types.

Updated Fees & Deposits

The following outlines the recommended changes:

- The deposit for activation of latent powers has been increased. Currently, the deposit for activation of latent powers is \$1,500. While these types of applications are rare, Staff is required to follow steps similar to those for review of an annexation, including the need to conduct a protest hearing. Therefore, Staff is recommending the deposit for latent powers applications be increased to a deposit of \$3,500.
- The deposit for fire service contract review has been increased from \$1,500 to \$2,000. Staff is recommending the slight increase to these types of applications to cover updated documentation and tracking for these contracts.
- A deposit for time extension requests has been added. Government Code section 57001 allows for an applicant to request a time extension from the Commission if a certificate of completion has not been filed prior the one-year processing timeframe.

No other changes to the Schedule of Fees and Deposits are needed at this time. Staff will continue to track costs associated with applications and return to the Commission in future years if changes to deposit amounts are needed.

Attachment: Proposed LAFCO Schedule of Fees and Deposits

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SCHEDULE OF FEES AND DEPOSITS

(Effective ~~January 1, 2022~~ **June 1, 2022**)

1. FILING FEES

All fees listed below are considered deposits unless otherwise noted. Deposit amounts will be combined for applications requesting multiple boundary changes or actions. Please verify the appropriate deposit amount with LAFCO Staff prior to submitting an application.

A. Boundary Changes

City or District Annexation	\$3,500
City or District Detachment	\$3,500
City or District Reorganization	\$4,000

B. District Formation, Consolidation, Dissolution

Formation of a Special District (includes SOI Adoption)	\$8,500
District Consolidation/Merger	\$4,000
District Dissolution	\$4,000
Establishment of a Subsidiary District	\$3,500
Activation of Latent Powers (Additional Service) by a District.....	\$1,500 \$3,500

C. Sphere of Influence Amendment and/or Non-Scheduled Municipal Service Review Update

\$5,000

D. Incorporation

\$15,000

E. Disincorporation

\$5,000

F. Out of Boundary Service Extension Request

1. Executive Officer Review (Flat Fee)	\$ 500
2. Commission Review	\$1,500

G. Fire Service Contract Review

~~\$1,500~~
\$2,000

H. Request for Reconsideration

\$1,500

This fee shall be returned to the applicant if the Commission determines that the reconsideration is required to correct a procedural defect in its earlier action.

- I. Special Meeting Request.....\$1,500
- J. Continuance Request **or Time Extension Request**
by Applicant.....\$1,500

2. SUPPLEMENTAL FEES

- A. Notice of Hearing: Actual Cost

Section 56157 of the Government Code requires that for certain applications, notice be provided to registered voters and owners of within the affected territory as well as those within 300 feet of the exterior boundary. The applicant will be required to reimburse LAFCO for the direct cost of this noticing.

- B. Outside Consultant(s) Fees: Actual Cost

An additional fee may be charged based on actual cost to hire outside consultant(s) to prepare incorporation feasibility studies, comprehensive fiscal analyses or special studies.

- C. County Surveyor: Actual Cost

LAFCO utilizes the services of the County Surveyor for review of legal descriptions. The first two hours of staff time associated with these tasks are factored in to the application deposit. Projects requiring more than two hours of County Surveyor review are charged at actual cost.

- D. Mapping Fees: Actual Cost

The County may also assist LAFCO in updating its boundary maps on the Geographical Information System (GIS). The first two hours of staff time associated with these tasks are factored in to the application deposit. Projects requiring more than three hours of GIS mapping are charged at actual cost.

- E. Service/Duplication Costs:

The majority of LAFCO records, including meeting videos, minutes, and reports, are available electronically at no charge. Hardcopies of documents, additional Staff research, and pre-application services will be charged according to the following chart Additional services not listed will be charged at actual cost.

Document Copying – Black & White	\$0.10 per page
Staff Research & Studies	Limited to one half-hour of staff time, then actual cost
Pre-Application Fees	Limited to one half-hour of staff time, then actual cost

F. Outside Legal Counsel Fees: Actual Cost

LAFCO may require the services of outside legal counsel to process an application. An additional fee may be charged, at the discretion of the Executive Officer, based on the actual cost to hire outside counsel.

3. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) FEES

CEQA compliance is required for most LAFCO actions; these fees are in addition to the Filing Fees.

CEQA Exemption – LAFCO as Lead Agency	\$57
Initial Study – LAFCO as Lead Agency	Actual Cost
Prepare Negative Declaration - LAFCO as Lead Agency	Actual Cost
Prepare EIR – LAFCO as Lead Agency	Actual Cost
Stanislaus County Clerk/Recorder Filing Fees*	\$57
Fish & Wildlife Filing Fees*	
- Negative Declaration	\$2,548.00
- Mitigated Negative Declaration	\$2,548.00
- Environmental Impact Report (EIR)	\$3,539.25

**Other agency fees – subject to change without notice.*

4. OTHER ACTIONS

A. Non-Scheduled Municipal Service Reviews Actual Cost

B. Petition Verification Actual Cost

Petition verifications are performed in-house whenever possible; however, some proposals require petition checks to be performed by either the County Elections Department or Assessor's Office. These departments will bill LAFCO for the service, which is then passed on to the applicant.

5. STATE CONTROLLER'S REVIEW OF COMPREHENSIVE FISCAL ANALYSIS – FOR AN INCORPORATION PROPOSAL

For any request made pursuant to Government Code Section 56801, the requestor shall include a deposit of \$25,000 to cover the costs of the State Controller's review. The requestor may be required to deposit additional amounts, as requested by the Executive Officer, to complete the review. Upon completion of the State Controller's review and final billing to LAFCO, the requestor will either be: (a) refunded the amount that the deposit exceeds the actual cost of the State Controller's review; or (b) charged the amount that the actual cost of the State Controller's review exceeds the deposit(s). (The deposit amount includes a 10% administration and coordination fee, which is non-refundable.)

6. WORKSHOP FEES

Proponents or opponents of actions pending before the Commission may request that a workshop be held in their area. If the Executive Officer agrees to conduct such a workshop session, the requesting party shall reimburse LAFCO all costs associated therewith.

7. FEE POLICIES

- A. All deposits are initial payments toward the actual costs of processing ("project costs"). Project cost includes all staff time and materials. Materials include, but are not limited to, charges for advertisement of hearings, map and legal description review (up to 2 hours), postage, copies, signature verification, in addition to fees for project reviews by affected agencies.
- B. If the actual costs exceed the deposit, the Executive Officer shall bill the applicant. The application shall not be processed further until the additional costs are paid. All final bills must be paid by the applicant prior to filing the Certificate of Completion.
- C. The Commission may, at its sole discretion, contract for outside assistance to assist in processing and review of an application before it. The types of assistance include, but are not limited to, legal, engineering, environmental, planning, appraisal, management, and clerical fields. The estimated or actual costs, as determined by the Commission for such assistance shall be deposited with the Executive Officer before an application will be processed further.
- D. Applicants are also responsible for payment of appropriate State Board of Equalization fees. The Executive Officer will determine the appropriate fee in accordance with the State Board of Equalization fee schedule. The fee, payable to the "State Board of Equalization", shall be collected by the Executive Officer prior to the Certificate of Completion.
- E. Filing fees and deposits may be appealed before the Commission prior to the submittal of an application. A request for waiver shall be submitted in writing to the LAFCO Executive Officer and shall specify the reasons for the request. The appeal will be considered at the next regular meeting of the Commission.
- F. If the actual project costs are less than the deposit, the LAFCO Staff will refund the unused portion of the deposit to the applicant. For an application that has been denied, a refund of the unused portion (if applicable) shall be issued. The refund shall be made after the reconsideration period has closed. For an application that is approved, the refund shall be made when the LAFCO file is closed (typically when LAFCO receives written notice from the State Board of Equalization that the boundary change has been accepted). Refunds may not include fees which LAFCO collects for outside agencies.

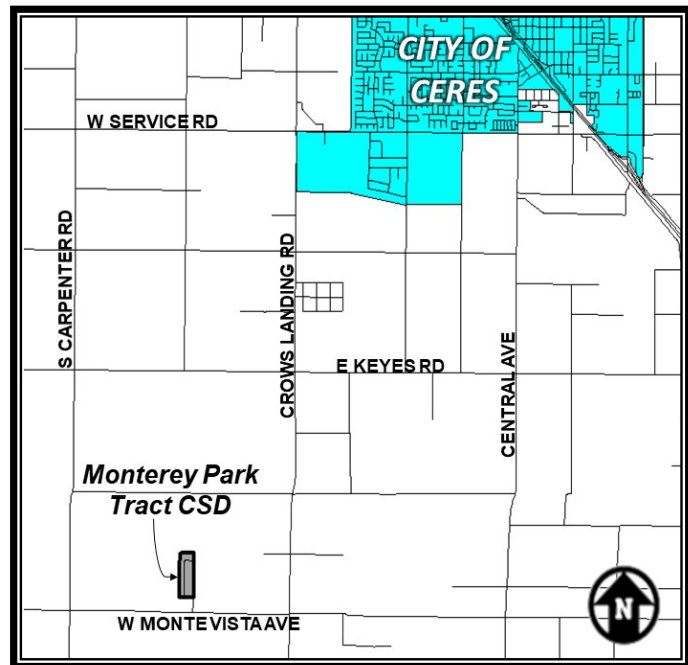
**EXECUTIVE OFFICER'S AGENDA REPORT
MAY 25, 2022**

**LAFCO APPLICATION NO. 2022-01, MUNICIPAL SERVICE REVIEW NO. 2022-01, & SOI
UPDATE NO. 2022-01 – ACTIVATION OF LATENT POWERS (SEWER SERVICE) FOR THE
MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT**

PROPOSAL

The project is a request by the Monterey Park Tract Community Services District (MPTCSD) to activate a latent power in order to provide sewer services within the existing boundaries of the District. An updated Municipal Service Review and Sphere of Influence are also being considered for the proposal.

1. Applicant: Monterey Park Tract Community Services District
2. Location: The proposal includes the rural subdivision known as the Monterey Park Tract and is located one mile west of the West Monte Vista Avenue and Crows Landing Road intersection. (See Map)
3. Parcels Involved and Acreage: The project area includes 71 parcels totaling approximately 31± acres. (See Exhibit "A" Map)
4. Reason for Request:
The Monterey Park Tract subdivision is currently served by privately-owned, aging septic systems. The area is considered severely disadvantaged and a grant was recently obtained to complete a feasibility study for connection of the lots to a publicly-operated sewer system.



BACKGROUND

Currently, the Monterey Park Tract Community Services District (MPTCSD) only provides water service to residents within the District. Individual septic tanks and leach fields are used for wastewater treatment and there are growing concerns about groundwater contamination caused by the elevated density of septic systems. In accordance with the Government Code §56375 and §56824.14, in order for a district to provide an additional service to its territory (otherwise known as "activation of a latent power"), LAFCO approval is required.

In 2021, MPTCSD conducted a Septic to Sewer System Feasibility Study (Exhibit B). According to the Feasibility Study, the State Water Resources Control Board adopted the Onsite Wastewater Treatment Systems (OWTS) Policy in July 2012. The OWTS Policy established new requirements that affect the regulation and management of septic systems. The requirements of the OWTS policy are expected to increase the long-term costs of operating and maintaining individual septic systems.

The Feasibility Study evaluates alternatives to improve the individual on-site septic systems currently being used within the District. As part of the study, the District investigated several alternatives including wastewater consolidation with the City of Ceres, Keyes Community Services District, and Stanislaus County Public Safety Center as well as the possibility of septic system upgrades. Ultimately the study found that a community sewer collection system with a centralized wastewater treatment facility was the most feasible option, with the lowest per month sewer rate for customers.

On January 24, 2022, the MPTCSD Board of Directors approved a resolution of application (No. 01242022) pursuant to Government Code §56654 and §56824.10, which allows the District to initiate an application to LAFCO for activation of sewer services (attached as Exhibit C).

An updated Municipal Service Review and Sphere of Influence are also being considered for the proposal. State mandates require the Commission conduct municipal service reviews and sphere of influence updates for all cities and special districts every five years, as needed. The current review covers the Monterey Park Tract Community Services District in Stanislaus County. The previous update for the District was adopted January 27, 2016. The only major change to the District is the current proposal to provide sewer services.

The proposed Municipal Service Review and Sphere of Influence document is attached to this report as Exhibit D. The relevant factors as set forth by the Cortese-Knox-Hertzberg Act are discussed for the Monterey Park Tract Community Services District (MPTCSD). No changes are being proposed for the MPTCSD's Sphere of Influence at this time. The update serves to reflect the MPTCSD's intent to provide sewer service.

As a municipal service review is considered a "snapshot in time," LAFCO Staff will continue to monitor the MPTCSD, as it does with all of the special districts, and offer itself as a resource to the District where possible.

FACTORS

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

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

The proposed sewer service will serve the District which includes the rural subdivision known as the Monterey Park Tract. The area is designated as "Agriculture" in the Stanislaus County General Plan and is zoned A-2-10 General Agriculture. According to the District's Septic to Sewer System Feasibility Study the District has a population of approximately 186 and does not expect any significant population growth.

The subject area is located in Tax Code Areas 054-018, 020, and 021. The current total assessed value for the area is approximately \$7,580,000.

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

The District's Septic to Sewer Feasibility Study indicates that there is a need for improved wastewater services due to potential groundwater impacts, new State standards, and costs associated with replacement or maintenance of existing septic systems.

The Feasibility Study evaluates alternatives to improve the individual on-site septic systems currently being used. The District investigated several alternatives including wastewater consolidation with several agencies and the possibility of septic system upgrades. Ultimately, the study found that a community sewer collection system with a centralized wastewater treatment facility is the most feasible. Although the District is currently planning on utilizing a community sewer system, it may utilize other alternatives to provide the service, such as contracting with another agency.

- 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.***

The proposal would serve a small, disadvantaged community in the unincorporated area with sewer service. Currently, the Monterey Park Tract Community Services District only provides water service to its residents. The District evaluated several alternatives including wastewater consolidated with several agencies, septic system upgrades, and a centralized wastewater treatment facility. The study found that the centralized wastewater treatment facility is the most feasible.

Should the District be allowed to provide sewer service to its customers, the community's wastewater management would considerably improve. Currently the community utilizes individual septic tanks and leach fields for its wastewater.

The proposal is consistent with adopted Commission policies to encourage efficient and effective delivery of governmental services.

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

The territory is located within an existing rural subdivision known as the Monterey Park Tract and is zoned A-2-10 (General Agriculture) by Stanislaus County. The subdivision is already within the Monterey Park Tract Community Services District which currently provides water service. The proposed project will allow the District to provide sewer service to its existing customers.

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

The proposal will not result in the loss of agricultural land and will not affect the physical and economic integrity of agricultural land. The rural community was created by a subdivision in the early 1940s and has not increased in size since its creation. There are no planned changes in zoning or proposals for development.

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

There are no proposed changes to the existing District boundary or sphere of influence. The proposal is a request to allow the District to provide sewer service to its customers. The current boundary encompasses the entire Monterey Park Tract.

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

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as strategies for investing in the region's transportation system. According to the CEQA documentation, any increase in traffic will be temporary and as a result of construction of the new sewer system. There are no anticipated changes in traffic once the new sewer system is in operation.

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

The proposal is consistent with the Stanislaus County General Plan which designates the territory as Agriculture.

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

The territory to be served will remain within the Monterey Park Tract Community Services District's Sphere of Influence. The proposal is consistent with those adopted spheres of influence and Commission policies.

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

The Stanislaus County Planning Department and Department of Environmental Resources (DER) have shared concerns with LAFCO Staff related to the "Centralized Wastewater Treatment Facility" described in the District's Septic to Sewer System Feasibility Study (Feasibility Study). The proposed project was originally scheduled for the March 23, 2022 LAFCO Commission meeting. However, Stanislaus County staff requested a continuance to the May 25, 2022 meeting in order to allow the agencies time to address the concerns (See Exhibit E).

DER has raised questions related to design standards, size, facility site ownership and permitting associated with the potential wastewater treatment facility described in the District's Feasibility Study. The Planning Department has raised questions with potential impacts of accessory dwelling units (ADUs), which are an allowed use in the A-2 (General Agriculture) zoning district.

LAFCO staff received a letter dated March 11, 2022 from the Monterey Park Tract Community Services District in response to the questions raised by County staff (See Exhibit "E"). The District states that it has sufficient land for any expansions that may be required and that any system utilized will follow all permitting requirements. The District has also indicated that it is currently restricted to the volume of water it receives, 60,000 gallons per day (gpd) or 1,000 gpd per connection. The service area has a maximum build out population of approximately 200 residents and the District is only approximately seven (7) connections away from that threshold. Therefore, the District is restricted from any significant growth and/or allowing future ADUs.

The Commission's authority is to approve or deny the District's request to add the provision of sewer services to its authorized list of services. Should the Commission approve the request, the District will be authorized to provide sewer services to its customers. The District will not be bound to providing a "Centralized Wastewater Treatment Facility" as mentioned in the Feasibility Study. The District may choose other options for providing the service if it sees fit. Additionally, the District will be required to meet all state and local requirements prior to utilizing any type of service.

No additional comments have been received.

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.

According to the Septic to Sewer System Feasibility Study, construction of the sewer system is expected to be funded through the Clean Water State Revolving Fund (CWSRF) administered through the California State Water Resources Control Board (Water Board). Construction will include the system itself, infrastructure, land acquisition, system connections and removal of old septic systems. Operation and Management (O & M) costs will be funded by monthly service fees.

Staff is including a condition of approval to the LAFCO Resolution requiring that the District obtain approval of an assessment, special tax or other revenue source sufficient to maintain the sewer service and any related improvements prior to recording the Certificate of Completion.

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

The District owns and operates the community's water system. In January of 2015, the Stanislaus County Board of Supervisors approved a Water Service Agreement (WSA) between Stanislaus County, the City of Ceres and the Monterey Park Tract Community Services District (MPTCSD). As part of the agreement, the City of Ceres provides water to the MPTCSD. The City of Ceres supplies up to 60,000 gallons of water per day through a

water delivery system consisting of underground pipes, valves, pumps and metering equipment. The water delivery system connects to City water at a water main on Crows Landing Road approximately one-half (1/2) mile south of Service Road and extend approximately 4.5 miles to the District's delivery system. The MPTCSD is responsible for improvements, maintenance and operation.

- 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 District's area is mostly developed with single-family homes and accessory buildings. Although a few additional units may be constructed on vacant lots, the increase in units will not be significant.

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

No information or comments, other than what was provided in the application, have been received as of the drafting of this report from landowners, voters or residents of the territory.

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

All land within District is zoned A-2-10 (General Agriculture) within the Stanislaus County Zoning Ordinance and are designated as "Agriculture" in the General Plan. There are currently no plans to change the land uses.

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

As defined by Government Code §56668, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. Staff has determined that approval of the proposal would not result in the unfair treatment of any person based on race, culture or income with respect to the provision of services within the proposal area.

- 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 project's Initial Study, the project site has not been identified as being within a very high fire hazard severity zone.

DISCUSSION

Government Code §56824.14 states that the Commission shall not approve a proposal for the establishment of new services for a district unless the commission determines that the special district will have sufficient revenues to carry out the proposed new services. This section also

states that if the commission determines that the district will not have sufficient revenue to provide the proposed new services, the commission may approve the proposal conditioned on the District's approval of sufficient revenue sources pursuant to §56886.

As mentioned previously, construction of the sewer system is expected to be funded through the Clean Water State Revolving Fund (CWSRF) administered through the California State Water Resources Control Board (Water Board). Operation and Management (O & M) costs will be funded by monthly service fees. Staff has included a condition of approval requiring approval of an assessment, special tax, or other revenue source sufficient to maintain the sewer service and improvements proposed.

Based on the information provided by the District, the proposed activation of a latent power (sewer service) can be considered consistent with Commission policies that encourage efficient and effective delivery of governmental services. Staff has determined that the proposed new service is consistent with Government Code and LAFCO policies.

Protest Proceedings

Should the Commission approve the proposal, the new service will be subject to a Protest Hearing which will allow 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.

ENVIRONMENTAL REVIEW

Monterey Park Tract Community Service District, as "Lead Agency" under the California Environmental Quality Act (CEQA) prepared an initial study for the proposed new service and adopted a Mitigated Negative Declaration. LAFCO as a Responsible Agency, must consider the environmental documentation prepared by the District. The proposed new service will not result in a change of land use under the current zoning, which is under Stanislaus County jurisdiction. The proposal will add a new service to an existing and developed community. The Notice of Determination and Initial Study prepared by the District are attached to this report as Exhibit "F".

ALTERNATIVES FOR COMMISSION ACTION

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

Option 1 APPROVE the proposal, as submitted by the applicant.

Option 2 DENY the proposal.

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

STAFF RECOMMENDATION

Based on the information and discussion contained in this staff report, and the evidence presented, it is recommended that the Commission approve the proposal and adopt attached Resolution No. 2022-03 (Exhibit "G"), which:

- a. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by Monterey Park Tract Community Services District as Lead Agency;
- b. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
- c. Approves LAFCO Application 2022-01, Municipal Service Review No. 2022-01, & SOI Update No. 2022-01: Activation of Latent Powers (Sewer Service) to the Monterey Park Tract Community Services District as outlined in the resolution;
- d. Directs the Executive Officer to initiate Protest Proceedings.

Respectfully submitted,

Javier Camarena

Javier Camarena
Assistant Executive Officer

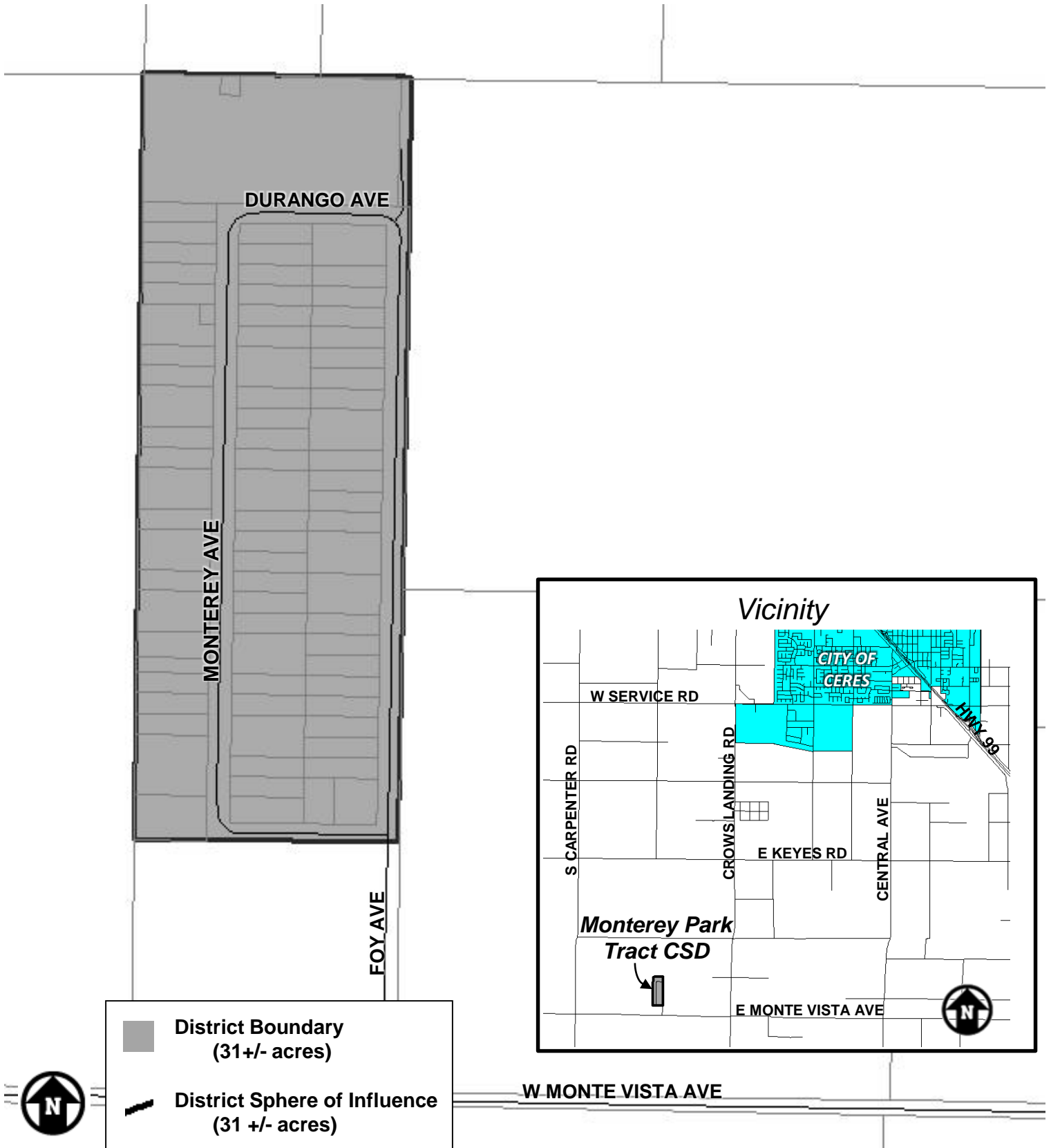
Attachments - Exhibit A: Map
Exhibit B: Monterey Park Tract Community Services District Septic to Sewer System Feasibility Study
Exhibit C: Monterey Park Tract Community Services District Resolution No. 01242022
Exhibit D: Municipal Service Review & Sphere of Influence Update for Monterey Park Tract Community Services District
Exhibit E: Correspondence
Exhibit F: Notice of Determination and Initial Study
Exhibit G: LAFCO Resolution No. 2022-03

EXHIBIT A

Map

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LAFCO APPLICATION NO. 2022-01
ACTIVATION OF LATENT POWERS (SEWER SERVICE) TO
THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT



Source: LAFCO Files, February 8, 2022

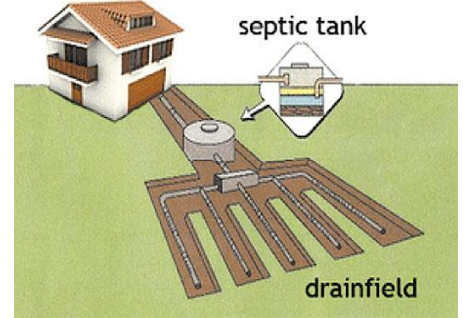
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EXHIBIT B

Monterey Park Tract Community Service District Septic to Sewer System Feasibility Study

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MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT



SEPTIC TO SEWER SYSTEM FEASIBILITY STUDY

September 2021



Prepared by:



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ABBREVIATIONS

ACS	American Community Survey
Bgs	Below Ground Surface
BOD ₅	Biochemical Oxygen Demand
CCR	California Code of Regulations
CGC	California Governing Code
City	City of Ceres
DDW	Division of Drinking Water
DER	Department of Environmental Resources
DFA	Division of Financial Assistance
DWSRF	Drinking Water State Revolving Fund
eAR	electronic Annual Report
FEMA	Federal Emergency Management Agency
Gal	Gallons
gpcd	Gallons per Capita Day
gpd	Gallons per Day
gpm	Gallons per Minute
HP	Horsepower
kWh	Kilowatt Hour
LAFCO	Local Agency Formation Commission
MCL	Maximum Contaminant Level
MDD	Maximum Daily Demand
MHI	Median Household Income
MND	Mitigated Negative Declaration
MPTCSD	Monterey Park Tract Community Service District
MPT	Monterey Park Tract
O&M	Operation and Maintenance

OWTS	Onsite Wastewater Treatment System
RWQCB	Regional Water Quality Control Board
SCWS	Small Community Water System
SDAC	Severely Disadvantaged Community
SWRCB	State Water Resources Control Board
TDS	Total Dissolved Solids
TSS	Total Suspended Solids
TMF	Technical, Managerial, and Financial
US EPA	United States Environmental Protection Agency
WWTP	Wastewater Treatment Plant
WDRs	Waste Discharge Requirements
WSA	Water Service Agreement
Well 1	North Well
Well 2	South Well

CHAPTER 1 INTRODUCTION

1.1. Purpose of Study

The purpose of this Septic to Sewer Feasibility Study (Study) is to evaluate feasible alternatives to improve the individual on-site septic systems currently being used at Monterey Park Tract (MPTCSD). This Study is intended to determine the most feasible alternative to collect, treat and dispose of wastewater generated within MPTCSD.

This Study includes an overview of the existing on-site wastewater treatment systems (OWTS) and an evaluation of five feasible alternatives. The Study also includes opinions of probable construction cost and operation and maintenance (O&M) costs for each alternative.

1.2. Background

MPTCSD is a small rural community located approximately 5 miles southerly of the City of Ceres in Stanislaus County. More specifically, MPTCSD is located approximately one mile west of the intersection of Crows Landing Road and West Monte Vista Avenue. Figure 1-1 contains an aerial photo showing the service area of the MPTCSD in relation to the City of Ceres.

MPTCSD currently only provides water service to the residence of the MPTCSD. MPTCSD was enabled by the California Governing Code (CGC) 61000 and is the responsible agency with the authority to provide services to residents within the boundaries of the Community Services District. This authority was given by consent of registered voters in the community and formed by the Stanislaus County Board of Supervisors in 1984.

MPTCSD owns and operates a community's water system which presently serves 49 residential households, 4 farming households, a church and a community center for a total of 55 active water service connections. Farming households are classified as households that are used to primarily grow crops and do not regularly have residents or permanent restroom facilities. The estimated population of the community is approximately 133 people according to the 2010 census.

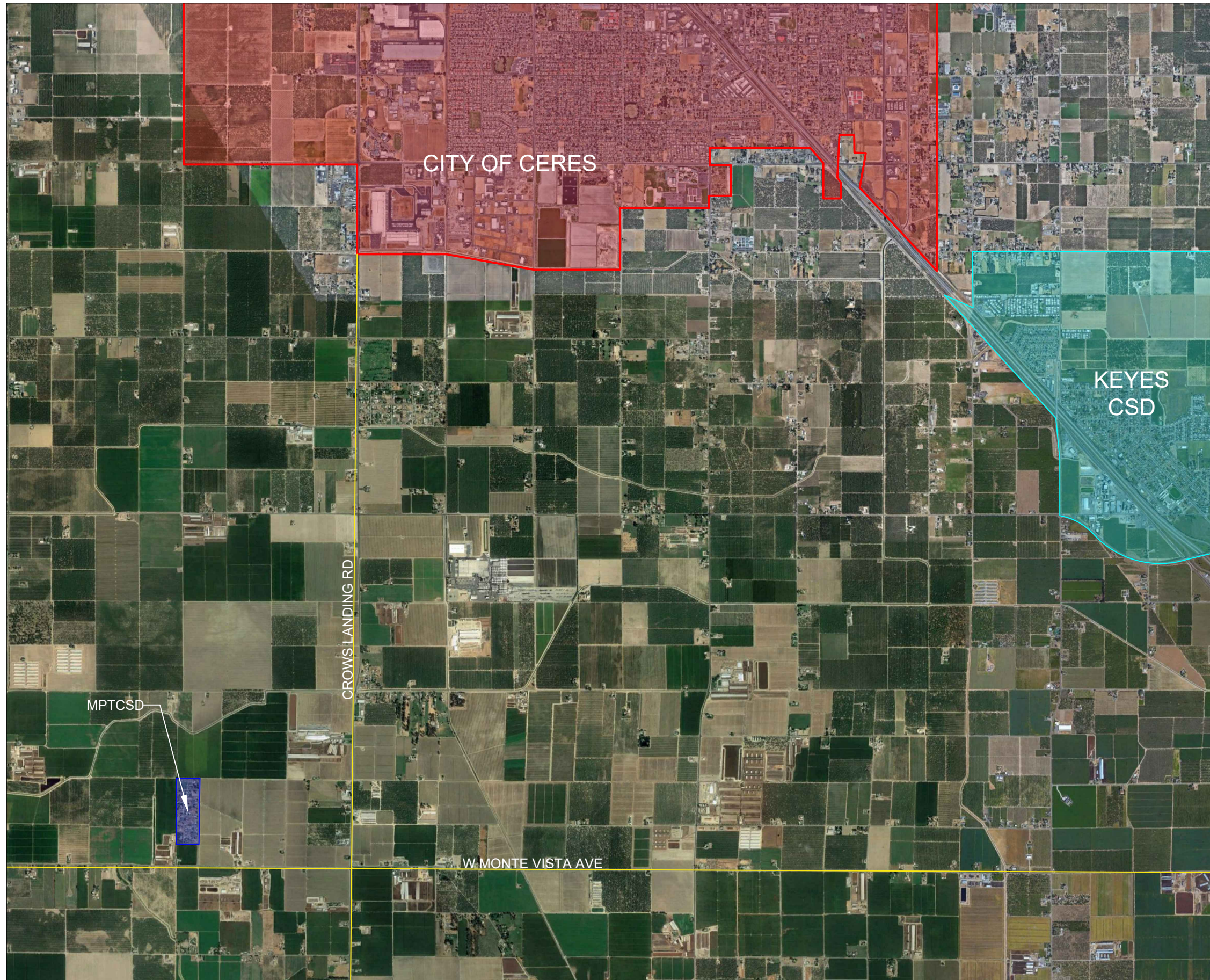
MPTCSD is primarily comprised of lots created by the Foy and Morris subdivision. The average lot has a frontage of 53 feet and a depth of 190 feet (just under a quarter of an acre). MPT's land use is classified as rural-residential with surrounding land uses including dairies, a hog farm and agricultural land in field or row crops.

Individual septic tanks and leach fields are used for sewer service and there are growing concerns about groundwater contamination caused by the elevated density of septic systems. The State Water Resources Control Board adopted the Onsite Wastewater Treatment Systems (OWTS) Policy in July 2012. The OWTS Policy established new requirements that affect the regulation and management of septic systems. The requirements of the OWTS policy are expected to increase the long-term costs of operating and maintaining individual septic systems.

MPTCSD is considered a Severely Disadvantaged Community (SDAC). According to the 2010-2014 U.S. Census American Community Survey, MPTCSD Median Household Income (MHI) was \$27,468.

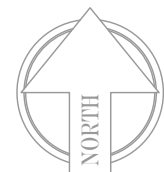
MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS FEASIBILITY STUDY



LEGEND

- CITY OF CERES SERVICE AREA BOUNDARY
- KEYES CSD SERVICE AREA BOUNDARY
- MPTCSD SERVICE AREA BOUNDARY
- MAJOR STREETS



SCALE IN FEET

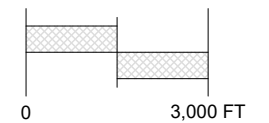


FIGURE 1-1
MPTCSD SERVICE AREA

MPTCSD is conducting this study to evaluate the feasibility of providing a community sewer collection and treatment system to all parcels in the service area. The goal is to protect the underlying groundwater and to provide a sustainable and affordable way to provide sewer service to the community. Several Alternatives are further investigated in this Study. The most feasible Alternatives being considered are:

1. Alternative I: Septic systems upgrade,
2. Alternative II: Wastewater consolidation with the City of Ceres,
3. Alternative III: Community sewer collection system with a centralized wastewater treatment facility,
4. Alternative IV: Wastewater consolidation with the Keyes Community Services District, and
5. Alternative V: Wastewater consolidation with the Stanislaus County Public Safety Center

This planning study will conduct a feasibility analysis of potential sewer system alternatives and determine any improvements required to provide sewer service to the community under a preferred alternative.

CHAPTER 2 EXISTING FACILITIES

2.1. Study Area Location and Setting

MPTCSD is an unincorporated community located approximately 5 miles south of the City of Ceres. MPTCSD lies between the larger cities of Modesto, approximately 8 miles to the north, and Turlock, approximately 9.5 miles to the southeast. The community includes four streets that create a loop around the community. The four streets are labeled as Foy Avenue, La Siesta Avenue, Monterey Avenue and Durango Street. Figure 2-1 displays the layout of MPT.

MPTCSD is largely bounded by agricultural uses and agricultural residences. The Trinkler Dairy and the American Hog Farm are located northeast and southeast of the project area, respectively. There are two other dairies located around the perimeter of MPT. One is adjacent to the northern most parcel and the other is adjacent to the southwest corner of the MPT. Otherwise, the community is dominated by residential development and agricultural uses. MPTCSD has a church, and a community center for its residents but does not include a school.

The MPTCSD service area and vicinity does not contain any watercourses, ponds, springs, or elevated ground such as ridges and knolls that could be considered potentially archeologically or historically sensitive. There is also no evidence of endangered plants or animals within the MPTCSD service area.

Surface geology in the study area is generally flat. The study area soil consists mostly of silty sand to depths of 3 and 13 feet underlain by layers of poorly graded sand, poorly graded sand with silt, silty sand, and sandy silt extending to 51.5 feet below ground surface. The granular soils generally have a relative consistency of medium dense to very dense, while the fine-grained soils generally have a relative consistency of very stiff to hard. Soils such as gravel and sand are ideal for leach fields because they allow the wastewater to seep through the soil more rapidly than clay.

Topography in the MPTCSD service area gently slopes downward from north to south with no significant topographical landmarks. The change in elevation from the northernmost point to the southernmost point of MPTCSD is approximately 5 ft. The MPTCSD service area lies within a Federal Emergency Management Agency (FEMA) designated flood plain. More specifically, the MPTCSD lies within a Zone X flood designation (Map Number 06099C0545E, dated September 26, 2008), indicating areas determined to be outside the 0.2 percent annual chance (500-year) floodplain.

MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS FEASIBILITY STUDY

LEGEND

 MPTCSD SERVICE AREA BOUNDARY

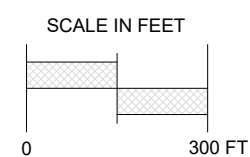


FIGURE 2-1
MONTEREY PARK TRACT
COMMUNITY LAYOUT



2.2. Population Growth

According to the 2010 Census, the MPTCSD had a population of 133 people. The estimated population of the region as of 2018 was 186 people, according to the Division of Drinking Water. This represents an average annual growth rate of approximately 4.28 percent from the years of 2010 to 2018. MPTCSD is a small community where expansion is not expected to exceed a population of 200 people. For this reason, this study has capped the population of MPTCSD to 200 people. Table 2-1 provides a population projection for the MPTCSD through 2040.

Table 2-1 MPTCSD Population Projection

Year	Population
2010	133
2018	186
2020	200
2025	200
2030	200
2035	200
2040	200

2.3. Sewer & Septic

Properties within MPTCSD rely on individual septic systems as the primary treatment and disposal method for their wastewater. Wastewater is disposed of in individual leach fields or seepage pits where it percolates through the soil. There is no sanitary sewer collection system or wastewater treatment facility in the community, or immediately adjacent to it.

The current individual septic tank/leach field system approach to providing wastewater treatment and disposal service presents a difficult situation for MPTCSD residents, most of whom are economically disadvantaged. Staying with the individual septic tank/leach field systems keeps near-term costs low but may have costly changes in the future due to increasing stringent regulations. Additionally, there may be significant future costs associated with staying with individual septic tank/leach field systems: individually replacing systems failing simply from age and decay or replacing systems in mass because of groundwater contamination and/or changes in regulations. Moving away from individual septic tank/leach field systems is infeasible economically for the community without major grant funding.

2.4. Collection System

MPTCSD does not have a community sewer collection system. MPTCSD residents utilize individual parcel septic tanks and on-site leach fields or seepage pits as described above. Therefore, there is no existing collection system for the area other than the on-site drains from structures to the septic tank locations.

2.5. Wastewater Treatment and Effluent Disposal Facilities

MPTCSD utilizes individual septic tanks and on-site leach fields/seepage pits. The septic tanks facilitate anaerobic breakdown of organics in the sewage and accumulate solids in the septic tank that must be

periodically removed and disposed of at a permitted septage receiving facility. Common durations between septic tank pumping range from three years to seven years, with an approximate five-year average.

Modern septic system standards call for septic tanks to be sized based on the building service and anticipated sewage load. For residential homes, tanks are most often sized based on the number of bedrooms in the house, with the expectation that bedrooms reflect the population and wastewater generation that may be produced and discharged to the septic system. Table 2-2 displays the minimum septic tank capacity required for residential homes in California, according to the 2016 California Plumbing Code, based on the number of rooms in the residence.

Table 2-2 Capacity of Septic Tanks in California

Single Family Dwellings	Multiple Dwellings Units or Apartments	Minimum Septic Tank Capacity
Number of Bedrooms	Number of Bedrooms	Gallons
1 or 2	-	750
3	-	1000
4	2 units	1200
5 or 6	3	1500
-	4	2000
-	5	2250
-	6	2500
-	7	2750
-	8	3000
-	9	3250
-	10	3500

The sizes of the existing septic tanks in MPTCSD are unknown and probably vary, but it is known that many of them have not been replaced/repared since the community was constructed in 1984. Thirty-five years ago, it was common to install 500- to 800-gallon septic tanks and it is therefore possible that the existing MPTCSD septic tanks do not meet current design standards.

Leach fields are sized based on the results of soil percolation, soil mantle data (water percolation rates into the soil and the geomorphology of the near surface soils) and the expected flow produced per residence. For the purpose of this study, the wastewater flows produced from each residence will be estimated using the population of the community and a wastewater generation factor of 100 gallons per capita day (gpcd). Table 2-3 shows the wastewater production for the MPTCSD through the year 2040.

Table 2-3 Projected Wastewater Production

	2010	2020	2025	2030	2035	2040
Projected Service Area Population	133	200	200	200	200	200
Projected Wastewater Production (gpd)	13,300	20,000	20,000	20,000	20,000	20,000

Details of the percolation, mantle data, and the existing leach fields for the MPTCSD are unknown as of the writing of this report. As the criteria for leach fields/seepage pits have become more stringent over time, it is possible that some of the existing leach fields do not meet current design criteria.

2.6. Condition of Existing Wastewater Facilities

A parcel-specific survey of the septic tank conditions was conducted, and the findings can be found in Appendix A of this study. The survey received a 60 percent response rate from the residents of the MPTCSD. The conditions of the existing individual septic tanks and leach fields/seepage pits are unknown at this time because they must be individually dug up and examined. While there are no known problems manifesting in the MPTCSD septic systems, some of the existing facilities could be nearing the end of their useful life or may have sizing deficiencies. Concrete tanks could be experiencing internal or external corrosion, there could be pipe connection leaks or breaks, and the leach fields could be binding the soils. These conditions could result in degradation or contamination of groundwater over time or surfacing of septic system effluent. It should be noted that only 12.5 percent of the responders to the septic tank survey have reported problems with their individual parcel septic tank/leach systems.

2.7. Existing Potable Water Facilities

MPTCSD owns and operates the community's water system which currently serves single family residential households, farm households, a church, and a community center for a total of 55 active water service connections.

MPTCSD water supply previously consisted of two groundwater wells: the north well (Well 1) or primary well, and the south well (Well 2) or secondary well. The water produced by the wells contained high nitrates, arsenic, manganese, and Total Dissolved Solids (TDS). In order to address water quality issues, in January of 2015, the Stanislaus County Board of Supervisors approved a Water Service Agreement (WSA) between Stanislaus County, the City of Ceres, and MPTCSD. As part of the agreement, the City of Ceres would provide potable water to MPTCSD. MPTCSD would be responsible for improvements and maintenance and operation.

Since 2017, the City of Ceres supplies up to 60,000 gallons of water per day at a rate no greater than 41 gallons per minute through a water delivery system consisting of underground pipes, valves, pumps, and metering equipment. The water delivery system connects to the City of Ceres's water system at a water main on Crows Landing Road approximately one-half mile south of Service Road and extend approximately 4.5 miles to the MPTCSD's delivery system.

As part of the connection Well 1 and 2 were abandoned and sealed off. The new storage tank is located on two parcels on Monterey Avenue within MPTCSD's service area and receives potable water from the City.

2.8. Operation Management of Existing Facilities

MPTCSD receives potable water from the City of Ceres. MPTCSD owns and operates the community's water system and is responsible for providing water service to the community. Because there is presently no community wastewater collection, treatment, or disposal system, sewer service is not currently provided by MPTCSD. The existing septic systems are private and their service, mostly periodic septic pumping, is provided by property owners or their designees. Any communitywide wastewater collection and treatment facilities will be provided by MPTCSD. If installed, MPTCSD's services would be expanded to also maintain and operate the sewer facilities.

2.9. Financing Status of Existing Facilities

MPTCSD's source of revenue is derived from connection fees and monthly water service fees. In 2012, MPTCSD secured a \$2.2 million Prop 84 grant to address water quality issues. The grant helped fund the construction of the water line from the City of Ceres to MPTCSD and pay for connection fees.

To support the City of Ceres rate structure MPTCSD conducted a Prop 218 ballot procedure to increase water rates. The vote passed in May of 2012 and new rates were implemented in July that year. The new rate structure is aligned with anticipated rate increases as projected by the City of Ceres. Table 2-4 displays the current average water rates structure for the MPTCSD.

Table 2-4 MPTCSD Water Rates

Active Connections	Inactive Connections
\$93.14	\$69.70

As part of the WSA between Stanislaus County, the City, and the MPTCSD, MPTCSD had to deposit a sum of \$75,000 into a reserve account upon completion of the connection to the City of Ceres. The purpose of the reserve account was to ensure that the City had sufficient funds to cover MPTCSD water service billings on a monthly basis. The \$75,000 provides approximately 2.5 years of reserve utility billing.

The WSA also states that if for any reason MPTCSD is unable to meet the obligations described in the WSA, the County agrees to take formal action to assume all obligations of MPTCSD in order to provide continued water service to the residents of Monterey Park Tract. After a 15-year term, if the MPTCSD shows fiscal solvency, the obligation of the County may be reduced.

CHAPTER 3 NEED FOR THE PROJECT

3.1. Project Need

This section describes the need for improvements to MPT's current sewer handling method. The ultimate goal is to provide MPTCSD with sewer collection, treatment and disposal facilities that protect public health, preserve groundwater resources, prevent nuisance odors and risks from septic tank failures, preserve the environment, and foster community prosperity in a manner affordable for the severely disadvantaged MPT.

The need for this project is driven by several factors:

1. Existing septic systems are over 35 years old.
2. With the smaller lot sizes, there may be insufficient space for a new septic system within the existing lot, if the existing leach/seepage facilities fail.
3. Eliminate the potential for community exposure to surfacing septic system effluent.
4. Reduce the potential for groundwater degradation. Possible future groundwater supply to augment high water supply costs from the City of Ceres.
5. Compliance with Stanislaus County LAMP and the OWTS Policy.

These factors can affect the health, sanitation, security, environment, and community prosperity for the following reasons:

1. Inefficient septic tank leaching/seeping can result in surfacing of septic tank effluent, which can be a health, safety, and environmental hazard.
2. Old septic systems are subject to failure due to corrosion, pipe cracking, and clogs, which can result in surfacing of sewage or potential contamination of groundwater, which would be detrimental to the public health, security, and prosperity of the community.
3. Small individual lots can have insufficient space to replace on-site systems to newer accepted design standards when the old systems ultimately fail.
4. Reliance on on-site septic systems limits the ability of the community to attract higher density residential developments. This lack of growth may affect the economic security and long-term prosperity of the community.

CHAPTER 4 ALTERNATIVES CONSIDERED

4.1. Introduction

The following feasible wastewater treatment and collection alternatives are evaluated in this Study:

6. Alternative I: Septic systems upgrade,
7. Alternative II: Wastewater consolidation with the City of Ceres,
8. Alternative III: Community sewer collection system with a centralized wastewater treatment facility,
9. Alternative IV: Wastewater consolidation with the Keyes Community Services District, and
10. Alternative V: Wastewater consolidation with the Stanislaus County Public Safety Center

Consolidation to the neighboring City of Turlock was originally evaluated and later discarded after the City of Turlock expressed their unwillingness to accept consolidation with the MPTCSD. Appendix B includes a statement from the City of Turlock denying the consolidation Project.

Consolidation with the City of Modesto was originally evaluated and later discarded after the City voiced their unwillingness to permit consolidation. AM Consulting Engineers and MPTCSD representatives had a meeting with the City of Modesto on January 26, 2021, via Microsoft Teams. William Wong, City of Modesto Director of Utilities, and Ben Koehler, City of Modesto Quality Control Superintendent – Chief Plant Operator, were in attendance during this meeting.

During the meeting, discussions were had regarding potential consolidation options. The City of Modesto stated that they have two WWTP's in the surrounding area. One located to the west of the MPTCSD, Jennings WWTP, and one located on the southwest boarder of the City, Sutter WWTP. As the Jennings WWTP is in close proximity with the MPTCSD, this option seemed the most feasible. The City of Modesto has all of their wastewater screened at the Sutter WWTP prior to being discharged into the Jennings WWTP for final treatment and disposal. If the MPTCSD were to consolidate with the Jennings WWTP, the MPTCSD would need to construct over 5 miles of force main and a screening facility at the Jennings Plant. The City of Modesto expressed that if a screening facility were to be constructed prior to discharging into the Jennings WWTP, the screening facility would need to be constructed at the Jennings WWTP and maintained by the City of Modesto to ensure proper operation and disposal. As screening facilities have high maintenance requirements and the City does not plan on installing screening infrastructure at the Jennings WWTP, they expressed their unwillingness to permit direct consolidation with the Jennings WWTP.

As direct consolidation with the Jennings WWTP was not feasible, consolidation with the Sutter's WWTP was explored. Consolidation with the Sutter's WWTP would require the installation of approximately 9 miles of force main, as well as multiple lift stations. The City of Modesto agreed that this alternative may prove to be feasible and that their Engineering Department would thoroughly examine this alternative and propose required infrastructure to permit consolidation. After a significant amount of discussion and thoughtful consideration, the City of Modesto conveyed several concerns they had with the

proposed consolidation plan and ultimately declined consolidation by recommended the MPTCSD to construct their own WWTP onsite.

4.2. Alternative I – Septic Systems Upgrade

This alternative considers the upgrade of existing onsite septic systems. This study assumes that most of the septic systems were installed in 1984 which is the same year when MPTCSD was formed. Therefore, the septic tanks have been operating for approximately 35 years and are approaching the end of their service life.

For this alternative, 53 conventional septic systems will be replaced with new advanced OWTs and disposal fields (leach fields). Retrofitting houses with ultra-low flush toilets and other water conserving plumbing devices may also be recommended to reduce the volume of wastewater. The specific siting and design criteria for each alternative technology would have to be in accordance with currently adopted standards of the County and RWQCB or based on criteria developed and agreed upon by both agencies specifically for this Project.

This alternative would provide for replacement and upgrade of all existing septic systems in the Study Area. Septic systems would need to be upgraded to a minimum set of standards or determined to be in compliance with a minimum performance standard that would assure proper functioning and elimination of public health and water quality concerns. The current standards for Stanislaus County and the Regional Water Quality Control Board (RWQCB) would apply, with the possibility of adopting certain local modifications with concurrence by both of these agencies. In general, all applicable siting criteria (i.e., soil depth, percolation, groundwater, etc.) would be considered to the greatest extent possible in evaluating and designing septic system upgrades.

This alternative will include a monitoring system to oversee the OWTs's functionality. More specifically, a programmable logic unit would be incorporated into each OWTs to control the systems pump and provide alarm functions.

The primary shortcoming of this alternative is the heavy reliance on advanced OWTs and the substantial variances to normal siting and design standards. The septic system upgrade efforts would largely eliminate the public health hazards and water quality threat from septic systems. Existing substandard or marginally operating systems would be eliminated in favor of advanced treatment units, including new leach fields.

Potential negative aspects of this plan would be that upgrades and replacements would be required in the future after the life expectancy of the new OWTs's are reached. This alternative represents a substantial improvement in reliability over existing conditions through the proposed implementation of advanced OWTs's.

4.2.1. Description of Proposed OWTs

A conventional onsite treatment system consists of a septic tank followed by a leach field. Wastewater flows from a residence into a buried tank. Under anaerobic conditions in the tank, most of the nitrogen remains in ammonia and organic form and is discharged with the septic tank effluent. Septic tanks

typically discharge to leach fields, which provide some further treatment by filtering the septic tank effluent.

The solids that accumulate in the septic tank need to be removed periodically, depending on the specific application and wastewater characteristics. Solids removal is usually conducted by a licensed septic hauler using a septic pumping and hauling truck. The septic hauler removes the settled sludge, liquid contents, and scum layer. The liquid and solid contents from the septic tank are typically hauled to a wastewater treatment facility for treatment.

Septic tank and leach field discharges contain elevated nitrogen concentrations and supplementary treatment technologies must be added to reduce nitrogen in the septic tank effluent. Regulatory agencies have adopted a maximum contaminant level (MCL) of 10 mg/l for total nitrogen in wastewater that percolates into an aquifer used to supply drinking water. The MCL is consistent with the drinking water MCL and is intended to protect the beneficial uses of the groundwater. The following technologies are commercially available to reduce nitrogen to less than 10 mg/l.

4.2.2. Trickling Biofilters (Attached Growth Aerobic Treatment Systems)

The fundamental components of the trickling biofilter system are (1) a medium upon which a microbial community (biofilm) develops, (2) a container or lined excavated pit to house the medium, (3) a system for applying the water to be treated to the medium, and (4) a system for collection and distribution of the treated water. The water to be treated is applied, periodically, in small doses to the medium. Trickling biofilters can be operated in single pass or multi-pass configurations. Some biofilters require a separate aerobic pre-treatment while others are housed in the same unit.

Examples of commercially available trickling biofilters able to provide total nitrogen levels below 10 mg/L include Orenco's AdvanTex series septic tanks. More information about these systems and how they operate is included in Appendix C.

4.2.3. Suspended Growth Aerobic Treatment Systems

Suspended growth OWTS consists of a tank with a suspension of wastewater and treatment organisms in an aerated tank. The suspended growth process can be used for onsite wastewater treatment, generally requiring the addition of an air pump to deliver oxygen to the system and provide mixing energy. Suspended growth treatment systems can be secondary only (require supplemental primary treatment) or combined primary and secondary treatment processes. Designs typically consist of aeration, clarification, and sludge return processes. Some systems operate under an extended aeration mode for enhanced constituent transformation.

Examples of a suspended growth aerobic treatment system able to provide total nitrogen levels below 10 mg/L are Norweco's Singlair TNT and Orenco Advantex AX20. More information about these systems and how they operate is included in Appendix C.

4.2.4. Reliability

Typically, advanced OWTS technologies rely on biological treatment. Wastewater must contain low levels of toxic substances for the system to function properly. Public education about the types of chemicals

and toxic substances that could damage the biology of the advanced OWTS will be required to improve the performance of this alternative.

The advanced OWTS requires consistent levels of nutrients. If a household is vacant for part of the year, the microbes will die during this period, and it will take some time to reestablish its microbial communities after the flows start up again. This is not considered to be an issue in the MPTCSD.

4.2.5. Disposal

There are two commonly used options for disposal of advanced OWTS effluent: leach fields and subsurface irrigation. The existing OWTS in the MPTCSD use leach fields as the primary method of disposal. If leach fields are utilized, their size is dependent on the percolation rate of the soil. Once the percolation rate has been determined, an appropriate wastewater loading rate can be established and the leach field can be sized. In order to use leach fields, the percolation rate is required to be within the range of 1 to 120 minutes per inch.

For this Study, each parcel will continue using leach fields as the primary disposal method for their effluent wastewater. Since the advanced OWTS will be designed to reduce the total nitrogen concentration in the effluent to less than 10 mg/l, it would not require additional nitrogen reduction through subsurface irrigation.

4.2.6. Monitoring and Control Systems

Monitoring of process operation and performance is necessary. Most advanced OWTS are complex and automated monitoring and control systems are critical. System controls are necessary for controlling pumps, alarms, and other process equipment. Most manufacturers of onsite wastewater treatment systems provide basic control and alarm systems to alert the system owner of a malfunction.

4.2.7. Footprint Requirements

Installing advanced OWTS will require extensive ground disturbance within each individual lot. It is assumed that most septic systems are beyond their service life and will be replaced to ensure no leakage. Advanced treatment steps would require additional excavation adjacent to the septic tanks to install a suspended growth system or an intermittent attached growth filter.

For effluent disposal, direct discharge to the groundwater via leach fields will be used. New leach fields may need to be built to ensure proper disposal of the effluent.

4.2.8. Groundwater Contamination

The groundwater underlying the MPTCSD is already contaminated with nitrates. The recognized beneficial uses of the groundwater underlying the MPTCSD include municipal supply. If an onsite system was to be permitted, the effluent nitrogen limits would need to be protective of the recognized beneficial uses. In the Waste Discharge Requirements (WDRs) issued for recent projects, the Regional Water Quality Control Board has established effluent limits at 10 mg/L to be protective of groundwater.

4.2.9. Capital Costs

The cost of an advanced OWTS depends on the selected supplementary treatment technology manufacturer and how the effluent is disposed. Equipment costs vary among manufacturers. During

the preparation of this Study, quotes were requested from reputable manufacturers. After evaluation, the Orenco AdvanTex AX20-RT OWTS was selected to be implemented at all of the residential households, and the AdvanTex AX25-RT was selected to be incorporated into both the church and community center locations. The full estimate received from Orenco can be found in Appendix D of this report. The life expectancy of the leach fields are approximately half that of individual septic system depending on the volume of waste that is discharged and the soil properties. For this reason, it is recommended to simultaneously replace the existing leach fields with the septic systems. Typical leach fields cost approximately \$12,000 construction and installation. A cost of \$12,000 per connection has been included in this alternative to remove/dispose of the existing septic systems and construct a new sewer lateral out of each property. New laterals must be replaced simultaneously with the septic systems upgrades. Mobilization, demobilization and bonding costs are estimated to be approximately 10% of the total capital construction costs.

Table 4-1 shows the estimated costs to remove the existing septic systems, furnish and install new septic tanks, the Orenco AdvanTex AX20-RT/AX25-RT advanced OWTS, and new leach fields. Only developed parcels are used in this estimate. Undeveloped parcels will not require the installation of an OWTS. Table 4-1 also includes costs associated with engineering, environmental documentation, construction management and a contingency fund.

Table 4-1 Alternative I: Capital Construction Costs

Item	Description	Quantity	Unit	Unit Cost	Total
1	Mobilization, Demobilization, Bonds, Etc.	1	LS	\$360,000	\$360,000
2	Advantex AX20-RT with Installation	51	LS	\$2,004,191	\$2,004,191
3	Advantex AX25-RT with Installation	2			
4	Septic Tank Replacement - 1,000 Gal with Installation	51			
5	Septic Tank Replacement - 1,500 Gal with Installation	2			
6	MVP Control Panel, AdvanTex System with Discharge Pump	53			
7	Delivery	1			
8	New Leach Field with Installation	53	EA	\$12,000	\$636,000
9	Existing Septic Tank Destroy/Removal, New Sewer Lateral Addition	53	EA	\$12,000	\$636,000
Subtotal					\$3,636,191
Contingency		10%	of subtotal		\$363,619
Engineering, Environmental, Construction Adm. (25%)		25%	of subtotal		\$909,048
Total					\$4,908,858
Total Construction Cost per Active Connection ⁽¹⁾					\$92,620
Note:					
⁽¹⁾ \$4,908,858 / 53 Active Connections = \$92,620 per Active Connection					

According to Table 4-1, the cost to furnish and install new septic tanks, advanced OWTS, and leach fields in all of the developed and occupied parcels within MPTCSD Service Area would be approximately \$4,908,858 or \$92,620 per connection.

4.2.10. O&M Costs

According to Orenco, the new AdvanTex AX20/25-RT has been designed to passively vent to drastically reduce the electrical cost to run each unit. Orenco estimates the monthly electrical cost to be approximately \$5 per month to power each Orenco treatment unit. That cost would be paid by individual property owners but is included here as part of the overall operational cost of this alternative.

Annual operation and maintenance costs for Alternative I are summarized in Table 4-2. O&M costs were estimated based on administration costs, annual O&M costs for the OWTS and a capital reserve. Administrative costs include the costs associated to produce and mail monthly bills. The annual OWTS Operations/Maintenance costs were developed based on the energy costs to run each unit, filter cleaning (approximately \$215 per unit per year), miscellaneous maintenance on each unit and solids pumping which must occur, at a maximum, every 5 years. The estimated annual OWTS Operations/Maintenance costs for an advanced OWTS are expected to range from \$250 to \$450 per unit. An average cost of \$350 per OWTS per year is used in this report. The annual OWTS Operations/Maintenance costs includes the approximately \$100 per year for pumping of accumulated solids which is estimated to be approximately \$500 every 5 years. A capital reserve is included in this report to fund the replacement of short-lived assets. According to Orenco, the short lived assets associated with the OWTS's are the treatment unit's influent pump and 4 floats which control various alarms. These short lived assets are expected to last approximately 20 years. The influent pump costs approximately \$1,750 to purchase and install, while each float cost approximately \$125 to purchase and install. The total cost of \$2,250 has been distributed across the 20 year life span and multiplied by 53 to fund the replacement of all OWTS short lived assets. These costs are included in Table 4-2.

Table 4-2 provides a summary of annual costs associated with this alternative. It assumed that the O&M costs would be equally shared by the 53 active connections.

Table 4-2 Alternative I: Annual O&M Costs

Item Description	Total Cost
Administration	\$5,000
OWTS Operation/Maintenance	\$40,000
Capital Reserve	\$6,000
Total Annual O&M Cost	\$51,000
Total Annual O&M Cost per Active Connection ⁽¹⁾	\$962.26
Sewer Rate per Month ⁽²⁾	\$80.19
Note: ⁽¹⁾ \$51,000 / 53 Active connections = \$962.26 ⁽²⁾ \$962.26 / 12 Months = \$80.19	

4.2.11. Project Funding

The MPTCSD is a severely disadvantaged community and for this reason, has obtained grant funding to complete this Study. If this Study is accepted by the community, then a construction grant will be awarded to complete the construction of the sewer improvements.

4.2.12. Regulatory Concerns and Permitting Issues

The installation of advanced OWTS can perform as intended if the individual systems are adequately maintained at all times. Regulatory agencies will require assurance that MPTCSD will perform the required maintenance on each OWTS on a regular basis. Without those assurances obtaining a permit for this alternative may be challenging.

4.3. Alternative II: Wastewater Consolidation with the City of Ceres

Alternative II includes the construction of a community sewer collection system, a pumping station, and a force main to a discharge location within the City of Ceres sewer collection system for ultimate treatment and disposal of the wastewater.

The community sewer collection would consist of a network of conventional gravity sewer mains and manholes. Wastewater will flow by gravity from the individual properties into the sewer mains and ultimately into the pumping station. A 6.5-mile-long force main will be constructed to convey flows from the pumping station to a discharge location near Crows Landing and E Service Rd within the City sewer collection system. This location was selected based on its capacity and location in relation to the City's Wastewater Treatment Plant (WWTP) and the MPTCSD.

The sewer collection system will require approximately 3,800 feet of gravity collection mains and 10 manholes. Manholes will be placed strategically based on Stanislaus County standards. According to the standards, spacing between manholes cannot exceed 500 ft and if possible, will be placed at equal distances around the collection system. For this reason, manholes will be placed every 380 feet. The gravity sewer collection system will convey the sewage from the entire MPTCSD to a pumping station located near the intersection of La Siesta Ave and Foy Ave. A new 4" force main will convey the sewage from the MPTCSD to the City's wastewater plant for treatment and disposal. A preliminary layout of the proposed gravity sewer collection system is shown in Figure 4-1. A detail of the force main connecting to the City is shown in Figure 4-2.

The force main is assumed to be installed within the existing right-of-way using mostly conventional pipe trenching methods. Directional drilling or trenchless construction (i.e. bore and jack) may be required under major traffic routes, canals, or other waterways. The force main will be installed to maintain a minimum cover of at least 3 feet following the natural contouring of the ground.

Discharging to the City will require a startup connection fee and a monthly discharge fee based on the metered flows discharged into the system. Alternative II is consistent with RWQCB policies that encourage consolidation with a larger utility whenever feasible. This alternative would require that the MPTCSD authority expand their services to include sewer service in order to remain independent from the City of Ceres.

The City of Ceres has voiced that if consolidation with the MPTCSD is proven feasible, the City of Ceres will explore upgrades required to sustainably serve the MPTCSD. These upgrades will be included in a separate funding agreement and will be evaluated through a separate feasibility study at a later time.

Monterey Park Tract
SEWER COLLECTION AND TREATMENT IMPROVEMENTS
FEASIBILITY STUDY

LEGEND

- 4" SEWER PIPELINE
- 6" SEWER MAIN
- 4" FORCE MAIN



SCALE IN FEET

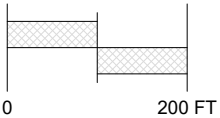
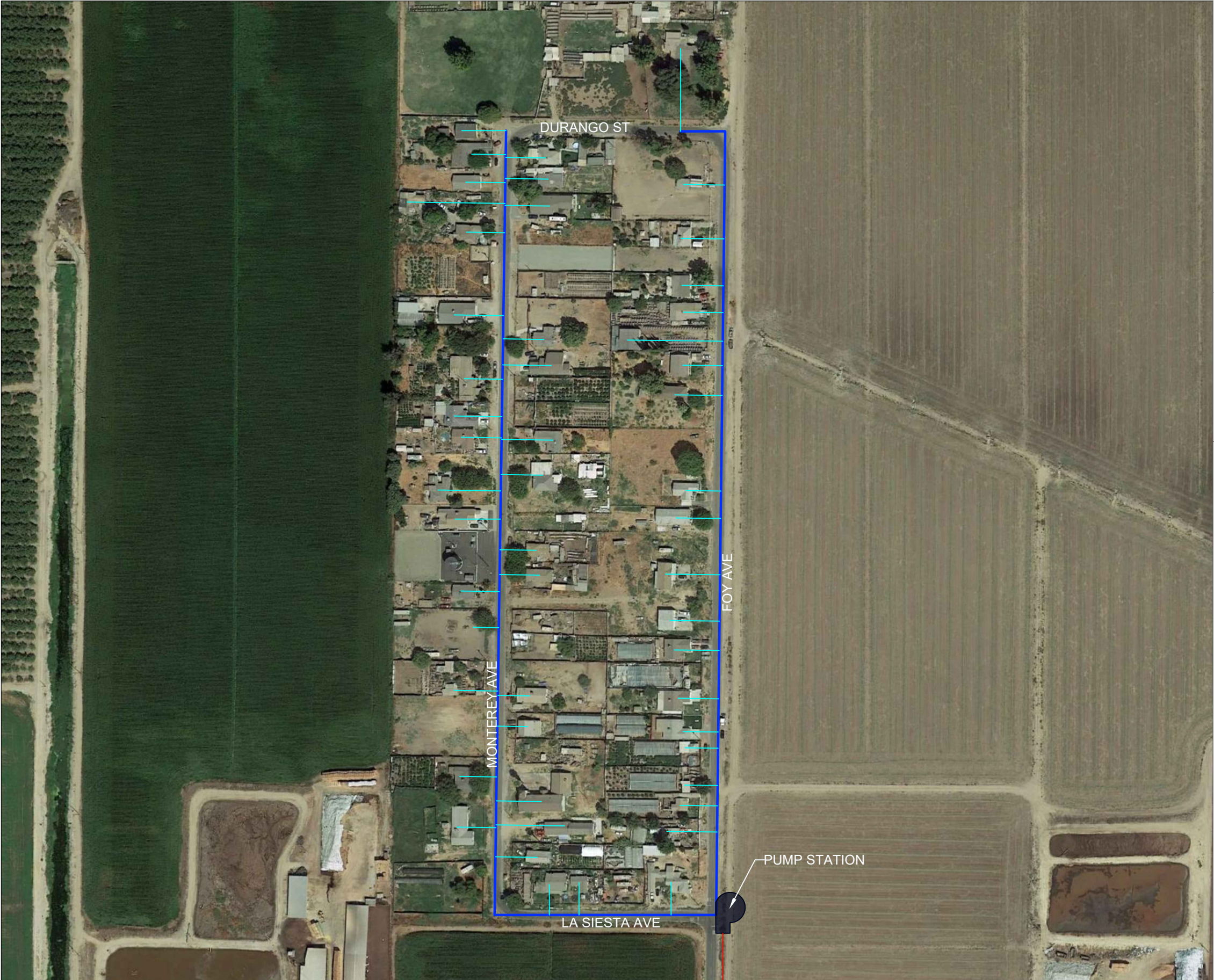


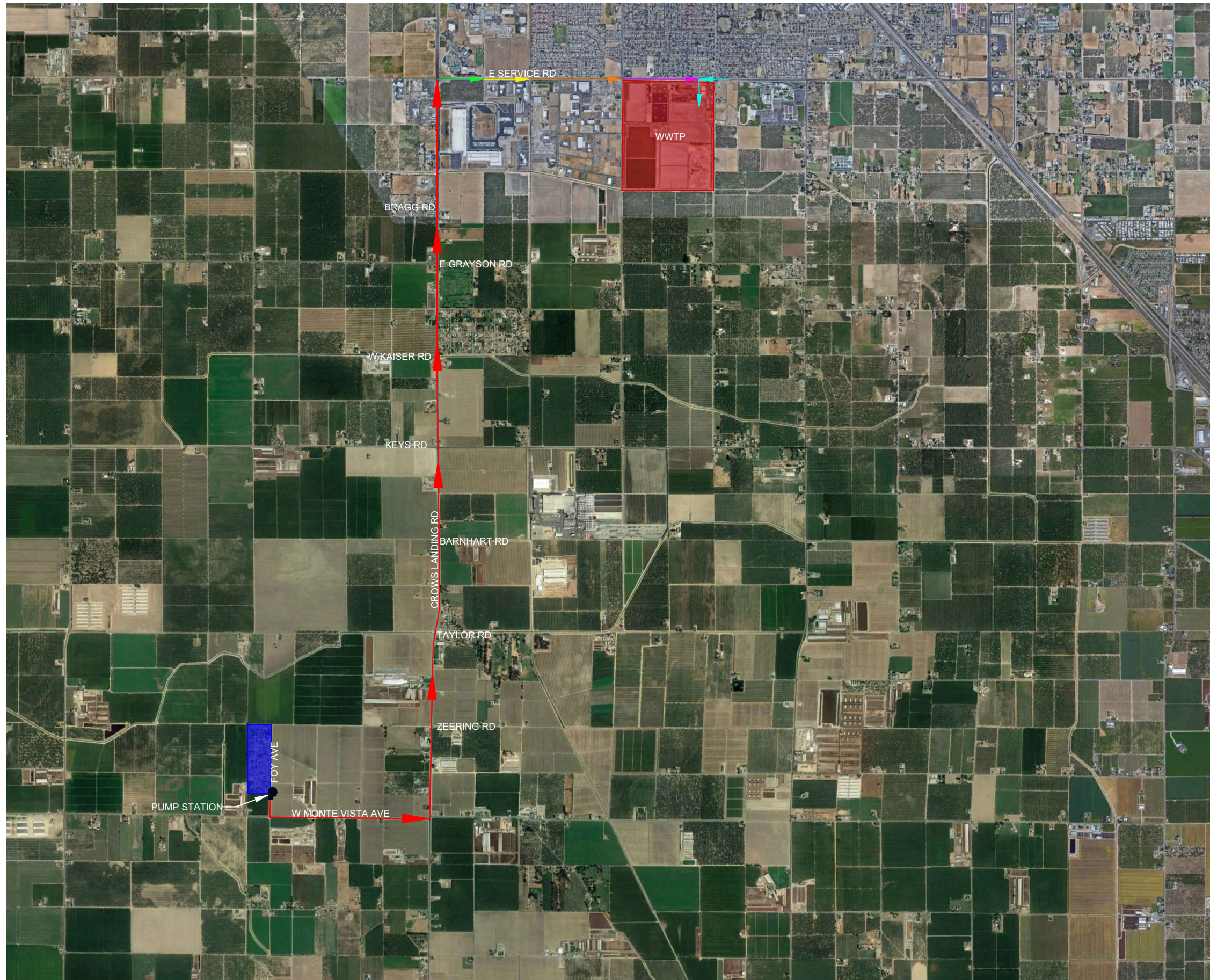
FIGURE 4-1
PROPOSED MPTCSD GRAVITY
SEWER COLLECTION SYSTEM



MONTEREY PARK TRACT

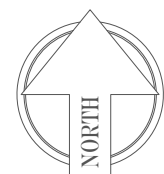
SEWER COLLECTION AND TREATMENT IMPROVEMENTS

FEASIBILITY STUDY



LEGEND

- WWTP BOUNDARY
- MPTCSD BOUNDARY
- 4" FORCE MAIN
- EXISTING 10" SEWER PIPELINE
- EXISTING 12" SEWER PIPELINE
- EXISTING 15" SEWER PIPELINE
- EXISTING 18" SEWER PIPELINE
- EXISTING 42" SEWER PIPELINE



SCALE IN FEET

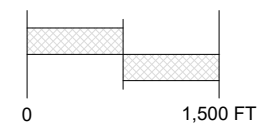


FIGURE 4-2
FORCE MAIN CONNECTION TO
CITY OF CERES WWTP

4.3.2. Reliability

The use of a collection system and a discharge to the City's sewer collection system would be a very reliable alternative. New sewer collection systems, if adequately designed and constructed, require little maintenance and are very reliable. Annually, sewer collection systems may require cleaning through hydro flushing to remove grease and other materials that accumulate on the walls of the pipes. A pump station would be required to pump wastewater from the MPTCSD to the discharge point within the City's sewer system, at the intersection of Crows Landing and E Service Rd. The pumping stations would be powered by electricity from either the grid or from a standby generator during power outages. At a minimum, the pumping station would have one pump to accommodate peaks flows and a redundant pump in case of mechanical failure. Instrumentation and controls to enable remote monitoring of the facility and a building to house the electrical and mechanical equipment will also be installed.

4.3.3. Capital Costs

Capital costs for consolidation with the City of Ceres sewer collection system include startup connection fees imposed by the City, construction of the gravity collection system with the prescribed manholes, a pump station and a force main to transport the waste to the City's connection point. The City would charge a startup connection fee of \$6,080 per residence. The estimated cost for the gravity sewer collection system was approximately \$155 per linear foot (LF) and \$8,400 per manhole, while the estimated cost for the force main was approximately \$140 LF. The estimated cost to furnish and install the pump station is approximately \$180,000 based on the distance the wastewater must travel to reach the City of Ceres WWTP and possible land acquisition. A cost of \$12,000 per connection has been included in this alternative to remove/dispose of the existing septic systems and construct a new sewer lateral out of each property. New laterals must be replaced simultaneously with the sewer systems upgrades. The City of Ceres has expressed that in order for the City to accept the MPTCSD waste, they would require upgrades to their existing sewer collection system and wastewater treatment facility headworks. A cost of \$600,000 has been included in this alternative to fund these capital improvements. This Alternative includes a supervisory control and data acquisition (SCADA) unit to allow system monitoring and operational controls for the system. A cost of \$60,000 has been included in this section for SCADA infrastructure. Mobilization, demobilization and bonding costs are estimated to be approximately 10% of the total capital construction costs.

Estimated capital costs for this Alternative are shown in Table 4-3. Only developed parcels are used in this estimate. Undeveloped parcels will be required to connect to the proposed sewer collection system as they develop. Table 4-3 also includes costs associated with engineering, environmental documentation, construction management and a contingency fund.

Table 4-3 Alternative II: Capital Construction Costs

Item	Description	Quantity	Unit	Unit Cost	Total Cost
1	Mobilization, Demobilization, Bonds, Etc.	1	LS	\$690,000	\$690,000
2	6" Gravity Sewer Collection	3,800	LF	\$155	\$589,000
3	4" Force Main	27,016	LF	\$140	\$3,782,240
4	Manholes	10	EA	\$8,400	\$84,000
5	Lift Stations	1	EA	\$180,000	\$180,000
6	Connection Fee	53	EA	\$6,080	\$322,240
7	SCADA Controls	1	LS	\$60,000	\$60,000
8	Existing Septic Tank Destroy/Removal, New Sewer Lateral Addition	53	EA	\$12,000	\$636,000
9	Sewer Collection System/Wastewater Treatment Plant Upgrades	1	LS	\$600,000	\$600,000
Subtotal					\$6,943,480
Contingency		10%	of Subtotal		\$694,348
Engineering, Environmental, Construction Adm. (25%)		25%	of Subtotal		\$1,735,870
Total					\$9,373,698
Total Construction Cost per Active Connection ⁽¹⁾					\$176,862
Note:					
⁽¹⁾ \$9,373,698 / 53 Active Connections = \$176,862 per Active Connection					

4.3.4. O&M Costs

Annual O&M costs in this alternative will include administrative costs, preventive/corrective maintenance on the sewer collection system, preventive/corrective maintenance to the pump station, a monthly discharge fee charged by the City of Ceres and a capital reserve to fund the replacement of short-lived assets. Administrative costs include the costs associated to produce and mail monthly bills. Preventive/corrective maintenance on the collection system include the costs required to hydroflush the gravity collection system and a reserve to fund the replacement of valves, pipelines and other aspects of the force main and gravity system that can unexpectedly fail at any time. A cost of \$1000 has been included in this section to fund yearly hydro flushing and a cost of \$180,000 has been distributed across 20 years to fund the replacement of various parts of the collection system. Preventive/corrective maintenance to the pump station include annual cleaning, flushing and regulatory maintenance. Which is estimated to cost approximately 7% of the total capital construction cost of the pump station. A monthly discharge fee would be paid to the City for treatment and disposal of the community's wastewater. The discharge fee is approximately \$59 per month per residence. A capital reserve has been included in this section to fund the replacement of the pump station after its live expectancy, 10 years. This section includes a \$5,000 annual capital reserve to replace a \$50,000 pump after 10 years.

The total O&M costs are divided by the number of users in the system, 53, to determine the total annual cost per active connection. For this Alternative, it is assumed that the annual O&M costs will be shared among developed parcels. Table 4-4 displays the annual operation and maintenance fees associated with Alternative II.

Table 4-4 Alternative II: Annual O&M Costs

Item	Cost
Administrative Costs	\$ 5,000
Sewer Collection System	\$ 10,000
Pumping Stations	\$ 10,500
Discharge Fee	\$ 37,524
Capital Reserve	\$ 5,000
Total Annual O&M Cost	\$ 68,024
Total Annual O&M Cost per Active Connection ⁽¹⁾	\$ 1,283.47
Sewer Rate per Month ⁽²⁾	\$ 106.96
Note: ⁽¹⁾ \$68,024 / 53 Active connections = \$1,283.47 ⁽²⁾ \$1,283.47 / 12 Months = \$106.96	

4.3.5. Disposal

Alternative II does not require any wastewater disposal methods. Raw wastewater will be discharged into the City of Ceres sewer collection system and treated at the City's Wastewater Treatment Facility. The City of Ceres will be responsible for the treatment and disposal of the raw wastewater. The City currently disposes of their treated effluent into percolation ponds, as well as exportation to the City of Turlock's WWTP.

4.3.6. City of Ceres Wastewater Treatment Facility Treatment and Disposal Capacity

The overall capacity of the City of Ceres wastewater treatment and disposal facilities are limited based primarily on the disposal method chosen. These limitations are based on differing water quality criteria depending on the discharge location, permit or agreement limitations, intrinsic hydraulic capacity of the discharge location, and on the expected performance of the treatment system to meet the water quality requirements.

Discharge to On-site Percolation Ponds

The predicted hydraulic capacity limit, under long-term 100-year precipitation season conditions, of existing on-site disposal is limited to 2.8 mgd. However, the existing permit limits discharge to 2.5 mgd. To obtain the 2.8 mgd disposal capacity, the City would have to obtain a new permit. The existing permit does not limit effluent biochemical oxygen demand (BOD₅). It is anticipated that future permits will limit effluent BOD₅ discharged for on-site disposal to 40 mg/L on a 30-day average.

Discharge to the Turlock WWTP

The existing agreement with the City of Turlock limits the City's export to the Turlock WWTP to 2.0 mgd and contains limits for effluent BOD₅ and Total Suspended Solids (TSS) of 100 mg/L each.

Combined Discharge to On-site and Turlock WWTP

The combined hydraulic capacity for the on-site disposal and discharge to the Turlock WWTP is 4.5 mgd based on the existing on-site permit limit and agreement with Turlock. With discharge requirements on the effluent wastewater concentrations of BOD₅ and TSS, maximum concentration of 100 mg/L, being exported to the Turlock WWTP.

Depending on the degree of discharge to the Turlock WWTP and the City's ability to update current permit conditions, available capacity in existing facilities is summarized in Table 4-5, as documented in the 2013 City of Ceres Sewer Master Plan.

The limiting factor that determines the maximum capacity of the City of Ceres WWTP is the capacity of the disposal methods. If discharge to the Turlock WWTP is maximized, the existing WWTP capacity is limited to 4.5 mgd, according to the Master Plan.

Table 4-5 City of Ceres WWTP Treatment and Disposal Capacity

Discharge Type	Amount	Units
On-site Percolation Ponds	2.5	mgd
Turlock WWTP	2	mgd
Combined	4.5	mgd

4.3.7. Community Issues/Environmental Impacts

Construction of a community sewer collection system will likely produce temporary disruptions on traffic. Alternative II will likely encounter the following environmental issues which will carefully be addressed in the Mitigated Negative Declaration (MND):

- Roadway disruptions during construction of force mains. Traffic will likely be rerouted and access to individual homes constrained for short periods. Careful noticing will be required.
- Pump stations and standby power facilities may require visual mitigation depending upon location.
- Odor control facilities may be required at the pump station.
- Permitting and regulatory requirements for crossing canals and waterways may be required.

4.3.8. Contractual Issues

The MPTCSD will enter into a sewer service agreement with the City of Ceres to accept the discharge of wastewater generated from the community. The City of Ceres has an agreement with the City of Turlock to allow discharge of the treated effluent wastewater to the Turlock WWTP. Approval from both entities may be required before discharge can be approved.

4.4. Alternative III: Community Sewer Collection System with a Centralized Wastewater Treatment Facility

This alternative consists of constructing a community sewer collection system to convey wastewater to a centralized location and a new WWTP for treatment and disposal of the wastewater. The sewer collection system would have a similar scope as the one proposed for Alternative II. The sewer collection system would require approximately 3,800 linear feet of gravity collection mains and 10 manholes. Figure 4-3 shows the preliminary layout of the sewer collection system for Alternative III and the proposed location of the centralized WWTP.

4.4.1. Siting

It is estimated that approximately 0.5 to 1 acres of land would be sufficient to house the centralized treatment units, as well as the leach fields required for disposal. The treatment plant optimal placement would be within the MPTCSD service area to avoid high land acquisition costs related to purchasing farmland from the surrounding region. Due to the general topography of the area, the preferred location for a WWTP would be on two parcels of land located in the northern region of the community. The MPTCSD owns the lower proposed parcel and would have to purchase the upper parcel in order to meet the land requirements stated above.

These are the only vacant lots with the MPTCSD that has sufficient acreage to house the treatment facility. If this location was not available, the MPTCSD would need to purchase the land in the vicinity of the community to house the centralized treatment facility.

4.4.2. Treatment Technologies

There are multiple alternative treatment processes that can be used to treat domestic wastewater generated from a small community. Most of that WWTPs that have been created for small communities use package wastewater treatment facilities because of the simplicity and reliability associated with the units. Orenco offers advanced wastewater treatment systems that are perfect for rural environments that require advanced treatment and disposal capable of meeting standards set by regulatory agencies.

Orenco offers many different sized advanced treatment units based on the population of the region and the purpose of the treatment unit. The AdvanTex AX-Max Treatment System would be recommended for this Alternative. The AdvanTex AX-Max is a packaged WWTP that offers sizes varying from 14 to 42 feet long and approximately 7 to 8 feet wide depending on the length of the unit. The AdvanTex AX-Max 42 and 35-foot-long treatment units would be recommended due to the maximum size of the Monterey Park Tract community and the area of textile required for efficient treatment.

The packaged WWTP would include one 10,000 gallon Xerxes septic tanks before the AdvanTex AX-Max treatment units and two 20,000-gallontanks for the AdvanTex Units.

Monitoring of process operation and performance of the treatment units would be necessary. System controls are necessary for controlling pumps, alarms, and other process equipment. This alternative will utilize a TCOM control system to monitor the performance and process operations of the centralized treatment units.

Monterey Park Tract
SEWER COLLECTION AND TREATMENT IMPROVEMENTS
FEASIBILITY STUDY



LEGEND

- 4" SEWER PIPELINE
- 6" SEWER MAIN
- WWTP LOCATION BOUNDARY



SCALE IN FEET

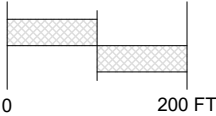


FIGURE 4-3
PROPOSED MPTCSD GRAVITY
SEWER COLLECTION SYSTEM
WITH A CENTRALIZED WWTP

The leach field required for the centralized treatment system would be sized based on the California Plumbing Code. The maximum wastewater generation for the MPTCSD is approximately 20,000 gpd. The California Plumbing Code also requires 20 square feet of leaching area for every 100 gallons for coarse sand soil types, or 4,000 square feet for 20,000 gallons. Figure 4-4 displays the potential layout of Alternative III. An additional leach field would be constructed for redundancy and because leach fields only have a life expectancy of approximately 20 years. Once the first leach field shows signs of failing, it can be transitioned to the new leach field while the failing one is repaired.

The Basin Plan designates the Municipal beneficial use of the underlying groundwater because it is used for potable water purposes. In order to protect the beneficial use, the wastewater going to the leach field would be required to have 10 mg/l or less of total nitrogen. The Orenco AdvanTex AX-Max is capable of treating wastewater to that standard.

4.4.3. Capital Costs

Capital costs for this alternative include the construction of 3,800 LF of gravity sewer mains, the purchase and installation of two Orenco AX-Max treatment units, two 20,000 gallon Xerxes septic tanks, one 10,000 gallon Xerxes septic tank, the construction of two new centralized leach fields, one active and one for redundancy, and the acquisition of adjacent land for the placement of the proposed treatment facility.

The costs associated with the construction of the collection system are similar to those used in Alternative II and include the costs of gravity sewer mains and manholes. The cost of an advanced wastewater treatment unit depends on the selected supplementary treatment technology manufacturer and how the effluent is disposed. During the preparation for this Study, a quote was requested from Orenco to determine the costs associated to furnish and install two AdvanTex AX-Max wastewater treatment units and three Xerxes septic tanks. This estimate can be found in Appendix E of this report. A cost of \$12,000 per connection has been included in this alternative to remove/dispose of the existing septic systems and construct a new sewer lateral out of each property. New laterals must be replaced simultaneously with the sewer system upgrades. The estimated cost, \$216,000, to install the two new centralized leach fields include construction costs, as well as, start up and permitting fees. A cost of \$180,000 has been estimated to purchase the upper parcel of land for the proposed siting of the treatment facility. Mobilization, demobilization and bonding costs are estimated to be approximately 10% of the total capital construction costs.

Table 4-6 displays the estimated capital costs to construct this alternative. Only developed parcels are used in this estimate. Undeveloped parcels will be required to connect to the proposed sewer collection and treatment system as they develop. Table 4-6 also includes costs associated with engineering, environmental documentation, construction management and a contingency fund.

MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS FEASIBILITY STUDY

LEGEND

- PROPERTY LINES
- SANITARY SEWER PIPELINE
- LEACH FIELD PIPELINES
- ROADWAYS
- LEACHING AREA (TRENCH)

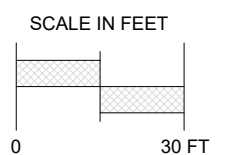


FIGURE 4-4
PROPOSED CENTRALIZED
WWTP SITE PLAN

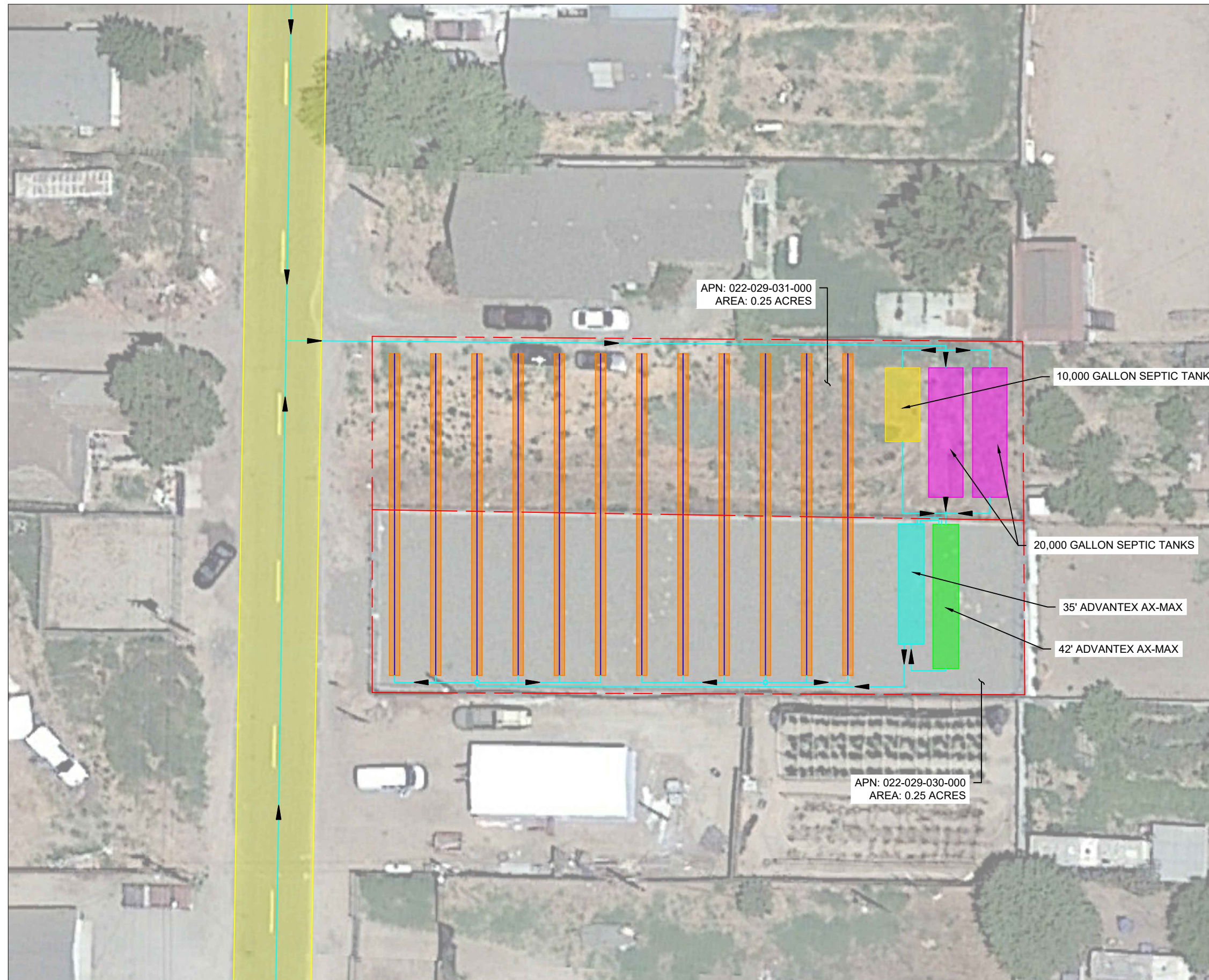


Table 4-6 Alternative III: Capital Construction Costs

Item	Description	Quantity	Unit	Unit Cost	Total
1	Mobilization, Demobilization, Bonds, Etc.	1	LS	\$360,000	\$360,000
2	6" Gravity Sewer Collection	3,800	LF	\$155	\$589,000
3	Manholes	10	EA	\$8,400	\$84,000
4	Orenco AdvanTex AX-Max, 42' long	1	LS	\$1,006,611	\$1,006,611
5	Orenco AdvanTex AX-Max, 35' long	1			
6	TCOM Control Panel	1			
7	Anti-floatation Equipment	2			
8	Delivery	1			
9	Xerxes Septic Tank, 20,000 Gal	2	LS	\$544,943	\$544,943
10	Xerxes Septic Tank, 10,000 Gal	1			
11	Orenco Pumping Package, 50 gpm	1			
12	Anti-floatation Equipment	3			
13	Delivery	1			
14	New Leach Field	2	LS	\$108,000	\$216,000
15	Existing Septic Tank Destroy/Removal, New Sewer Lateral Addition	53	EA	\$12,000	\$636,000
16	Land Acquisition	1	EA	\$180,000	\$180,000
				Subtotal	\$3,616,554
Contingency		10%	of Subtotal		\$361,655
Engineering, Environmental, Construction Adm. (25%)		25%	of Subtotal		\$904,138
				Total	\$4,882,348
				Total Construction Cost per Active Connection ⁽¹⁾	\$92,120
Note:					
⁽¹⁾ \$4,882,348 / 53 Active Connections = \$92,120 per Active Connection					

4.4.4. O&M Costs

O&M costs for this alternative will include administrative costs, as described in Alternatives I and II, preventive/corrective maintenance of the sewer collection system, annual O&M costs associated with the centralized treatment facility and a capital reserve to fund the replacement of short-lived assets.

Maintenance of the sewer collection system requires costly equipment such as a vacuum truck and a hydro flusher. The table below includes the maintenance costs associated with contracting someone to perform these costly maintenance actions and funding the replacement of various valves, pipelines and other aspects of the sewer collection system. A cost of \$1000 has been included in this section to fund yearly hydro flushing and a cost of \$180,000 has been distributed across 20 years to fund the replacement of various parts of the collection system.

The O&M costs for the treatment facility will include labor, energy, cleaning, pumping of both the AdvanTex AX-Max units and the Xerxes septic tanks and general repairs. In terms of labor, the centralized wastewater treatment unit will require a part time operator. To make the treatment unit more sustainable, Orenco has developed a way to operate the AdvanTex AX-Max using less than 2 kWh per 1000 gallons of wastewater treated. A cost of 5 percent of the equipment cost of the centralized treatment facility is estimated to fund the annual O&M costs. A capital reserve has been included in this alternative to fund the replacement of short-lived assets for both the AdvanTex AX-Max and the Xerxes septic tanks. Short lived assets for both include the replacement of pumps, floats, and valves. Table 4-7 contains the estimated annual costs associated with Alternative III.

Table 4-7 Alternative III: Annual O&M Costs

Item Description	Total Cost
Administration	\$5,000
Sewer Collection System	\$10,000
WWTP Operations/Maintenance	\$25,500
Capital Reserve	\$4,000
Total Annual O&M Cost	\$44,500
Total Annual O&M Cost per Active Connection ⁽¹⁾	\$839.62
Sewer Rate per Month ⁽²⁾	\$69.97
Note: ⁽¹⁾ \$44,500 / 53 Active connections = \$839.62 ⁽²⁾ \$839.62 / 12 Months = \$69.97	

4.4.5. Disposal

Treated effluent from the MPTCSD wastewater treatment unit will be disposed of through a newly constructed leach field. The new leach field will be consistent with new regulation and standards for the Stanislaus county and the RWQCB.

4.4.6. Community Issues/Environmental Impacts

Constructing a centralized community wastewater treatment facility will require cooperation with the residents near the recommended location. The recommended site is the only rural and vacant location within the MPTCSD that is large enough to house both the wastewater treatment units and the new leach field. The recommended location of the treatment unit may provoke opposition from neighbors who fear aesthetic impacts from the plant. If this problem arises, the AdvanTex AX-Max can be partially buried to reduce the footprint of the unit within the community. Additionally, odor control and impacts from maintenance personnel and sludge hauling truck traffic must be carefully considered.

4.5. Alternative IV: Wastewater Consolidation with Keyes Community Services District

Keyes CSD was established in 1955 as a local government agency under California Government Code Section 61000, et. seq., for the purpose of providing sewer, water and street lighting to the community of Keyes, an unincorporated area of Stanislaus County. The sanitary sewer system is publicly owned and operated. Keyes CSD generates approximately 0.35 MGD on average, dry weather, and 0.5 MGD on maximum, wet weather. The Keyes CSD sanitary sewer system consists entirely of a community wide sewer collection system and a centralized lift station located at the north end of Foote road. The lift station conveys the community wastewater to the adjacent City of Turlock for ultimate treatment and disposal. The lift station is currently being upgraded to have a 1 MGD discharge capacity by replacing the existing pumps with two new 70 HP Flygt submersible pumps. These new pumps will be capable to meet the additional capacity introduced by consolidation with the MPTCSD. Figure 4-5 displays the location of the Keyes CSD lift station and the discharge alignment to the City of Turlock WWTP. This discharge pipeline travels as force main from the Keyes CSD lift station to Monte Vista Ave, where it transitions to a gravity pipeline until it reaches Tuolumne Road. At Tuolumne Road, it taps into the City of Turlock's sewer collection system.

Expansion of the Keyes CSD has been impeded due to the capacity limitations set by the City of Turlock and the sewer lift station. The City of Turlock has set a flow limitation of 0.513 MGD of wastewater and must meet or exceed the wastewater quality discharge limitations listed in Table 4-8.

Table 4-8 Keyes CSD Wastewater Quality Discharge Limitation

Wastewater Quality Parameter	Concentration
BOD	1,200 lbs/day
Suspended Solids	1,697 lbs/day
pH	5.5 - 10.5

The City of Turlock charges the Keyes CSD a variable rate based on the amount of wastewater discharged to the City of Turlock's WWTP. This rate fluctuates based on the time of year. For this reason, close coordination between both Keyes CSD and the City of Turlock will be required.

Consolidation of the MPTCSD wastewater with Keyes CSD will involve the construction of a community wide sewer collection system within the MPTCSD that will lead to a new lift station. The lift station will discharge into a new force main that will convey the MPTCSD wastewater to the Keyes CSD sewer collection system and ultimately to the City of Turlock WWTP.

The MPTCSD community sewer collection system proposed in Alternative II will be utilized in Alternative III. The MPTCSD residential wastewater will be gravity fed through approximately 3,800 linear feet of sewer pipe to a centralized lift station, as shown in Figure 4-1. The lift station will discharge into a 7.8-mile-long force main that will convey the MPTCSD waste to the Keyes CSD lift station where it will be directed to the City of Turlock WWTP. The proposed alignment can be observed in Figure 4-6.

MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS FEASIBILITY STUDY

LEGEND



KEYES CSD LIFT STATION



CITY OF TURLOCK SERVICE
AREA BOUNDARY



KEYES CSD SERVICE AREA
BOUNDARY



EXISTING FORCE MAIN



EXISTING GRAVITY PIPELINE



SCALE IN FEET

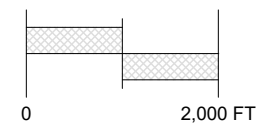
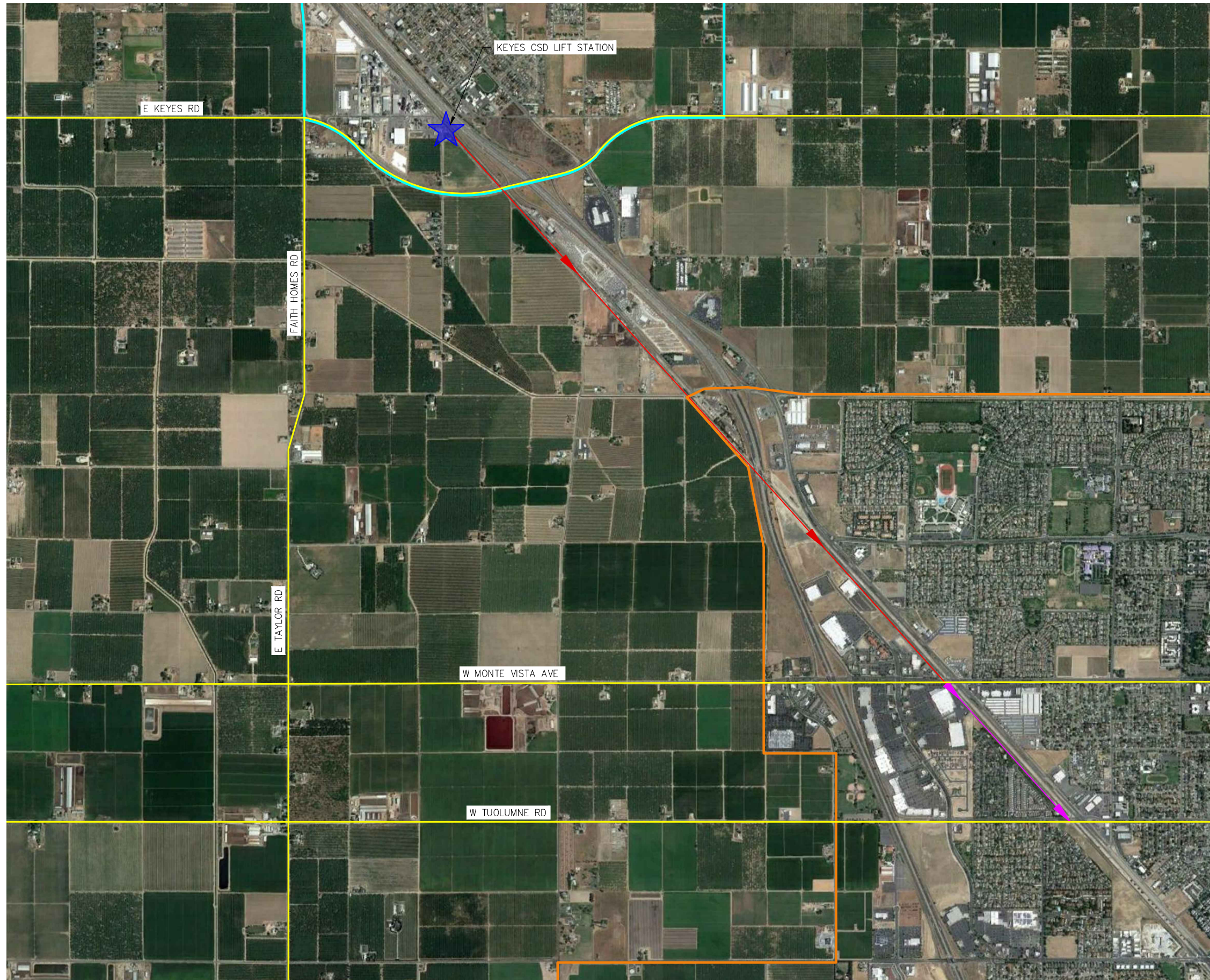


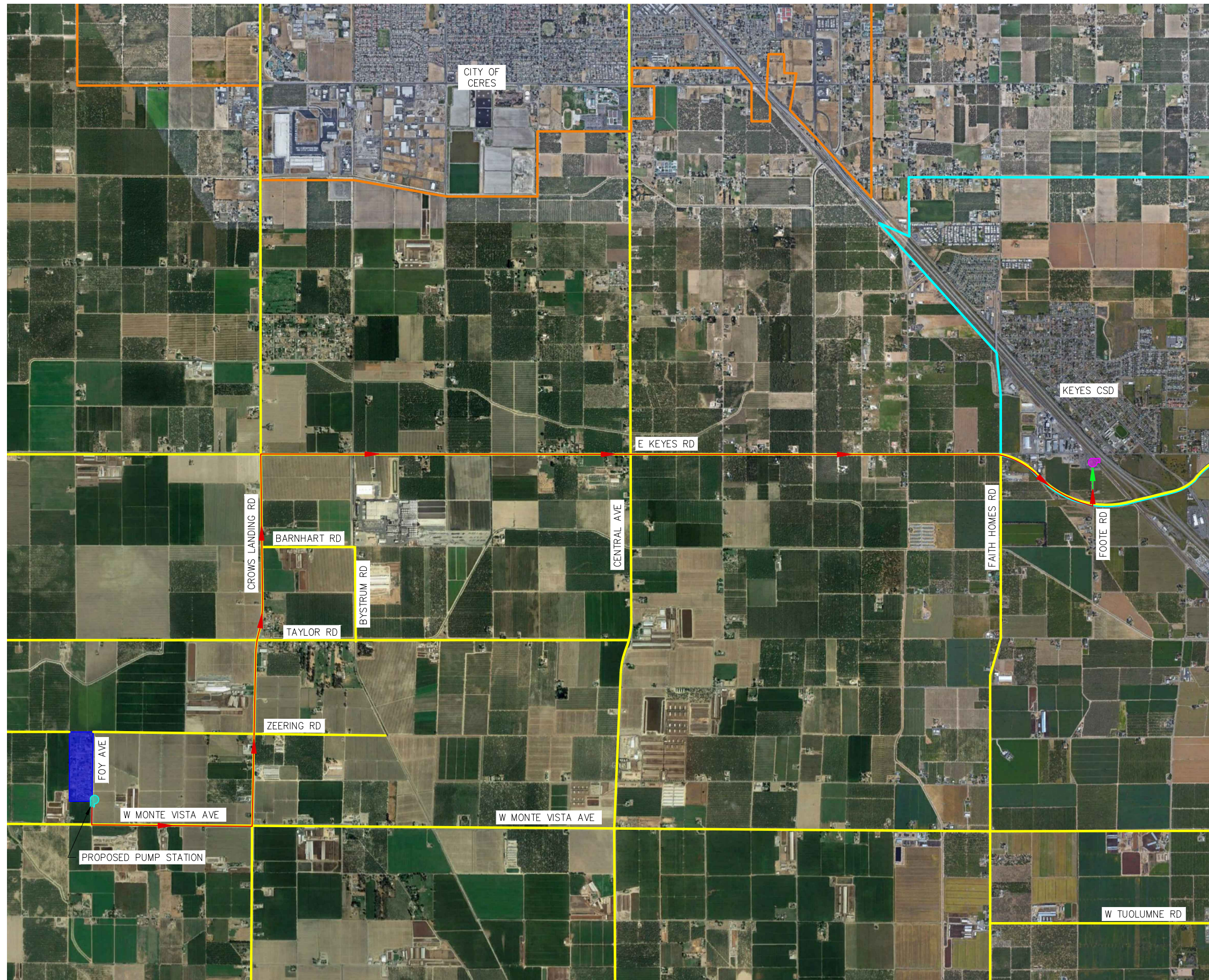
FIGURE 4-5
KEYES CSD SEWER LIFT STATION
LOCATION AND DISCHARGE
ALIGNMENT



MONTEREY PARK TRACT

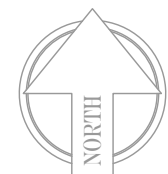
SEWER COLLECTION AND TREATMENT IMPROVEMENTS

FEASIBILITY STUDY



LEGEND

- KEYES CSD SERVICE AREA BOUNDARY
- CITY OF CERES SERVICE AREA BOUNDARY
- MPTCSD SERVICE AREA
- PROPOSED MPTCSD LIFT STATION
- EXISTING KEYES CSD LIFT STATION
- > PROPOSED 4" FORCE MAIN
- > EXISTING SEWER PIPELINE
- ROADWAYS



SCALE IN FEET

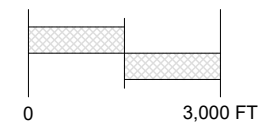


FIGURE 4-6
PROPOSED MPTCSD TO KEYES
CSD CONSOLIDATION FORCE MAIN
ALIGNMENT

The force main is assumed to be installed within the existing right-of-way using mainly conventional pipe trenching methods. Directional drilling or trenchless construction (i.e. bore and jack) may be required under major traffic routes, railroads, canals, or other waterways.

Consolidation with the Keyes CSD will require a startup connection fee as well as a monthly discharge fee based on the metered flows discharged into the system. The startup connection and monthly discharge fee will be agreed upon by both the Key CSD and the City of Turlock. This Alternative is consistent with RWQCB policies that encourage consolidation with a larger utility whenever feasible. This alternative will require that the MPTCSD authority expand their services to include sewer service in order to remain independent.

The Keyes CSD lift station is currently being upgraded. With the addition of these upgrades, the Keyes CSD pumping capacity will accommodate the additional wastewater flows provided by the MPTCSD. The Keyes CSD is currently experiencing excessive odor at the transition point from their force main to their gravity system that directs the Districts wastewater to the City of Turlock. To reduce the odor, the District has determined that the addition of oxygen via a Anue Water Technologies' Forse 2 system at the Keyes CSD lift station would reduce this problem. For this reason, this Alternative will include the addition of a new Anue Water Technologies' FORSe 2 system. The proposed oxygenation system will require additional site improvements such as a new concrete masonry unit (CMU) building.

4.5.2. Reliability

Consolidation with the nearby Keyes CSD would reduce MPTCSD maintenance responsibilities and increase overall system reliability. Gravity fed sewer collection systems, if designed and constructed correctly, have minimal maintenance requirements. Maintenance required on the proposed sewer collection system would include primarily annual hydro flushing to remove grease, rags and other built up material within the pipelines. The pumps used to pump the MPTCSD wastewater to the neighboring Keyes CSD have long service lives and can be increased with proper annual maintenance. Proposed annual maintenance on the pump station would include cleaning, flushing and regulatory maintenance. The required maintenance on the proposed system would be spelled out in the new MPTCSD sewer services and a contract worker would be appointed this responsibility.

To increase reliability, the proposed pump station would be equipped with an emergency generator that would power the system during outages to the grid, as well as two chopper pumps, one active and one redundant, each capable to meet the estimated peaks flows. The pump station would be housed in a secure building and fitted with instrumentation and controls to remotely monitor the station to ensure optimal functionality.

4.5.3. Capital Costs

The capital construction costs associated with consolidation to the Keyes CSD will include a startup connection fee imposed by the District, construction of the gravity collection system within the MPTCSD, a lift station to convey the MPTCSD wastewater to the neighboring District and a force main to physically transport the waste to the Keyes CSD lift station. The District would charge a startup connection fee of \$3,050 per household. The estimated capital construction cost for the gravity sewer collection network was determined using the unit costs of \$155 per LF of 6" gravity pipeline and \$8,400 per manhole. A unit

cost of \$140 per LF of force main was incorporated into this Report to estimate the capital construction costs associated with the force main. The estimated cost to furnish and install the new pump station is approximately \$180,000. The pump station will be equipped with a SCADA system for remote monitoring of the pump station. The SCADA system is estimated to cost \$60,000. A cost of \$12,000 per connection has been included in this alternative to remove/dispose of the existing septic systems and construct a new sewer lateral out of each property. New laterals must be replaced simultaneously with the sewer systems upgrades. The proposed Anue Water Technologies' FORSe 2 system is estimated to cost approximately \$660,600. This cost includes equipment procurement, estimated tax, shipping, startup supervision, installation, and the construction of a new CMU building to mount and protect the proposed equipment. Mobilization, demobilization and bonding costs are estimated to be approximately 10% of the total capital construction costs.

Estimated capital costs for this Alternative are shown in Table 4-9. Only developed parcels are used in this estimate. Undeveloped parcels will be required to connect to the proposed sewer collection and disposal system as they develop. Table 4-9 also includes costs associated with engineering, environmental documentation, construction management and a contingency fund.

Table 4-9 Alternative IV: Capital Construction Costs

Item	Description	Quantity	Unit	Unit Cost	Total Cost
1	Mobilization, Demobilization, Bonds, Etc.	1	LS	\$900,000	\$900,000
2	6" Gravity Sewer Collection	3,800	LF	\$155	\$589,000
3	4" Force Main	41,200	LF	\$140	\$5,768,000
4	Manholes	10	EA	\$8,400	\$84,000
5	Lift Stations	1	EA	\$180,000	\$180,000
6	SCADA Controls	1	EA	\$60,000	\$60,000
7	Connection Fee	53	EA	\$3,050	\$161,650
8	Existing Septic Tank Destroy/Removal, New Sewer Lateral Addition	53	EA	\$12,000	\$636,000
9	Anue Water Technologies FORSe 2 Oxygenation System	1	EA	\$660,600	\$660,600
Subtotal					\$9,039,250
Contingency		10%	of Subtotal		\$903,925
Engineering, Environmental, Construction Adm. (25%)		25%	of Subtotal		\$2,259,813
Total					\$12,202,988
Total Construction Cost per Active Connection ⁽¹⁾					\$230,245
Note:					
⁽¹⁾ \$12,202,988 / 53 Active Connections = \$230,245 per Active Connection					

4.5.4. O&M Costs

The Keyes CSD has voiced their unwillingness to take on the maintenance responsibilities of the new interconnection infrastructure. For this reason, the annual O&M costs for this Alternative include administrative costs, preventive/corrective maintenance on the sewer collection system, preventive/corrective maintenance to the pump station, a monthly discharge fee paid to the Keyes CSD and a capital reserve to fund the replacement of short-lived assets. The costs associated with producing and distributing monthly bills is included in the administrative costs line item and has been estimated to be approximately \$5,000. Preventive/corrective maintenance on the sewer collection system includes a cost of \$1000 to fund annual hydro flushing and a cost of \$180,000 has been distributed across 20 years to fund the replacement of various parts such as valves, pipelines and other apparatus associated with the collection system. Preventive/corrective maintenance to the pump station include annual cleaning, flushing and regulatory maintenance. Annual maintenance on the pumping station has been estimated to be \$10,500. A monthly discharge fee of \$64.23 would be paid to the District for providing sewer service to the MPTCSD. This is the same flat rate that the Keyes CSD residents pay per month. A capital reserve has been incorporated into this Alternative to fund the replacement of the \$50,000 pumps, included in the new MPTCSD lift station, after its service life had been reached. The proposed pumps have been estimated to have a service life of approximately 10 years and for this reason, an annual cost of \$5,000 has been included in this Alternative.

The total annual estimated O&M costs were divided by the number of active service connection to determine the total annual cost per connection. For Alternative IV, it is assumed that the annual O&M costs will be shared among developed parcels, 53 units. Table 4-10 displays the annual operation and maintenance fees associated with Alternative IV.

Table 4-10 Alternative IV: Annual O&M Costs

Item	Cost
Administrative Costs	\$ 5,000
Sewer Collection System	\$ 10,000
Pumping Stations	\$ 10,500
Discharge Fee	\$ 40,850
Capital Reserve	\$ 5,000
Total Annual O&M Cost	\$ 71,350
Total Annual O&M Cost per Active Connection ⁽¹⁾	\$1,346.23
Sewer Rate per Month ⁽²⁾	\$ 112.19
Note: ⁽¹⁾ \$71,350 / 53 Active connections = \$1,346.23 ⁽²⁾ \$1,346.23 / 12 Months = \$112.19	

4.5.5. Community Issues/Environmental Impacts

The improvements proposed in Alternative IV will require community coordination and assessment of environmental impacts. The community impacts included, but are not limited to, traffic disruptions and temporary shutdowns during construction tie in.

Environmental impacts will be thoroughly assessed in a MND. The MND will address roadway disruptions cause by the construction of both the gravity and force main pipelines, impacts due to the construction of the pump station, the placement of the emergency generator, odor control and permitting/regulations for crossing canals and major roadways.

4.5.6. Contractual Issues

The MPTCSD will enter into a sewer service agreement with the Keyes CSD to accept the MPTCSD wastewater. The Keyes CSD has an agreement with the City of Turlock that limits the volume and quality of wastewater discharged to the City of Turlock. Approval from both entities may be required before discharge can be approved.

4.6. Alternative V: Wastewater Consolidation with the Stanislaus County Public Safety Center

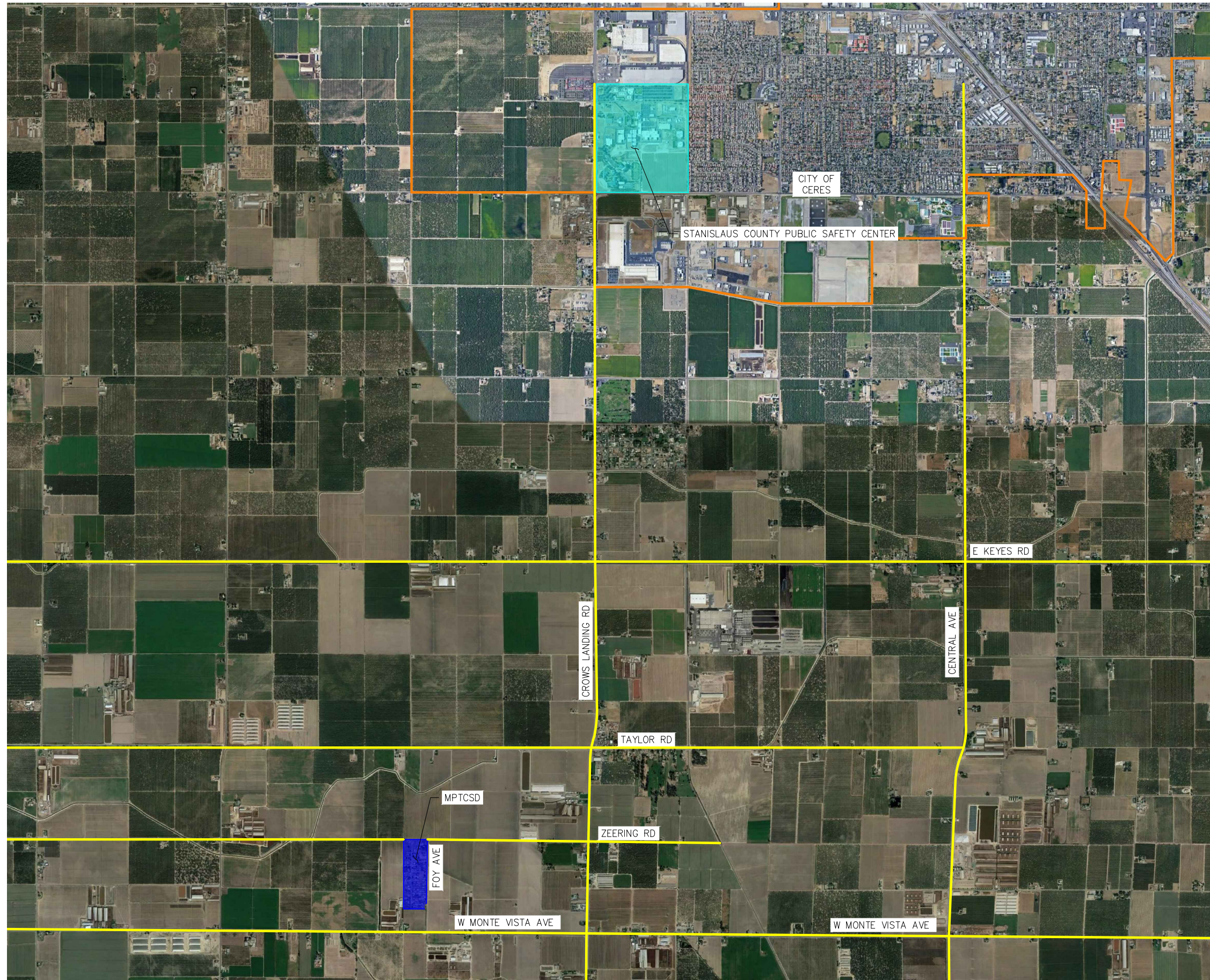
Alternative V proposes consolidation with the Stanislaus County Public Safety Center (SCPSC). The SCPSC is located at the intersection of Crows Landing Rd and W. Service Rd approximately 4.5 miles north of the MPTCSD. More specifically, the SCPSC is located at 200 Hackett Rd, Modesto, CA 95358. Figure 4-7 displays the SCPSC general location in relation to the MPTCSD. The SCPSC currently has a massive screening issue, as the SCPSC collects all of the wastewater from the SCPSC and the surrounding prisons. The SCPSC sewer collection system consists of two primary comminutors, a larger final comminutor and a single main lift station, equipped with two 500 gpm submersible pumps, that collects all of the shredded wastewater and directs it to the City of Modesto Sutter WWTP for ultimate treatment and disposal. Figure 4-8 displays the existing SCPSC sewer collection system layout. As the prison facilities flush a ton of thin plastics sheets, toothbrushes, and large objects, the SCPSC experiences frequent clogging within all three of their comminutors. As a repercussion of the comminutors clogging, the SCPSC must physically remove the accumulated solids and dispose of them manually at the City of Modesto's WWTP. As the facility is receiving more inorganic solids than expected and due to the frequent clogging of the comminutors allowing solids to bypass the grinding systems, the main lift station accumulates a thick film of solids within the top few feet of the lift station. As the submersible pump located at the bottom of the lift station is unable to break up the large solids film to conveyed them to the City of Modesto's WWTP, the solids must be physically removed via a vacuum truck once a month. The vacuumed solids are then delivered to the City of Modesto WWTP directly for disposal. The City of Modesto has expressed that they are nearing the end of accepting the SCPSC solid waste as it is a nuisance to dispose of. If a resolution is not found in the near future, the SCPSC will be left without means of proper disposal.

Based on the information stated above, the SCPSC has voiced that for consolidation to be feasible, a new screening facility would need to be constructed onsite that is capable of replacing both of the existing primary comminutors. The proposed new screening facility would consist of the addition of a new auger screen coupled with a washer/compactor capable of handling the system peak demand, 500 gpm. The new screening facility would be housed in a secure building located along Hackett Rd just east of the intersection of Crows Landing Rd and Hackett Rd. The proposed location, with additional proposed piping improvements, can be seen in Figure 4-9. The new screening facility was proposed by AM Consulting Engineers and approved by Black Water Engineering, SCPSC appointed project engineers. The SCPSC expressed that they do not have the manpower to operate the proposed new screening facility and that if this screening infrastructure was installed, the County would require the City of Modesto take control over the PSC lift station and new screening facility. The SCPSC would not permit the MPTCSD to hire a contract operator to operate and maintain the proposed screening facility due to the inability of a contract operator to tend to frequent night alarms. The City of Modesto will not willingly agree to take over the proposed new infrastructure and as a repercussion, would need to be mandated if the alternative is proven feasible. If the City of Modesto does not accept the operation of the lift station and new screening facility, the SCPSC would deny consolidation with MPTCSD.

Alternative V assumes that the City of Modesto would agree to operate and maintain the proposed new screening facility and SCPSC lift station for a monthly fee. Alternative V includes the construction of a

MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS FEASIBILITY STUDY



LEGEND

- CITY OF CERES SERVICE AREA BOUNDARY
- MPTCSD SERVICE AREA
- SCPSC LOCATION
- ROADWAYS



SCALE IN FEET

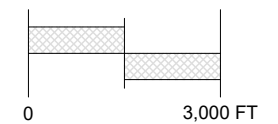
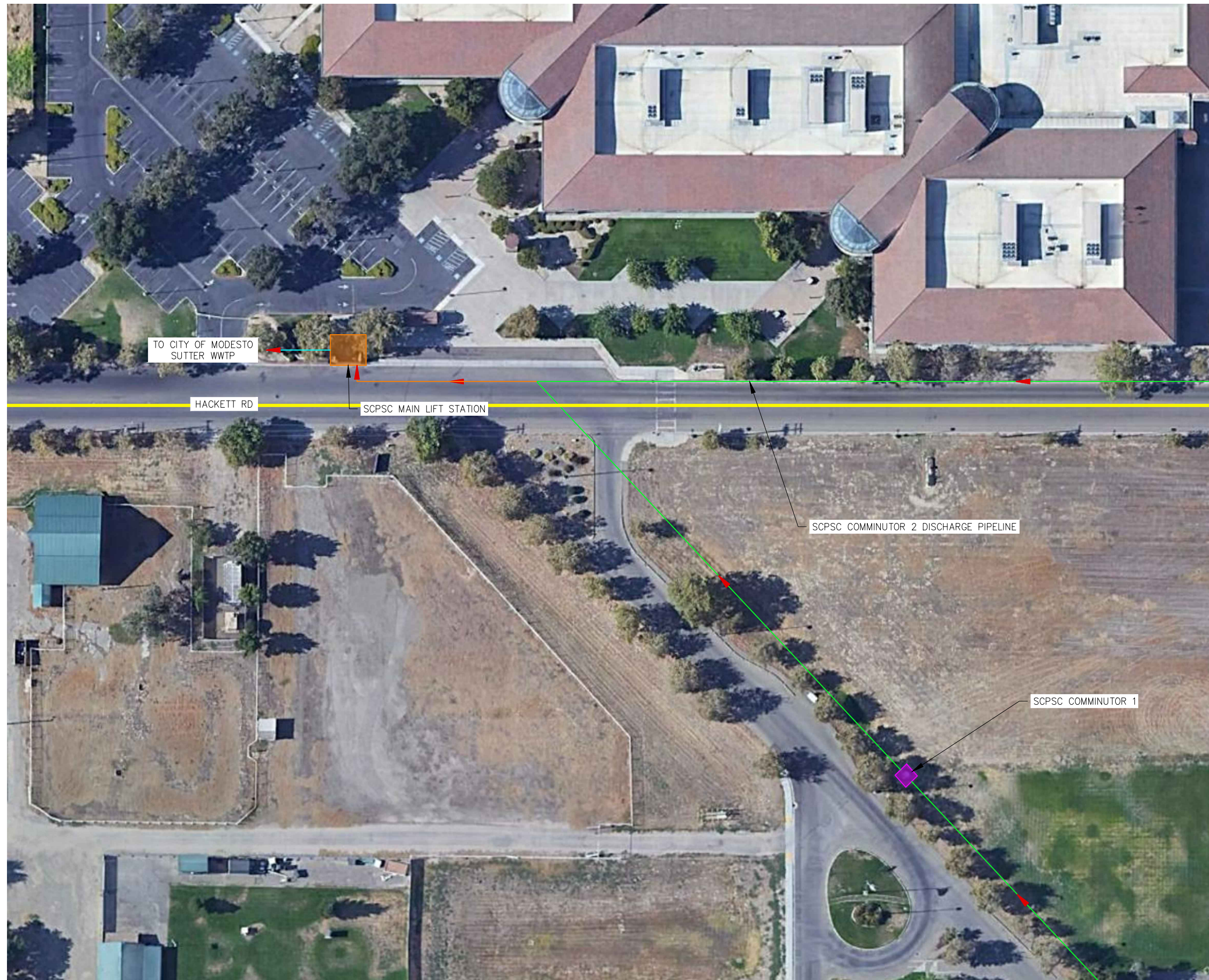


FIGURE 4-7
SCPSC GENERAL LOCATION

MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS FEASIBILITY STUDY



LEGEND

- 10" GRAVITY PIPELINE
- 8" FORCE MAIN
- 6" GRAVITY PIPELINE
- SCPSC MAIN LIFT STATION
- SCPSC PRIMARY COMMUNUTOR
- MAJOR ROADWAYS



SCALE IN FEET

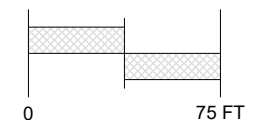


FIGURE 4-8
SCPSC EXISTING SEWER
INFRASTRUCTURE

MONTEREY PARK TRACT

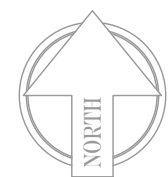
SEWER COLLECTION AND TREATMENT IMPROVEMENTS

FEASIBILITY STUDY



LEGEND

- 10" GRAVITY PIPELINE
- 8" FORCE MAIN
- 6" GRAVITY PIPELINE
- 4" MPTCSD FORCE MAIN
- SCPSC MAIN LIFT STATION
- SCPSC PRIMARY COMMUNITOR
- SCPSC NEW SCREENING FACILITY
- MAJOR ROADWAYS



SCALE IN FEET

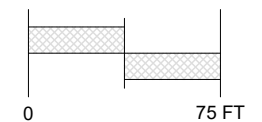


FIGURE 4-9
SCPSC PROPOSED SCREENING
FACILITY LOCATION AND
COLLECTION SYSTEM
IMPROVEMENTS

community wide sewer collection system within the MPCTSD, a centralized lift station within the MPTCSD, a force main to physically connect the MPTCSD to the SCPSC, a new screening facility and replacement of the two existing submersible pumps at the SCPSC main lift station.

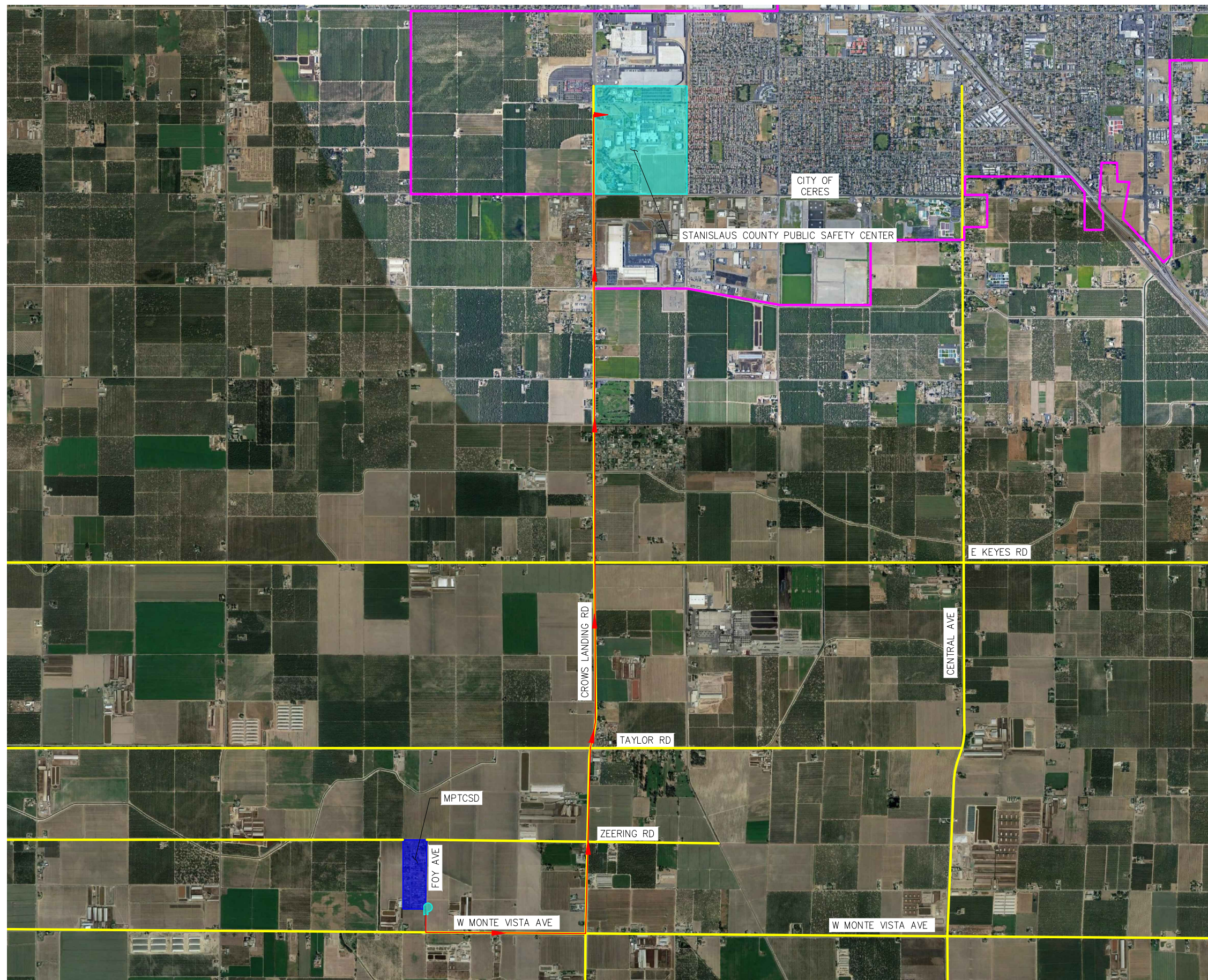
The MPTCSD gravity sewer collection would be the same as Alternative's 2, 3 and 4 and would consist of a network of conventional gravity sewer mains and manholes. Wastewater will flow by gravity from the individual properties into the sewer mains and be collected at a single lift station at the southeast corner of the MPTCSD. The lift station would be equipped with two chopper pumps to chop up solids prior to discharging into the force main. This will reduce overall maintenance costs and clogging issues within the force main. The lift station would be equipped with SCADA monitoring sensors to allow operators to remotely monitoring and control the facility. Float switches would also be installed so that the lift station would function automatically. The MPTCSD lift station would discharge into an approximately 6-mile long 4" force main that would direct the community's wastewater directly into the new screening facility at the SCPSC. The force main is assumed to be installed within the existing right-of-way using mostly conventional pipe trenching methods. Directional drilling or trenchless construction (i.e. bore and jack) may be required under major traffic routes, canals, or other waterways. The force main will be installed to maintain a minimum cover of at least 3 feet following the natural contouring of the ground. The proposed alignment for the force main can be observed in Figure 4-10.

Discharging into the SCPSC and ultimately into the City of Modesto Sutter WWTP would require a startup connection fee and a monthly discharge fee for connecting to the system. Alternative V is consistent with RWQCB policies that encourage consolidation with a larger utility whenever feasible. This alternative would require that the MPTCSD authority expand their services to include sewer service in order to remain independent from the City of Modesto.

MONTEREY PARK TRACT

SEWER COLLECTION AND TREATMENT IMPROVEMENTS

FEASIBILITY STUDY



LEGEND

- CITY OF CERES SERVICE AREA BOUNDARY
- MPTCSD SERVICE AREA
- SCPSC LOCATION
- 4" FORCE MAIN
- ROADWAYS
- PROPOSED MPTCSD LIFT STATION



SCALE IN FEET

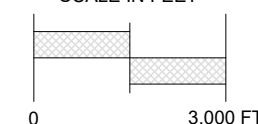


FIGURE 4-10
MPTCSD FORCE MAIN ALIGNMENT
TO SCPSC

4.6.2. Reliability

A community wide gravity sewer collection system that discharges into a municipal WWTP is a sustainable treatment and disposal method that offers more affordable sewer rates for the residents, as well as ensures proper operations and maintenance is performed to allow the system to operate at its optimal potential and continuously meet the prescribed waste discharge standards. New gravity sewer collection systems, if designed correctly, require little maintenance and are very sustainable if route maintenance is performed. Annually, sewer collection systems should be thoroughly cleaned via hydro flushing to remove grease and other built-up materials within the pipelines.

Utilizing a pump station equipped with redundant pumps, SCADA controls and an emergency generator is a economical way to sustainably convey the community's raw wastewater. At a minimum, the pumping station would have one pump to accommodate peaks flows and a redundant pump in case of mechanical failure. Instrumentation and controls to enable remote monitoring of the facility and a building to house the electrical and mechanical equipment will also be installed.

The new screening facility being installed at the SCPSC shall be designed with simplicity and sustainability in mind. As it is known that the SCPSC experiences a large influx of solids, the proposed screening facility will be a robust designed capable of handling large solids. The facility will be equipped with a manual bypass bar screen that will be utilized if the auger screen and/or washer/compactor is down for maintenance or momentarily out of operation. The screening facility will be designed to utilize SCADA monitoring to ensure continuous operation is achieved.

4.6.3. Capital Costs

Capital costs for consolidation with the SCPSC include startup connection fees imposed by the City of Modesto, construction of a new gravity collection system within the MPTCSD, a centralized lift station that would provide sufficient head to convey the generated waste, via a 4" force main, to the SCPSC, replacement of the two existing 500 gpm submersible pumps at the SCPSC main lift station and the construction of a new screening facility. The City of Modesto would charge a startup connection fee of \$2,400 per connection. The estimated cost for the gravity sewer collection system was approximately \$155 LF and \$8,400 per manhole, while the estimated cost for the force main was approximately \$140 LF. The estimated capital cost to construct the proposed new centralized pump station is approximately \$180,000 based on the head required to convey the community's wastewater, construction of the new lift station with wet well and possible land acquisition. A cost of \$120,000 has been included in this alternative to fund the replacement of both of the existing submersible pumps at the SCPSC lift station. This cost includes furnish and installation costs. The new screening facility is estimated to cost approximately \$420,000. The new auger screen, washer/compactor and bypass screen are estimated to cost approximately \$210,000 based on previous project quotes and the growing costs regarding this infrastructure. It is estimated to cost approximately \$210,000 to construct the concrete channels for the auger and bypass screen, foundation for the building and construction of the new CMU building. The building will be surrounded by a fence and equipped with surveillance equipment. A cost of \$12,000 per connection has been included in this alternative to remove/dispose of the existing septic systems and construct a new sewer lateral out of each property. New laterals must be replaced simultaneously with the sewer systems upgrades. An estimated cost of \$60,000 has also been included in this alternative to

provide SCADA controls. Mobilization, demobilization and bonding costs are estimated to be approximately 10% of the total capital construction costs.

Estimated capital costs for this Alternative are shown in Table 4-11. Only developed parcels are used in this estimate. Undeveloped parcels will be required to connect to the proposed sewer collection and disposal system as they develop. Table 4-11 also includes costs associated with engineering, environmental documentation, construction management and a contingency fund.

Table 4-11 Alternative V: Capital Construction Costs

Item	Description	Quantity	Unit	Unit Cost	Total Cost
1	Mobilization, Demobilization, Bonds, Etc.	1	LS	\$710,000	\$710,000
2	6" Gravity Sewer Collection	3,800	LF	\$155	\$589,000
3	4" Force Main	30,000	LF	\$140	\$4,200,000
4	Manholes	10	EA	\$8,400	\$84,000
5	Lift Stations	1	EA	\$180,000	\$180,000
6	SCADA Controls	1	LS	\$60,000	\$60,000
7	Connection Fee	53	EA	\$2,400	\$127,200
8	Existing Septic Tank Destroy/Removal, New Sewer Lateral Addition	53	EA	\$12,000	\$636,000
9	Screening Facility	1	LS	\$420,000	\$420,000
10	SCPSC Lift Station Submersible Pump Replacement w/ Installation	2	EA	\$60,000	\$120,000
Subtotal					\$7,126,200
Contingency		10%	of Subtotal		\$712,620
Engineering, Environmental, Construction Adm. (25%)		25%	of Subtotal		\$1,781,550
Total					\$9,620,370
Total Construction Cost per Active Connection ⁽¹⁾					\$181,516
Note:					
⁽¹⁾ \$9,620,370 / 53 Active Connections = \$181,516 per Active Connection					

4.6.4. O&M Costs

Annual O&M costs in this alternative will include administrative costs, preventive/corrective maintenance on the sewer collection system, preventive/corrective maintenance to the MPTCSD pump station, preventive/corrective maintenance on the new screening facility, preventive/corrective maintenance on the SCPSC main lift station, a monthly discharge fee charged by the City of Modesto and a capital reserve to fund the replacement of short-lived assets. Administrative costs include the costs associated to produce and mail monthly bills. Preventive/corrective maintenance on the collection system include the costs required to hydroflush the gravity collection system and a reserve to fund the replacement of valves, pipelines and other aspects of the force main and gravity system that can unexpectedly fail at any time. A cost of \$1000 has been included in this section to fund yearly hydro flushing and a cost of \$180,000 has

been distributed across 20 years to fund the replacement of various parts of the collection system. Preventive/corrective maintenance to the pump station include annual cleaning, flushing and regulatory maintenance. A cost of \$10,500 has been estimated for this. It has been estimated that the new screening facility will require approximately 4 hours of attention per week. At a rate of \$120 per hour, an annual cost of 23,040 has been included in this alternative. As the SCPSC requires that the City of Modesto also operate and maintain the SCPSC main lift station, a cost of approximately 10,500 has been included in perform preventive/corrective maintenance on the lift station. A monthly discharge fee would be paid to the City of Modesto for treatment and disposal. The discharge fee is approximately \$50 per month per household. A capital reserve has been included in this section to fund the replacement of the MPTCSD pump station after its live expectancy, 10 years. This section includes a \$5,000 annual capital reserve to replace a \$50,000 pump after 10 years.

The total O&M costs are divided by the number of users in the system to determine the total annual cost per active connection. For Alternative V, it is assumed that the annual O&M costs will be shared among developed parcels. Table 4-12 displays the annual operation and maintenance fees associated with Alternative V.

Table 4-12 Alternative V: Annual O&M Costs

Item	Cost
Administrative Costs	\$ 5,000
Sewer Collection System	\$ 10,000
MPTCSD Pumping Stations	\$ 10,500
Screening Facility Operation/Maintenance	\$ 23,040
SCPSC Lift Station Operation/Maintenance	\$ 10,500
Discharge Fee	\$ 31,800
Capital Reserve	\$ 5,000
Total Annual O&M Cost	\$ 95,840
Total Annual O&M Cost per Active Connection ⁽¹⁾	\$ 1,808.30
Sewer Rate per Month ⁽²⁾	\$ 150.69
Note: ⁽¹⁾ \$71,350 / 53 Active connections = \$1,346.23 ⁽²⁾ \$1,808.30 / 12 Months = \$150.69	

4.6.5. Disposal

Proposed wastewater consolidation with the SCPSC will direct the MPTCSD raw wastewater to the City of Modesto Sutter WWTP, where it will be screened and pretreated prior to being discharged into the City of Modesto Jennings WWTP for ultimate treatment and disposal. The City of Modesto currently utilizes three disposal methods. The three area as follows:

1. 2,500 acres of agricultural ranch land
2. San Joaquin River
3. Stored in City ponds

4.6.6. Community Issues/Environmental Impacts

Construction of a community sewer collection system and consolidation force main will likely produce temporary disruptions on traffic. Alternative V will likely encounter the following environmental issues which will carefully be addressed in the Mitigated Negative Declaration (MND):

- Roadway disruptions during construction of force mains. Traffic will likely be rerouted and access to individual homes constrained for short periods. Careful noticing will be required.
- Pump stations and standby power facilities may require visual mitigation depending upon location.
- Odor control facilities may be required at the pump station.
- Disposal method for screenings.
- Permitting and regulatory requirements for crossing canals and waterways may be required.

4.6.7. Contractual Issues

The MPTCSD will enter into a sewer service agreement with the City of Modesto to accept the discharge of wastewater generated from the community. The City of Modesto also has an agreement with the City of Turlock to allow discharge of the treated effluent wastewater to the Turlock WWTP. Approval from both entities may be required before discharge can be approved.

4.7. Summary

Table 4-13 provides a summary of the capital construction and O&M costs of the three alternatives. Table 4-14 provides a summary of advantages and disadvantages of the three alternatives.

Table 4-13 Summary of Alternatives

	Alternative I	Alternative II	Alternative III	Alternative IV	Alternative V
Capital Costs					
Capital Construction	\$4,908,858	\$9,373,698	\$4,882,348	\$12,202,988	\$9,620,370
Capital Costs per Active Connection	\$92,620	\$176,862	\$92,120	\$230,245	\$181,516
Operation and Maintenance Costs					
Annual O&M Costs	\$51,000	\$68,024	\$44,500	\$71,350	\$95,840
Annual O&M Costs per Active Connection	\$962	\$1,283	\$840	\$1,346	\$1,808
Monthly O&M Costs per Active Connection	\$80.19	\$106.96	\$69.97	\$112.19	\$150.69

Table 4-14 Summary of Alternatives: Advantages and Disadvantages

	Advantages	Disadvantages
Alternative I	<ul style="list-style-type: none"> ● Avoid costly and disruptive construction of a community-wide collection system ● Homeowners can maintain their independence from a community system. 	<ul style="list-style-type: none"> ● Onsite systems require constant oversight for operation and maintenance. ● Small lot sizes could pose an impediment to adding treatment onsite and/or limit construction of new leach fields. ● The RWQCB may not be willing to permit onsite systems.
Alternative II	<ul style="list-style-type: none"> ● Use of a municipal wastewater system provides greater flexibility in utilizing and protecting the community's groundwater supply. ● Overall operation and maintenance of the system is provided by a municipality to ensure routine maintenance is being performed. 	<ul style="list-style-type: none"> ● Extensive infrastructure is required for the new sewer collection system, pumping station, and force mains. ● The cost to construct the sewer system that will transport the wastewater from the community to the City of Ceres will have high capital and maintenance costs.
Alternative III	<ul style="list-style-type: none"> ● Use of a municipal wastewater system provides greater flexibility in utilizing and protecting the community's groundwater supply. 	<ul style="list-style-type: none"> ● Extensive infrastructure is required for the new sewer collection system.

Table 4-14 Summary of Alternatives: Advantages and Disadvantages

	Advantages	Disadvantages
	<ul style="list-style-type: none"> ● Overall operation and maintenance of the system is provided by a contract worker to ensure routine maintenance is being performed. ● The MPTCSD will maintain their independence from a municipality. ● Beneficial reuse can be used for agriculture in the area to benefit the farmers and landowners. 	<ul style="list-style-type: none"> ● Extensive amount of land is required to construct the wastewater treatment unit and the disposal leach field. ● Nearby residence may disapprove of the construction of the treatment unit.
Alternative IV	<ul style="list-style-type: none"> ● Use of a municipal wastewater system provides greater flexibility in utilizing and protecting the community's groundwater supply. ● Overall operation and maintenance of the system is provided by a municipality to ensure routine maintenance is being performed. 	<ul style="list-style-type: none"> ● Extensive infrastructure is required for the new sewer collection system, pumping station, aeration system and force mains. ● The cost to construct the sewer system that will transport the wastewater from the community to the Keyes CSD will have high capital and maintenance costs.
Alternative V	<ul style="list-style-type: none"> ● Use of a municipal wastewater system provides greater flexibility in utilizing and protecting the community's groundwater supply. ● Overall operation and maintenance of the system is provided by a municipality to ensure routine maintenance is being performed. 	<ul style="list-style-type: none"> ● Extensive infrastructure is required for the new sewer collection system, lift stations, screening facility and force mains. ● The cost to construct the sewer system that will transport the wastewater from the community to the SCPSC will have high capital and maintenance costs. ● Assumes that the City of Modesto would agree to operate/maintain the new screening facility and SCPSC lift station. ● Screening facilities have high maintenance and disposal requirements.

CHAPTER 5 ALTERNATIVE EVALUATION

5.1. Alternative Comparison

The five alternatives presented in this Study are considered to be the most feasible alternatives to provide the MPTCSD with proper wastewater treatment and disposal that meets current standards and regulations. This Chapter provides an evaluation of all five alternatives and provides a recommendation based on the findings of the comparison. The evaluation criteria used to evaluate the alternatives includes reliability, complexity, and life-cycle costs.

5.1.1. Reliability

Reliability refers to the ability of a particular alternative to provide reliable wastewater treatment and disposal in terms of quantity and quality. The new advanced OWTS proposed for Alternative I would be designed and constructed to treat the municipal wastewater generated from the MPTCSD to standards set by governing agencies. Alternative I would produce effluent with a total nitrogen concentration below the required 10 mg/l MCL. The groundwater quality would be tested and would be expected to be in compliance with the total nitrogen MCL.

Alternative II will provide the community with a sewer collection system that would be monitored by the new wastewater department to ensure constant inspections and maintenance are completed in a timely manner. The City of Ceres would provide proper treatment and disposal of the wastewater generated from the MPTCSD. This alternative would provide the community with the most reliable means of wastewater treatment and disposal.

Alternative III will provide a level of reliability comparable to that of Alternative II, except the MPTCSD would have to monitor the treatment and disposal of the community's wastewater. Alternative III would provide treatment of the community's wastewater within the community's boundary using trusted and tested treatment and disposal methods. Just like Alternative I, Alternative III would reduce the concentration of total nitrogen within the treated wastewater effluent below the 10 mg/l MCL. The disposal method for this alternative may need to be relocated in the future to ensure proper percolation of the wastewater through the soil after a certain amount of time to maximize reliability.

Alternative IV will provide the MPTCSD with a reliable means of sewer collection and disposal. The new sewer infrastructure would be monitored by the new wastewater department, via a contract operator. This will guarantee that the proposed new system will receive constant inspections and maintenance. The Keyes CSD and ultimately the City of Turlock will be responsible for treatment and disposal. This alternative, much like alternatives II and V, would provide the community with the most reliable means of wastewater treatment and disposal.

Alternative V consists of consolidating with a neighboring County facility, SCPSC, that currently discharges into the City of Modesto's WWTP's for ultimate treatment and disposal. This alternative resolves existing issues that the SCPSC sewer system has and provides reliable means of dispose for the MPTCSD

wastewater. This alternative is has high maintenance requirements but much like alternatives II and V, would provide the community with the most reliable means of wastewater treatment and disposal.

5.1.2. Complexity

Complexity refers to operational requirements of each alternative. The MPTCSD is a small community with limited resources. Construction of new advanced OWTS would be simple to construct but difficult to maintain. Coordination with each individual homeowner would need to be incorporated into the operation and maintenance scope to ensure the new treatment systems are continuously functioning at optimal performance. New monitoring systems would be equipped to each OWTS and monitored by the homeowner.

Alternative II will require minimal maintenance per year. The only maintenance that would be required for the sewer system would be annual pumping and removal of scum from within the sewer pipelines and pumping station. To conduct this yearly maintenance on the sewer collection system and pumping station, costly equipment such as a vacuum truck and a hydro flusher would be required. To reduce the cost of the maintenance, this yearly maintenance would be outsourced to a reliable entity.

Alternative III would require complex operational requirements. A part-time operator would be required to operate the wastewater treatment unit. The operator would be taught by Orenco how to operate the unit free of charge. The operator would have lifetime access to Orenco's technical support in cases where problems arise that were not part of the training. The unit would need to be continuously monitored to ensure the unit is functioning properly and the media does not reach breakthrough. The new centralized leach field would require monitoring to ensure that the wastewater is appropriately percolating through the soil and buildup of the effluent wastewater is not occurring. This alternative would transition the responsibility of monitoring and maintaining the treatment system to the MPTCSD.

Alternative IV is an intrinsic, self-sustaining sewer collection and disposal system that includes common wastewater infrastructure well known throughout the industry. Alternative IV sewer collection system would require annual maintenance, such as hydro flushing to ensure sanitary sewer build up and ultimately overflows do not occur. The proposed lift station would be equipped with float sensors and SCADA monitoring to provide a self-operating system and would only require annual maintenance. The proposed oxygenation system requires minimal attention from a contract operator. The oxygenation system would discharge quantities of oxygen to reduce odors and corrosion due to hydrogen sulfide gases.

Alternative V, much like alternatives II and IV, consist of wastewater consolidation infrastructure that would physically connect the MPTCSD to a municipality. The proposed sewer collection system does not have any daily operational requirements. The sewer collection system would only need to be hydro flushed annually to reduce buildup and the avoid sanitary sewer overflows. The proposed lift station would be equipped with SCADA monitoring controls to allow the contractor operator to monitor the system remotely. The proposed new screening facility, if properly designed, would function on its own and would require approximately 4 hours of attention a week from a contract operator. The screenings would need to be routinely removed and disposed over per the SWRCB requirements. The proposed screening infrastructure and disposal of sewer screening is a very common operation and is well known throughout the industry.

5.1.3. Life Cycle Cost

Life cycle cost refers to the sum of the capital construction costs and recurring O&M costs over the full life span of the feasible alternatives presented. Capital construction costs for Alternative I include the cost of new Orenco Advantex AX20-RT/AX25-RT advanced OWTS, replacement of the existing septic systems, and construction of new leach fields that meet current standards. Initial costs for Alternative II include those associated with construction of a 3,800-foot-long gravity sewer system, a pump station, and a 27,000-foot-long force main that will deliver the wastewater from the MPTCSD to the City of Ceres WWTP. Capital construction costs for Alternative III include the cost of constructing a 3,800-foot-long gravity sewer system, furnishing/installing new Orenco AdvanTex AX-Max centralized wastewater treatment units, new Xerxes septic tanks, and constructing a new centralized leach field that meets current standards. Alternative IV consists of the construction of a 3,800 LF gravity sewer collections system, a centralized lift station, approximately 41,200 LF of 4" force main and the addition of an oxygenation system at the Keyes CSD lift station to reduce odors and corrosion due to hydrogen sulfide gases. Alternative V capital improvements include the addition of a new gravity sewer collection system within the MPTCSD, a new lift station to pump the collected community's waste to the SCPSC, approximately 30,000 LF of 4" force main and the construction of a new screening facility at the SCPSC.

Annual O&M costs refer to the recurring cost to operate and maintain each of the feasible alternatives presented. Typical recurring O&M costs are labor, equipment repairs, sampling, electricity, reporting, and a capital improvement reserve. The operation and maintenance costs for Alternative I were estimated based on administration costs, annual O&M costs for the OWTS and a capital reserve. O&M costs for Alternative II include administrative costs, preventive/corrective maintenance on the sewer collection system, preventive/corrective maintenance to the pump station, a monthly discharge fee charged by the City of Ceres and a capital reserve to fund the replacement of short-lived assets. The O&M costs for Alternative III include administrative costs, preventive/corrective maintenance of the sewer collection system, annual O&M costs associated with the centralized treatment facility and a capital reserve to fund the replacement of short-lived assets. Annual O&M costs for Alternative IV include administrative costs, preventive/corrective maintenance of the sewer collection system, preventive/corrective maintenance of the community's lift station, a monthly discharge fee by the Keyes CSD and a capital reserve to fund the replacement of short-lived assets. Alternative V include administrative costs, preventive/corrective maintenance on the gravity sewer collection system, preventive/corrective maintenance to the new MPTCSD pump station, operations/maintenance of the proposed screening facility, operations/maintenance of the SCPSC lift station, a monthly discharge fee charged by the City of Modesto and a capital reserve to fund the replacement of short-lived assets.

Table 5-1 shows a comparison of the life-cycle cost for all feasible alternatives presented. The comparison is made for a 20-year and 30-year life and uses a 2.5 percent discount rate. The life-cycle costs are expressed in 2021 US dollars.

Table 5-1 Life-Cycle Costs Comparison

	Alternative I	Alternative II	Alternative III	Alternative IV	Alternative V
Capital Construction	\$4,908,858	\$9,373,698	\$4,882,348	\$12,202,988	\$9,620,370
O&M Cost (20-yr)	\$795,047	\$1,060,437	\$693,718	\$1,112,291	\$1,494,065
O&M Cost (30-yr)	\$1,067,445	\$1,423,762	\$931,398	\$1,493,382	\$2,005,959
20-yr Life-Cycle	\$5,703,905	\$10,434,135	\$5,576,065	\$13,315,279	\$11,114,435
30-yr Life-Cycle	\$5,976,303	\$10,797,460	\$5,813,746	\$13,696,370	\$11,626,329

The lowest life-cycle cost to construct one of the feasible alternatives and maintain treatment and disposal of the MPTCSD wastewater for 20 years is Alternative III. For a 20-year life cycle, Alternative II is approximately 87 percent higher than Alternative III, Alternative I is approximately 2 percent higher than Alternative III, Alternative IV is approximately 139 percent high than Alternative III and Alternative V is approximately 99 percent higher than Alternative III.

The lowest life-cycle cost to construct one of the treatment Alternatives and maintain treatment and disposal of the community's wastewater for 30 years is Alternative III. For a 30-year life cycle, Alternative II is approximately 85 percent higher than Alternative III, and Alternative I is approximately 3 percent higher than Alternative III, Alternative IV is approximately 136 percent high than Alternative III and Alternative V is approximately 99 percent higher than Alternative III.

5.2. Recommended Alternative

Alternative III is recommended based on the evaluation and comparison of alternatives presented in this Study. Alternative III is recommended for the following reasons:

- ❖ It will provide supplemental treatment for the wastewater generated from the MPTCSD utilizing only a part time operator that will be trained by the Orenco company free of charge.
- ❖ Maintenance can be performed easily at a centralized location.
- ❖ It will provide the MPTCSD with a reliable treatment method that meets current standards and regulations set by governing agencies.
- ❖ Will divert the treatment from the stringent regulations that are growing for the use of septic systems to a more permanent treatment method.
- ❖ It is the most cost-effective option to treat and dispose of the community's wastewater.
- ❖ It would transition the responsibility of maintaining the treatment systems from individual homeowner to the MPTCSD.

5.3. Recommended Next Steps

The recommended next step towards implementing Alternative III would be to seek approval from MPTCSD's Board of Directors to implement the recommended alternative. Once approved, the preparation of the environmental and financial packages would begin. Ultimately, MPTCSD would receive grant funding to complete the construction of the sewer collection system and the treatment/disposal of the centralized WWTP.

In the meantime, the MPTCSD should continue monitoring and utilizing their individual septic tanks. If an abundance of septic systems begin to fail, the governing agency should implement the recommended alternative as quick as possible to avoid costly charges and contamination of the groundwater.

(Appendices can be found by clicking the link below)

<https://www.stanislauslafco.org/PDF/Notices/MPTCSD.FeasibilityStudy.pdf>

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EXHIBIT C

**Monterey Park Tract
Community Services District
Resolution No. 01242022**

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MONTEREY PARK TRACT COMMUNITY SERVICE DISTRICT

RESOLUTION NO. 01242022

A RESOLUTION OF THE BOARD OF DIRECTORS, OF THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT TO SUBMIT AN APPLICATION TO THE LOCAL AGENCY FORMATION COMMISSION FOR THE ACTIVATION OF SEWER SERVICE LATENT POWERS FOR THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT.

WHEREAS, the Monterey Park Tract Community Services District ("District") is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

WHEREAS, the District is currently authorized to provide water services to residents within the MPTCSD service area.

WHEREAS, Government Code Section §61100(B) authorizes Community Services District to collect, treat, or dispose of sewage/wastewater; and

WHEREAS, in order to establish the authority to provide for the collection or disposal of sewage/wastewater, it is necessary, in accordance with Section 56824.10 et seq. of the Government Code to submit a resolution of Application to be filed with the Executive Officer of the Local Agency Formation Commission (LAFCO) for the purpose of submitting an activation of latent powers application with the Stanislaus County LAFCO Commission for the approval of the exercise of said authority; and

WHEREAS, the District, based on evidence and public testimony provided at the public meetings conducted regarding the collection, treatment, or dispose of sewage/wastewater finds:

- That the residents of the District desire a local voice and local control regarding the nature, extent, and cost of receiving sewer services.
- That the District is not in the sphere of influence of another city or special district that currently provides sewer services; and

THEREFORE, BE IT RESOLVED that the Board finds, determines, and resolves as follows:

SECTION 1. The Board adopts the foregoing recitals as true and correct.

SECTION 2. The Board finds that the Feasibility Study reflects the independent judgment of the District as the lead agency for the Project.

SECTION 3. The Board finds that it has independently reviewed and considered the information covered in the Feasibility Study and concur that the addition of sewer service is the most feasible option to serve the District.

SECTION 4. That LAFCO approve the proposal of the Monterey Park Tract Community Services District to provide its residents with sewer services pursuant to Government Code Section §61100(B).

SECTION 5. That LAFCO adopt the following conditions for providing sewer services within the District:

A. That the District adopt rules and regulations pertaining to sewer service within the District.

B. Upon adoption of the rules and regulations referenced in condition A above, the District shall be the authorized local agency to provide sewer services within the Monterey Park Tract Community Services District.

C. The above referenced Recitals constitute findings in support of this Resolution.

SECTION 6. Monterey Park Tract CSD staff is authorized and directed to file the application for activation of latent powers with the office of the Stanislaus County LAFCO in accordance with LAFCO guidelines.

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Monterey Park Tract Community Services District Board of Directors held on the 24th day of January 2022, by the following vote:


AYES: 5

NOES: 0

ABSTAIN: 0

ABSENT: 0

Signature:



Francisco Diaz, Board President
Monterey Park Tract Community
Service District

ATTEST:



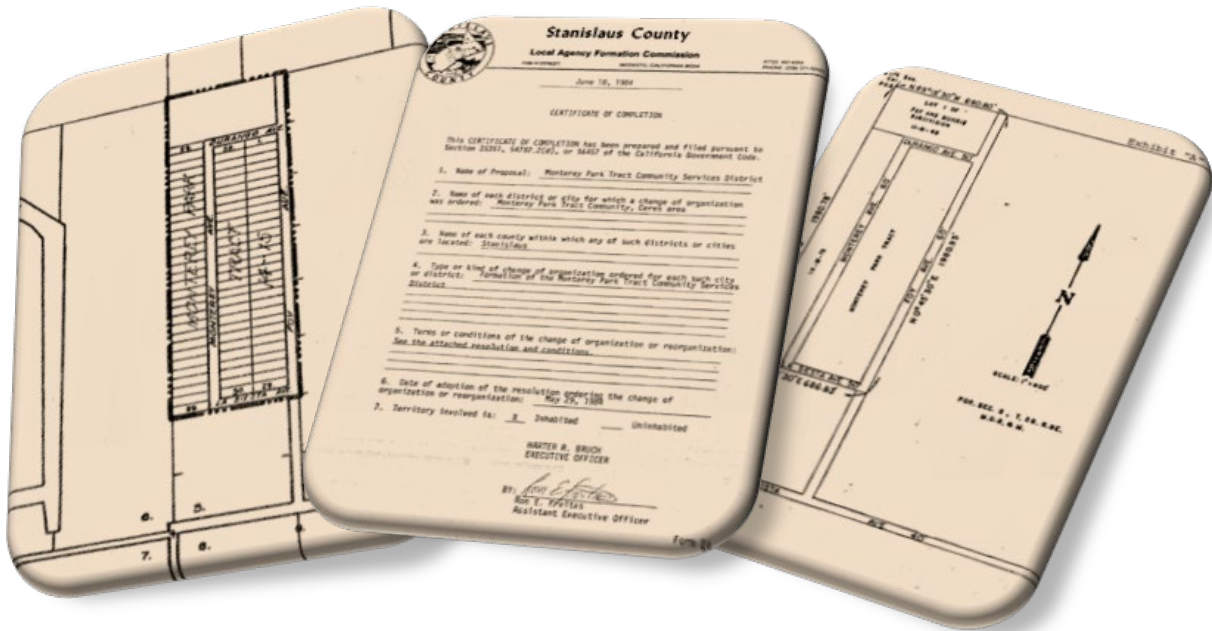
Debra Stanard, Board Secretary

EXHIBIT D

Municipal Service Review & Sphere of Influence Update for Monterey Park Tract Community Services District

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MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE:



MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT

Prepared By:

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

Adopted: _____

STANISLAUS

LOCAL AGENCY FORMATION COMMISSION

COMMISSIONERS

Vito Chiesa, County Member
Terry Withrow, County Member (Chair)
Mani Grewal, Alternate County Member
Amy Bublak, City Member
Richard O'Brien, City Member (Vice Chair)
Javier Lopez, Alternate City Member
Ken Lane, Public Member
Bill Berryhill, Alternate Public Member

STAFF

Sara Lytle-Pinhey, Executive Officer
Javier Camarena, Assistant Executive Officer
Jennifer Vieira, Commission Clerk
Robert J. Taro, Legal Counsel

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Municipal Service Review and Sphere of Influence Update for the Monterey Park Tract Community Services District

Introduction

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

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

Service Review Factors to be Addressed

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

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

Sphere of Influence Update Process

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

Service Review – Monterey Park Tract Community Services District

Authority

The Monterey Park Tract Community Services District was organized under Section 61000 et. seq. of the Government Code. In addition, the District is considered a “registered voter district”, as the board members are elected by the registered voters residing within the district’s boundaries.

Background

Special districts are local governments that are separate from cities and counties, yet provide public services such as fire protection, sewer, water, and street lighting. California has over 3,300 special districts, which provide over 30 different types of services. There are 50 major types of special districts ranging from airports to fire protection to mosquito abatement to water conservation. To date, there are approximately 325 Community Services Districts (CSDs) in California.

Purpose

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

Governance

Five Board members, elected by the registered voters within the District boundaries, govern the District. Meetings are held on the fourth Monday of each month at 6:00 p.m., in the Monterey Park Tract Community Center.

Formation

The Monterey Park Tract Community Services District (MPTCSD) was formed on June 18, 1984.

Location and Size

The District serves a small, rural residential subdivision known as the Monterey Park Tract located in the unincorporated area of Stanislaus County, 4.5 miles southwest of the City of Ceres. The District encompasses an area of 31 acres and serves a population of an estimated 186 people.

The District is mostly comprised of 10,000 square foot residential parcels. The area within the District has a designation of Agriculture in the Stanislaus County General Plan and is surrounded by agricultural operations.

Sphere of Influence

The District's Sphere of Influence is coterminous with its current boundaries. No amendments to the District's boundaries or sphere of influence are being proposed with this Municipal Service Review and Sphere of Influence Update.

Personnel

The District currently does not have employees.

Services

The District owns and operates the community's water system which currently serves approximately 50 households, a church, and a community center for a total of 55 active water service connections.

In January of 2015, the Stanislaus County Board of Supervisors approved a Water Service Agreement (WSA) between Stanislaus County, the City of Ceres and the MPTCSD. As part of the agreement, the City of Ceres provides water to the MPTCSD. The MPTCSD is responsible for improvements, maintenance and operation.

The City of Ceres supplies up to 60,000 gallons of water per day at a rate no greater than 41 gallons per minute through a water delivery system consisting of underground pipes, valves, pumps and metering equipment. The water delivery system connects to City water at a water main on Crows Landing Road approximately one-half (1/2) mile south of Service Road and extend approximately 4.5 miles to the District's delivery system.

As part of the connection, the District's Well 1 was abandoned and sealed off. Well 2 received minor modifications to existing controls and valves and included a water line that connects to a new steel water storage tank. The new storage tank is located on two parcels on Monterey Avenue within the District and receives water from both the City of Ceres and Well 2.

The MPTCSD is currently in the planning stages of constructing a new sewer system for the District. The project will replace the existing individual septic systems within the community and serve approximately 50 dwelling units. The project is planned to be funded by CSD funds, Clean Water State Revolving Fund (CWSRF) funds administered through the California State Water Resources Control Board (Water Board).

The system will convey wastewater to a centralized location and a new waste water treatment plant (WWTP) for treatment and disposal of the wastewater. The system will require approximately 3,800 feet of gravity collection mains and 10 manholes. According to the project's environmental documentation. The maximum wastewater generation for the system is approximately 20,000 gallons per day requiring construction of a 4,000-square foot leach field. The treatment facility will consist of one (1) 10,000-gallon septic tank, two (2) 20,000-gallon septic tanks, and two (2) treatment units.

As required by Government Code §56021 and §56654, The MPTCSD will be required to initiate a change of organization application and obtain LAFCO approval prior to providing services. Approval will allow the District to provide wastewater services to its customers. Although the District is currently planning on utilizing a community sewer system, it may utilize other alternatives to provide the service, such as contracting with another agency.

Support Agencies

The District maintains positive and collaborative relationships with other agencies, such as Stanislaus County and the City of Ceres.

Funding Sources

The District's source of revenue is derived from connection fees and monthly water service fees.

In 2012, MPTCSD secured a \$2.2 million Prop 84 grant to address water quality issues. The grant helped construct the water line from the City of Ceres to MPTCSD and pay for connection fees.

To support the City of Ceres rate structure, MPTCSD conducted a Prop 218 ballot procedure to increase water rates. The vote passed in May of 2012 and new rates were implemented in July that year. The new rate structure is aligned with anticipated rate increases as projected by the City of Ceres.

As part of the Water Sharing Agreement (WSA), mentioned previously, between Stanislaus County, the City of Ceres, and MPTCSD, the District deposited a sum of \$75,000 into a reserve account when the connection was completed. The purpose of the reserve account is to ensure that the City has sufficient funds to cover MPTCSD water service billings on a monthly basis. The \$75,000 provides approximately 2.5 years of reserve utility billing.

The WSA also states that if for any reason MPTCSD is unable to meet the obligations described in the WSA, the County agrees to take formal action to assume all obligations of MPTCSD in order to provide continued water service to the residents of Monterey Park Tract. After a 15-year term, if the MPTCSD shows fiscal solvency, the obligation of the County may be reduced.

According to the MPTCSD Septic to Sewer System Feasibility Study completed in September of 2021, construction of the sewer system is expected to be funded through the Clean Water State Revolving Fund (CWSRF) administered through the California State Water Resources Control Board (Water Board). Construction will include the system itself, infrastructure, land acquisition, system connections and removal of old septic systems. Operation and Management (O & M) costs will be funded by monthly service fees.

Service Review Determinations:

The following provides an analysis of the six categories or components required by Section 56430 for a Service Review for the Monterey Park Tract Community Services District:

1. Growth and Population Projections for the Affected Area

The District serves a small, rural residential subdivision known as the Monterey Park Tract. The area is designated as “Agricultural” in the Stanislaus County General Plan and does not expect any significant population growth in the near future. The District currently serves approximately 55 service connections. The subdivision is mostly built out with single family homes and accessory buildings and only a few parcels are currently vacant.

According to the MPTCSD Septic to Sewer System Feasibility Study, the area has a population of approximately 186. The area is expected to grow to but not exceed 200 based on the size of the area and lots.

2. The location and characteristics of any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

Based on annual median household income, the area within Monterey Park Tract Community Services District is identified as a Disadvantaged Unincorporated Community (DUC) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000. No additional DUCs have been identified within or contiguous to the District’s sphere of influence.

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

In 2015, the Stanislaus County Board of Supervisors approved a Water Service Agreement between Stanislaus County, the City of Ceres and MPTCSD. As part of the agreement, the City of Ceres would provide water to the District and MPTCSD would be responsible for operations and maintenance.

The City of Ceres currently provides up to 60,000 gallons of water per day through a water delivery system that begins at a water main on Crows Landing Road, about half of a mile south of Service Road and extends approximately 4.5 miles south to the MPTCSD water delivery system.

There are no current issues with water quality, delivery of service, or financial issues associated with the delivery of water.

According to the District Septic to Sewer Feasibility Study, the State Water Resources Control Board adopted the Onsite Wastewater Treatment Systems (OWTS) Policy in July 2012. The OWTS Policy established new requirements that affect the regulation and management of septic systems. The requirements of the OWTS policy are expected to increase the long-term costs of operating and maintaining individual septic systems. The District is currently in the planning process for a new sewer system to replace the old

individual septic systems. The facilities will provide a new service for the District and will require LAFCO approval. The proposed project will provide adequate sewer services to its customers, and replace existing septic tanks and leach fields that are currently used throughout the community.

The proposed system will serve approximately 50 dwelling units and require 3,800 feet of gravity collection mains and 10 manholes. The maximum wastewater generation for the system is approximately 20,000 gallons per day requiring construction of a 4,000-square foot leach field. Also included in the facility will be one (1) 10,000-gallon septic tank, two (2) 20,000-gallon septic tanks, and two (2) treatment units.

4. Financial Ability of Agencies to Provide Services

The District has expanded its financial ability to provide services. In order to support the City of Ceres rate structure, the District conducted a Prop 218 ballot procedure to increase water rates. The ballot item was passed by the voters. In addition, as part of the Water Service Agreement, the District holds a \$75,000 reserve account to ensure that the City has sufficient funds to cover water service billings on a monthly basis.

The proposed sewer project will be funded through a combination of CSD funds, Clean Water State Revolving Fund (CWSRF) funds administered through the California State Water Resources Control Board. The maintenance and operation of the system is expected to be funded through CSD sewer rates paid by each property within the district.

5. Status of, and Opportunities for, Shared Facilities

The District has a Water Service Agreement (WSA) with Stanislaus County and the City of Ceres for domestic water supply. The City of Ceres provides domestic water to the District. If MPTCSD is unable to meet the obligations as described in the WSA, the County agrees to take formal action to assume all obligations of MPTCSD in order to provide continued water service to the residents of Monterey Park Tract.

The proposed sewer project will be constructed and operated by the MPTCSD. The District investigated several alternatives including wastewater consolidation with the City of Ceres, Keyes Community Services District, and Stanislaus County Public Safety Center and septic system upgrades. Ultimately, the study found that the community sewer collection system with a centralized wastewater treatment facility is the most feasible. No additional agencies or facilities are currently included or proposed.

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

The District is governed by a five-member Board of Directors, elected by registered voters within the District. The District is subject to the provisions of the Brown Act requiring opening meetings.

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

None.

Sphere of Influence Update for the Monterey Park Tract Community Services District

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

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

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

The following determinations for the Monterey Park Tract Community Services District's Sphere of Influence update are made in conformance with Government Code §56425 and Commission policy.

Determinations:

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

The District's Sphere of Influence (SOI) encompasses a land area of approximately 31 acres (coterminous with the existing District boundaries). Territory within the District boundaries consists of rural-residential land uses. The District has a designation of Agriculture in the Stanislaus County General Plan and is surrounded by agricultural operations. These uses are not expected to change. In addition, the District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by the County.

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

Presently, individual septic tanks and leach fields are used for wastewater within the MPTCSD area. The District has stated that there is a growing concern of groundwater contamination caused by the density of septic systems. The State Water Resources Control

Board adopted the Onsite Wastewater Treatment Systems (OWTS) Policy in July 2012 and affect the regulation and management of septic systems. The requirements of OWTS policy are expected to increase the long-term costs of operating and maintaining individual septic systems.

The MPTCSD is proposing construction of a community sewer collection system to convey wastewater to a centralized location and new wastewater treatment plant. The MPTCSD will be required to obtain LAFCO approval to provide the new service.

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

The District currently has adequate capacity to provide the necessary water service to customers within its existing service area boundary.

The District is in the planning stages for the construction of a community sewer collection system for the MPTCSD area. The sewer system will provide services to approximately 50 dwelling units. The project will provide a new service with the sewer operation and will require LAFCO approval.

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

The Monterey Park Tract, created by a subdivision map in 1941, is the only community within the boundaries of the District. The District is surrounded by large scale agricultural operations. There are no other communities of interest in the area.

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

The Monterey Park Tract is identified as a Disadvantaged Unincorporated Community (DUC) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000.

The current condition of the District's water system has been improved with the District's connection to the City of Ceres Water system. The City provides domestic water to the MPTCS through a water line delivery system.

As mentioned previously, the District is currently in the planning stages for the construction of a community sewer collection system to convey wastewater for territory within the District boundaries.

Additional services, such as structural fire protection, are provided through other special districts.

DISTRICT SUMMARY PROFILE

District: **MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT**

Contact Information: P.O. Box 1301 Ceres, CA 95307
Ph. (209) 204-4353

Location: Approximately 4.5 miles southwest of the City of Ceres, in the unincorporated area of Stanislaus County.

Service Area: 31 acres

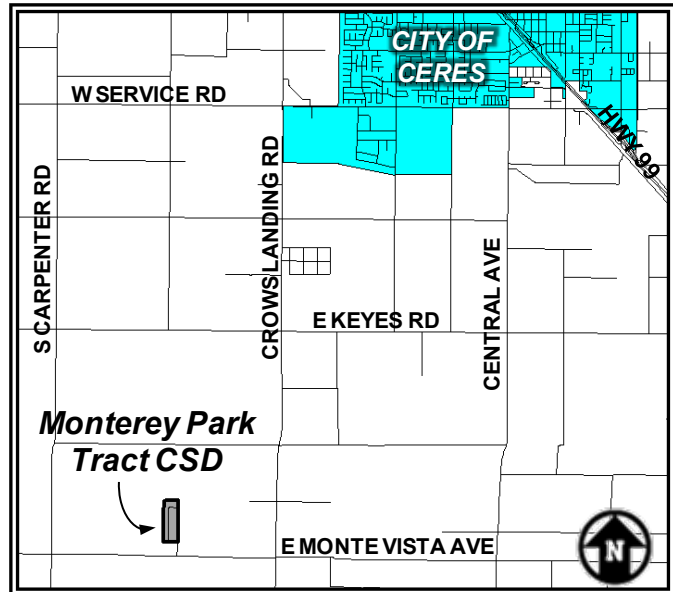
Population*: 186 persons

Land Use: Rural-residential

Date of Formation: May 29, 1984

Enabling Act: California
Government Code,
§61000, et. seq.

Governing Body: Five Member Board
of Directors, elected
by the registered
voters within the
District



Administration: One Part-time employee – a secretary

District Services: Domestic Water

Projected Income: \$114,000.00 (Fiscal year 2021-2022)

Revenue Sources: Monthly service fees and connection fees

**Source: MPTCSD Septic to Sewer System Feasibility Study*

**MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT
BOUNDARIES AND SPHERE OF INFLUENCE**



REFERENCES

REFERENCES

1. Benziger, Jeff. "Monterey Park Water Deal Nears Final Approval", Ceres Courier article, December 17, 2014.
2. Benziger, Jeff. "Monterey Park Tract Water Deal OK'd", Ceres Courier article, January 28, 2015.
3. California State Controller's Office. *Special Districts Financial Data*, October 2021, <https://bythenumbers.sco.ca.gov/>.
4. Monterey Park Tract CSD. *Septic to Sewer System Feasibility Study*. September 2021.
5. Monterey Park Tract CSD. Projected Operating Budget, Fiscal Year 2021-2022.
6. Stanislaus LAFCO. *Municipal Service Review and Sphere of Influence Update – Monterey Park Tract Community Services District*, Adopted January 27, 2016.
7. U.S. Environmental Protection Agency website (www.epa.gov/safewater).

INDIVIDUALS AND AGENCIES CONTACTED

1. Francisco Diaz, Board President, Monterey Park Tract Community Services District
2. Alfonso Manrique, AM Consulting Engineers

EXHIBIT E

Correspondence

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Francisco Diaz
Board President
P.O. BOX 1301
Ceres, CA 95307

March 11, 2022

Parminder Dhillon
Senior Environmental Health Specialist
Stanislaus County Department of Environmental Resources
3800 Cornucopia Way, Suite C
Modesto, CA 95358-9494

Stanislaus County and LAFCO Questions Regarding Monterey Park Tract CSD Preliminary Engineering Report and Mitigated Negative Declaration

Dear Parminder,

This letter is in response to the meeting held on March 8, 2022, at 1:30PM between AM Consulting Engineers, Stanislaus County LAFCO, Stanislaus County and Self Help Enterprises. As the Engineer of Record assigned to the Monterey Park Tract CSD (MPTCSD) Septic to Sewer Improvements Project (Project), I am responding to concerns mentioned during the meeting.

During the meeting, members of Stanislaus County's team noted the following concerns with the approved Mitigated Negative Declaration (MND) and Preliminary Engineering Report (PER):

1. Was there extra land designated to the proposed wastewater treatment plant (WWTP) for the sole purpose of future grow/expansion?
2. What is the groundwater level beneath the proposed WWTP?
3. Were accessory dwelling units considered during the design of the proposed WWTP?

In regard to concern number one, the MPTCSD provides water services to the Monterey Park Tract (MPT) community, a small rural community with Stanislaus County. MPT consist of 70 lots, out of which 53 are developed and 17 are vacant or do not have dwellings. MPTCSD is surrounded by agricultural property and has no available land within its boundaries for any additional development. The WWTP was sized to serve the MPT at full buildout since additional development is not planned nor expected. Both the PER and the MND, displayed that the proposed WWTP will include the installation of two Orenco AX-Max treatment units, two 20,000 gallon Xerxes septic tanks and one 10,000 gallon Xerxes septic tank. As the District does not have the ability to grow beyond its current boundaries, the land requirements for the proposed wastewater treatment infrastructure was sized for a build out scenario and additional land will not be required for this purpose. The engineering report also mentioned that the proposed effluent disposal method would be via leach fields. The PER and MND mentioned that the initial construction would include the installation of two leach fields, one active and one for redundancy. Therefore, the District has designated sufficient redundant land for the proposed WWTP. If the proposed two leach fields displayed and approved in the MND and PER are not sufficient to meet the Stanislaus County extra land requirements for WWTP's, the District can secure some additional land within the MPT to construct additional leach fields. The lot can be found at 7623 Monterey Ave, Ceres, CA 95307. The land available at this location can house a single leach field that is capable of disposing the anticipated effluent volume of 20,000 gallons per day.



Francisco Diaz
Board President
P.O. BOX 1301
Ceres, CA 95307

In regard to the second concern, the groundwater in the area varies. From available geotechnical reports dated 2014, the groundwater depth in the area ranged from 10 feet below ground surface (bgs) to 16.5 ft bgs. In the recent years, groundwater levels have significantly declined.

In regard to concern number three, accessory dwelling units were considered during the design. The MPTCSD has a restriction on the total volume of potable water that can be consumed, 60,000 gallons per day (gpd) or 1,000 gpd per connection. The service area of the MPTCSD has a maximum build out population of approximately 200 residents. There are currently a few vacant lots within the service area and only seven more connections to the water system will be permitted because of the lack of supply. As the MPTCSD is restricted to the volume of water that can be used per month, the wastewater flows are also restricted. Therefore, the District would not have enough water supply to provide for accessory dwelling units and furthermore, would not be granted the ability to provide sewer service. Prior to construction of an accessory dwelling unit, the developer would have to receive a permit from the County to construct the proposed improvements. To receive the construction permit, the MPTCSD would have to provide a Will Serve letter, which would not be provided as the MPTCSD does not have available to provided water services to the accessory dwelling units and subsequently sewer service.

We hope this letter addresses all the concerned that Stanislaus County has regarding the proposed project. If you have any questions regarding District information, please contact Francisco Diaz at (209) 499-1113. For all questions regarding design of the proposed sewer collection and treatment system, please contact Brandon Cauble at (559) 473-1371 ext. 108.

Sincerely,



Francisco Diaz
Board President
Monterey Park Tract CSD
(209) 499-1113
diaz_f4@hotmail.com



CHIEF EXECUTIVE OFFICE

Jody L. Hayes
CHIEF EXECUTIVE OFFICER

Patrice M. Dietrich
ASSISTANT EXECUTIVE OFFICER

Tina M. Rocha
ASSISTANT EXECUTIVE OFFICER

March 14, 2022

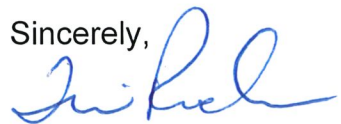
Sara Lytle-Pinhey, Executive Officer
Stanislaus County LAFCO
1010 10th Street, 3rd Floor
Modesto, CA 95354

Re: LAFCO - App. No. 2022-01, Municipal Service Review No. 2022-01, & SOI Update No. 2022-01 - Activation of Latent Powers (Sewer Service) to the Monterey Park Tract Community Services District

Dear Ms. Lytle-Pinhey,

On February 9, 2022, the Stanislaus Local Agency Formation Commission (LAFCO) issued an Agency Referral and Request for Comments for Application No. 2022-01, a request by the Monterey Park Tract Community Services District (CSD) to provide sewer services within the existing boundaries of the 30+/- acre district. County staff understands this application has been noticed for consideration at the March 23, 2022, LAFCO meeting. Stanislaus County (County) staff has reviewed the application and supporting documents and has concerns regarding capacity, area requirements for the site and financial feasibility of the project. On Saturday, March 12, 2022, the County received a letter from the Monterey Park Tract CSD (dated March 11, 2022) providing information in response to a March 8th meeting with County staff, LAFCO staff and the Monterey Park Tract CSD's consultants. The County respectfully requests consideration of the application be continued at a future LAFCO meeting. This will provide County staff time to review the information shared in the March 11th correspondence and work with the Monterey Park Tract CSD to address the County's concerns.

Thank you in advance for your time and attention to this request.

Sincerely,

Tina Rocha
Assistant Executive Officer

C: Environmental Review Committee



1010 10TH STREET, STE. 6800, MODESTO, CA 95354
POST OFFICE BOX 3404, MODESTO, CA 95353
PHONE: 209.525.6333, FAX: 209.558.4423
STANCOUNTY.COM

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EXHIBIT F

Notice of Determination and Initial Study

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Notice of Determination

Appendix D

To:

☒ Office of Planning and Research

U.S. Mail:

Street Address:

P.O. Box 3044

1400 Tenth St., Rm 113

Sacramento, CA 95812-3044 Sacramento, CA 95814

☒ County Clerk

County of: Stanislaus

Address: 1021 I Street, Suite 101

Modesto, CA 95354

From:

Public Agency: Monterey Park Comm. Serv. Dist.

Address: 7655 Foy Avenue

Ceres, CA 95307-7527

50-2021-195

Contact: Francisco Diaz

Phone: (209) 499-1113

FILED

October 8, 2021

DONNA LINDER

Lead Agency (if different from above):

Same as above

STANISLAUS COUNTY
CLERK-RECORDER

Address:

By: *Donna Linder*
Deputy Clerk

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): 2020099026

Project Title: Monterey Park Tract Community Services District Septic to Sewer Project

Project Applicant: Monterey Park Tract Community Services District

Project Location (include county): Monterey Park Tract Community Services District / Stanislaus County

Project Description:

The Project consists of the following: 1) Constructing a community sewer collection system to convey wastewater to a centralized location and a new wastewater treatment plant (WWTP) for treatment and disposal of the wastewater. The system would serve 53 dwelling units. 2) Installation of approximately 3,800 feet of gravity collection mains and 10 manholes. 3) Maximum wastewater generation for the system is approximately 20,000 GPO requiring construction of a 4,000 sq. ft. leach field (and a redundant leach field). 4) Installation of one (1) Xerxes 10,000-gallon septic tank, two (2) Xerxes 20,000-gallon septic tanks, and two (2) Orenco AdvanTex AX-Max treatment units.

This is to advise that the Monterey Park Community Services District has approved the above
(☒ Lead Agency or ☐ Responsible Agency)

described project on September 27, 2021 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:

Monterey Park CSD, 7655 Foy Avenue, Ceres, CA 95307-7527

Signature (Public Agency):

Title:

*Board President*Date: September 27, 2021

Date Received for filing at OPR:

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

Revised 2011

Date removed from posting 11/11/2021

Monterey Park Tract
Community Service District
MEETING MINUTES
September 27, 2021

Board Members Present:

Francisco Diaz Shirley Martinez Dean Riddle Susan Stransky Bettie Yelder

Board Members Absent none

The Meeting was called to order at 6:01 p.m. by President, Francisco Diaz.

1. Roll call of Directors: Roll call was called out by President, Francisco Diaz. All board members are present.
2. AM Consulting Engineers: AM Consulting Engineers provided a review and current status of the Septic to Sewer Feasibility Study to the board of directors and general public. The project has been approved by the state. It will be about 1 to 1.5 years before we receive the funding from the state to start construction. There are two things remaining to do, the rate study and LAFCO application to add the powers of sewer system to MPTCSD. Currently, MPTCSD only has the power of water for the District.

A review of the Mitigation Negative Declaration and the Environmental Requirements was given to the board of Directors and general public. After the presentation, the meeting was opened up for public comments for the Notice of Determination. No questions were asked or comments provided. The session was closed to public comments. The board moved to the next order on the agenda

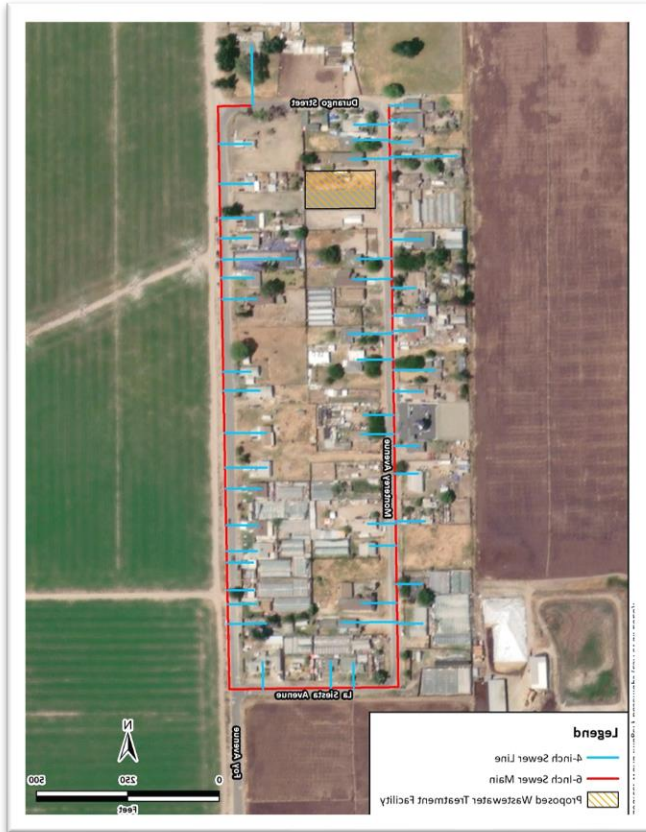
3. Notice of Intention to Adopt a Mitigated Negative Declaration Notice of Availability for the MPTCSD Septic to Sewer System Project: Board member Shirley Martinez, made the motion for board President, Francisco Diaz, to sign on behalf of MPTCSD, the Notice of Intention to Adopt a Mitigated Negative Declaration Notice of Availability for the MPTCSD Septic to sewer System Project; it was seconded by board member, Susan Stransky. All were in favor, no opposition. Motion Carried.
4. Self-Help Enterprises: Briana Becerra was in attendance and provided an update of the Distribution Line and Hydrant Project. This project has been funded by the state. Just waiting on final agreement to be drafted which takes approximately 3-6 months.
5. Public Comments: None
6. Illegal Connections, Stealing water: No change.
7. Review and Approval of Meeting Minutes and Financial Reports: Review and Approval of August 23, 2021, meeting minutes and 8/31/21 and 9/27/21, Financial Reports. Board member, Bettie Yelder, made the motion to accept the August 23, 2021, Meeting Minutes and August 31, 2021 and September 23, 2021 Financial Reports. Board member, Susan Stransky, seconded the motion. All were in favor, no opposition. Motion carried.
8. Shut off List: All accounts have been paid.
9. President's Update/Manager's Report: Only one account went over 60,000 gallons of water usage for this month. Francisco spoke to all accounts that exceeded 50,000 gallons last month and all but one decreased their water usage this month. A shut off warning was given to the account that exceeded 60,000 gallons and a fine was applied.

Auditor has been paid. Francisco will check with them to see why they have not started the audit or asked for us to upload the files from Quickbooks yet.

The Electric vehicle grant contract has been sent to Francisco for signature via digital Docusign. The delivery date may be November. The District will have to maintain a maintenance contract/records for the vehicle for 3 years.

10. By-Laws update/changes: In progress, no change.

11. Adjournment: The meeting was adjourned at 7:07 p.m.



FINAL MITIGATED NEGATIVE DECLARATION

Monterey Park Tract – Septic to Sewer Project

September 2021

PREPARED FOR:

Monterey Park Tract Community Services
District
7655 Foy Avenue
Ceres, CA 95307-7527

PREPARED BY:



Crawford & Bowen Planning, Inc.
113 N. Church Street, Suite 302
Visalia, CA 93291

Final Initial Study/Mitigated Negative Declaration

Monterey Park Tract – Septic to Sewer Project

Prepared for:

Monterey Park Tract Community Services District
7655 Foy Avenue
Ceres, CA 95307-7527

Contact: Francisco Diaz
(209) 499-1113

Prepared by:



Crawford & Bowen Planning, Inc.
113 N. Church Street, Suite 302
Visalia, CA 93291

Contact: Travis Crawford, AICP
(559) 840-4414

September 2021

Chapter 1

INTRODUCTION

INTRODUCTION

1.1 Project Summary

This document is the Initial Study/Mitigated Negative Declaration describing the potential environmental effects of constructing a new sewer system to convey wastewater to a centralized location and construction of a new wastewater treatment plant within the Monterey Park Tract community (Project). The Project will replace the existing individual septic systems within the community and would serve 53 dwelling units. The proposed Project is more fully described in Chapter Two – Project Description.

The Monterey Park Tract Community Services District (CSD) will act as the Lead Agency for this Project pursuant to the *California Environmental Quality Act (CEQA)* and the *CEQA Guidelines*.

The Project is expected to be funded through a combination of CSD funds, Clean Water State Revolving Fund (CWSRF) funds administered through the California State Water Resources Control Board (Water Board). One requirement of CWSRF funding is that the CSD will be required to comply with the Water Board's environmental requirements including CEQA-Plus. CEQA-Plus involves additional environmental analysis of certain topics to include federal thresholds, rules and regulations (for topics such as air, biology, cultural, etc.). In addition to this Mitigated Negative Declaration, the CSD is preparing a separate Environmental Package for submittal to the Water Board which includes the CEQA-Plus analysis.

1.2 Document Format

This IS/MND contains five chapters, and appendices. Section 1, Introduction, provides an overview of the Project and the CEQA environmental documentation process. Chapter 2, Project Description, provides a detailed description of Project objectives and components. Chapter 3, Initial Study Checklist, presents the CEQA checklist and environmental analysis for all impact areas, mandatory findings of significance, and feasible mitigation measures. If the proposed Project does not have the potential to significantly impact a given issue area, the relevant section provides a brief discussion of the reasons why no impacts are expected. If the Project could have a potentially significant impact on a resource, the issue area discussion provides a description of potential impacts, and appropriate mitigation measures and/or permit requirements that would reduce those impacts to a less than significant level. Chapter 4, Mitigation Monitoring and Reporting Program, provides the proposed mitigation measures,

completion timeline, and person/agency responsible for implementation and Chapter 5, List of Preparers, provides a list of key personnel involved in the preparation of the IS/MND.

Environmental impacts are separated into the following categories:

Potentially Significant Impact. This category is applicable if there is substantial evidence that an effect may be significant, and no feasible mitigation measures can be identified to reduce impacts to a less than significant level. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.

Less Than Significant After Mitigation Incorporated. This category applies where the incorporation of mitigation measures would reduce an effect from a “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measure(s), and briefly explain how they would reduce the effect to a less than significant level (mitigation measures from earlier analyses may be cross-referenced).

Less Than Significant Impact. This category is identified when a project would result in impacts below the threshold of significance, and no mitigation measures are required.

No Impact. This category applies when a project would not create an impact in the specific environmental issue area. “No Impact” answers do not require a detailed explanation if they are adequately supported by the information sources cited by the lead agency, which show that the impact does not apply to the specific project (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis.)

Regardless of the type of CEQA document that must be prepared, the basic purpose of the CEQA process as set forth in the CEQA Guidelines Section 15002(a) is to:

- (1) Inform governmental decision makers and the public about the potential, significant environmental effects of proposed activities.
- (2) Identify ways that environmental damage can be avoided or significantly reduced.
- (3) Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- (4) Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

According to Section 15070(b), a Mitigated Negative Declaration is appropriate if it is determined that:

- (1) Revisions in the project plans or proposals made by or agreed to by the applicant before a proposed mitigated negative declaration and initial study are released for public review would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur, and
- (2) There is no substantial evidence, in light of the whole record before the agency, that the project as revised may have a significant effect on the environment.

The Initial Study contained in Section Three of this document has determined that with mitigation measures and features incorporated into the Project design and operation, the environmental impacts are less than significant and therefore a Mitigated Negative Declaration will be adopted.

Chapter 2

PROJECT DESCRIPTION

Project Description

2.1 Location

The Monterey Park Tract Community Services District (MPTCSD or CSD) is a small rural community located approximately 5 miles south of the City of Ceres in Stanislaus County, approximately one mile west of the intersection of Crows Landing Road and West Monte Vista Avenue. The community is adjacent to and west of Foy Avenue. See Figures 1 and 2 for Project locations.

2.2 Setting and Surrounding Land Use

The proposed Project involves the installation of a sewer collection system, approximating 3,800 feet of gravity collection mains and 10 manholes. Additionally, the Project includes construction of a new wastewater treatment plant (WWTP), consisting of three septic tanks, two treatment units and a leech field. See Section 2.4 – Project Description for more detailed information.

The Project site is synonymous with MPTCSD and the area slated for sewer main and pipeline installation consists of primarily residential development and paved streets. The District is bordered by agricultural development on all sides. The Project site also includes a proposed WWTP, located centrally in MPTCSD on an undeveloped strip of land east of Monterey Avenue. The proposed WWTP site is bordered by residences on all sides.

Figure 1 – Regional Location Map

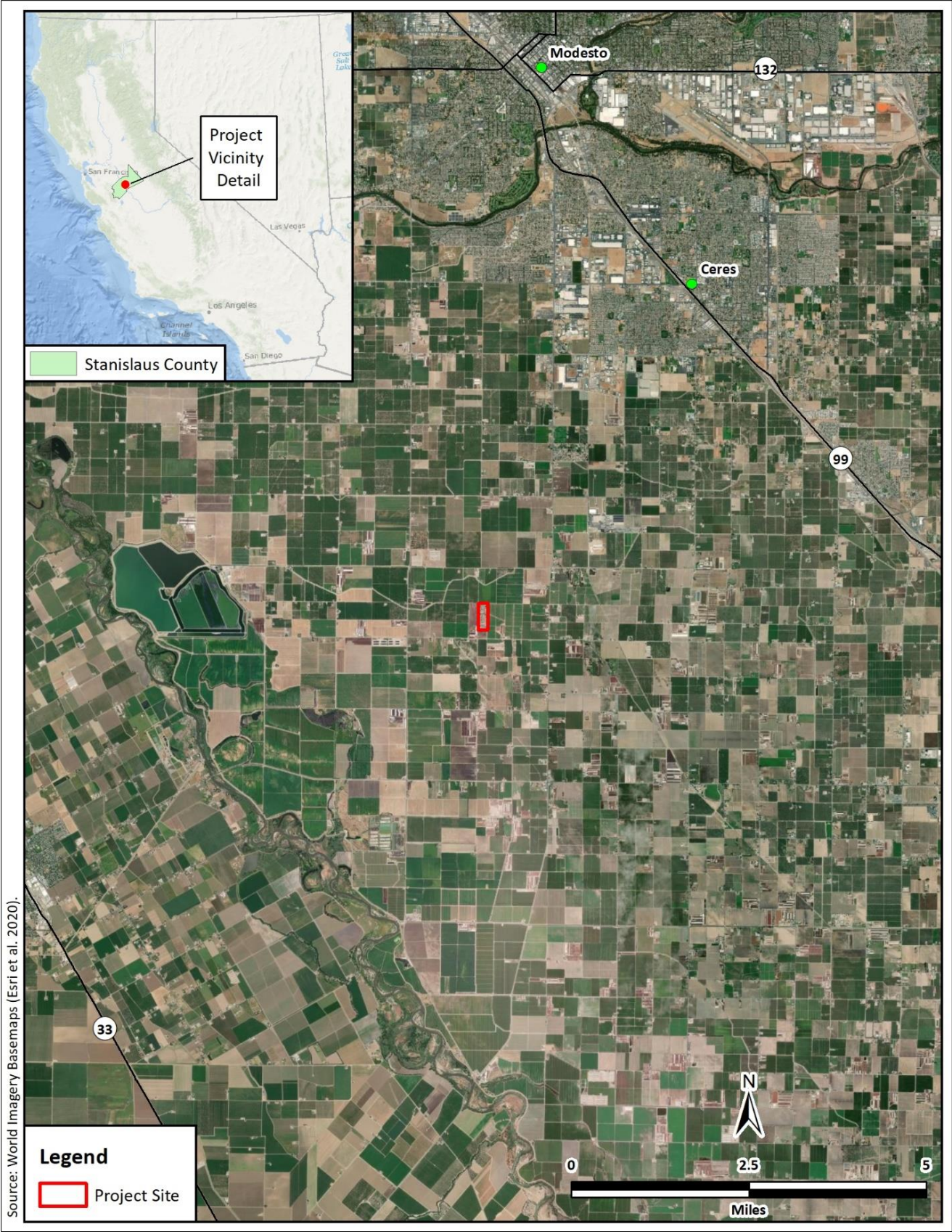
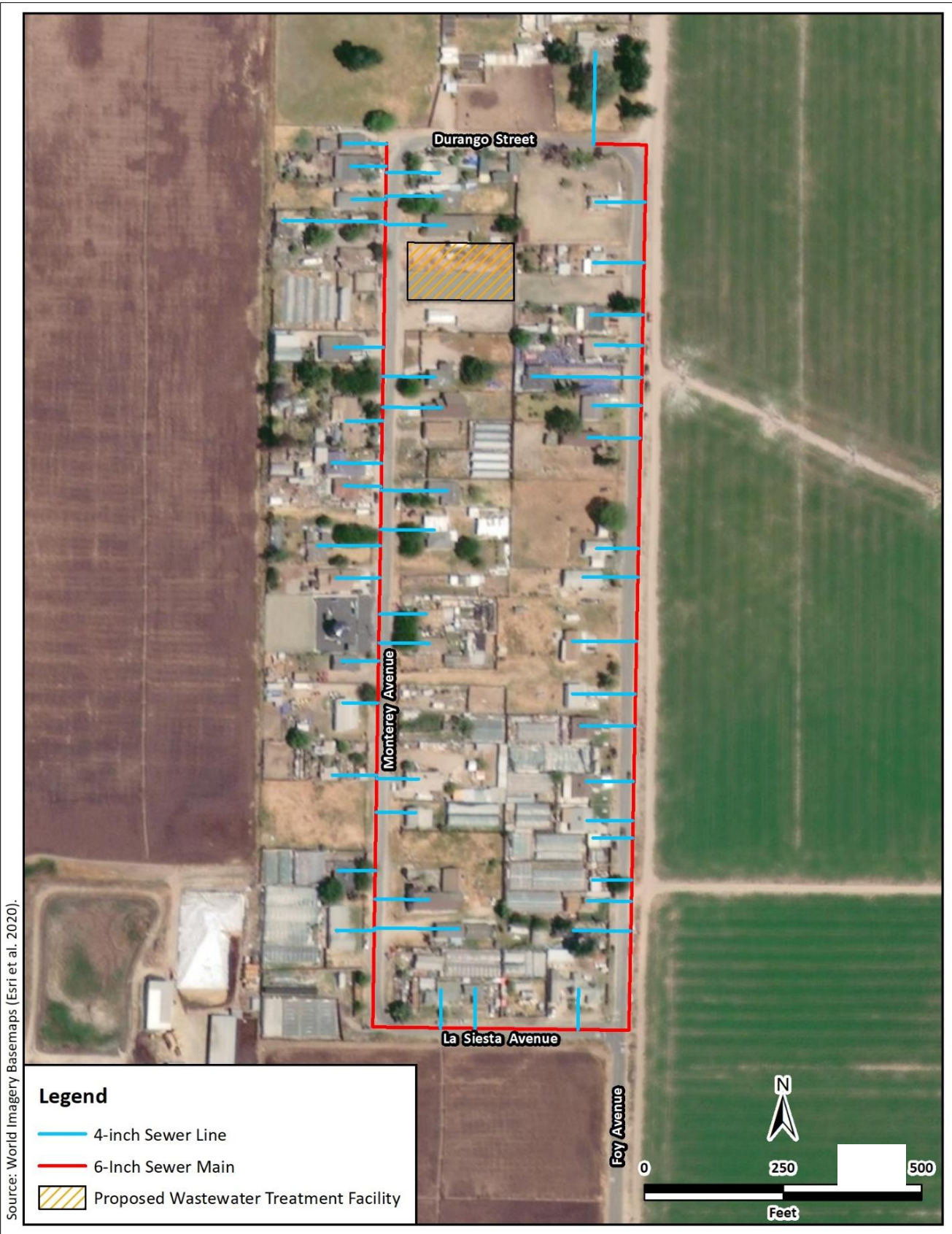


Figure 2 – Project Site Map



2.3 Project Background

MPTCSD currently only provides water service to the residences of the community. MPTCSD was enabled by the California Governing Code (CGC) 61000 and is the responsible agency with the authority to provide services to residents within the boundaries of the Community Services District. This authority was given by consent of registered voters in the community and formed by the Stanislaus County Board of Supervisors in 1984.

MPTCSD owns and operates the community's water system which presently serves 50 households, a church and a community center for a total of 55 active water service connections. The estimated population of the community is approximately 133 people according to the 2010 census.

Individual septic tanks and leach fields are used for sewer service and there are growing concerns about groundwater contamination caused by the elevated density of septic systems. The State Water Resources Control Board adopted the Onsite Wastewater Treatment Systems (OWTS) Policy in July 2012. The OWTS Policy established new requirements that affect the regulation and management of septic systems. The requirements of the OWTS policy are expected to increase the long-term costs of operating and maintaining individual septic systems.

MPTCSD is conducting this study to evaluate the feasibility of providing a community sewer collection and treatment system to all parcels in the service area. The goal is to provide a sustainable and affordable way to provide sewer service to the community.

2.4 Project Description

The MPTCSD proposed Septic to Sewer Project consists of the following:

- Constructing a community sewer collection system to convey wastewater to a centralized location and a new wastewater treatment plant (WWTP) for treatment and disposal of the wastewater. The system would serve 53 dwelling units*.
- The sewer collection system would require approximately 3,800 feet of gravity collection mains and 10 manholes.
- Maximum wastewater generation for the system is approximately 20,000 GPD requiring construction of a 4,000 sq. ft. leach field (and a redundant leach field).

- The treatment facility will consist of one (1) Xerxes 10,000-gallon septic tank, two (2) Xerxes 20,000-gallon septic tanks, and two (2) Orenco AdvanTex AX-Max treatment units. See Figure 3.

***Note:** After the Initial Study and Mitigated Negative Declaration were circulated for public review, the Project Description was modified to include two additional sewer connections. The total number of sewer connections is therefore 53 instead of 51. No other Project components were modified and the increase of two sewer connections does not change any of the impact determinations identified in Chapter Three of this document.

Project Schedule

Construction is expected to begin in February 2022 and end in February 2023.

2.5 Objectives

The primary objectives of the proposed Project are as follows:

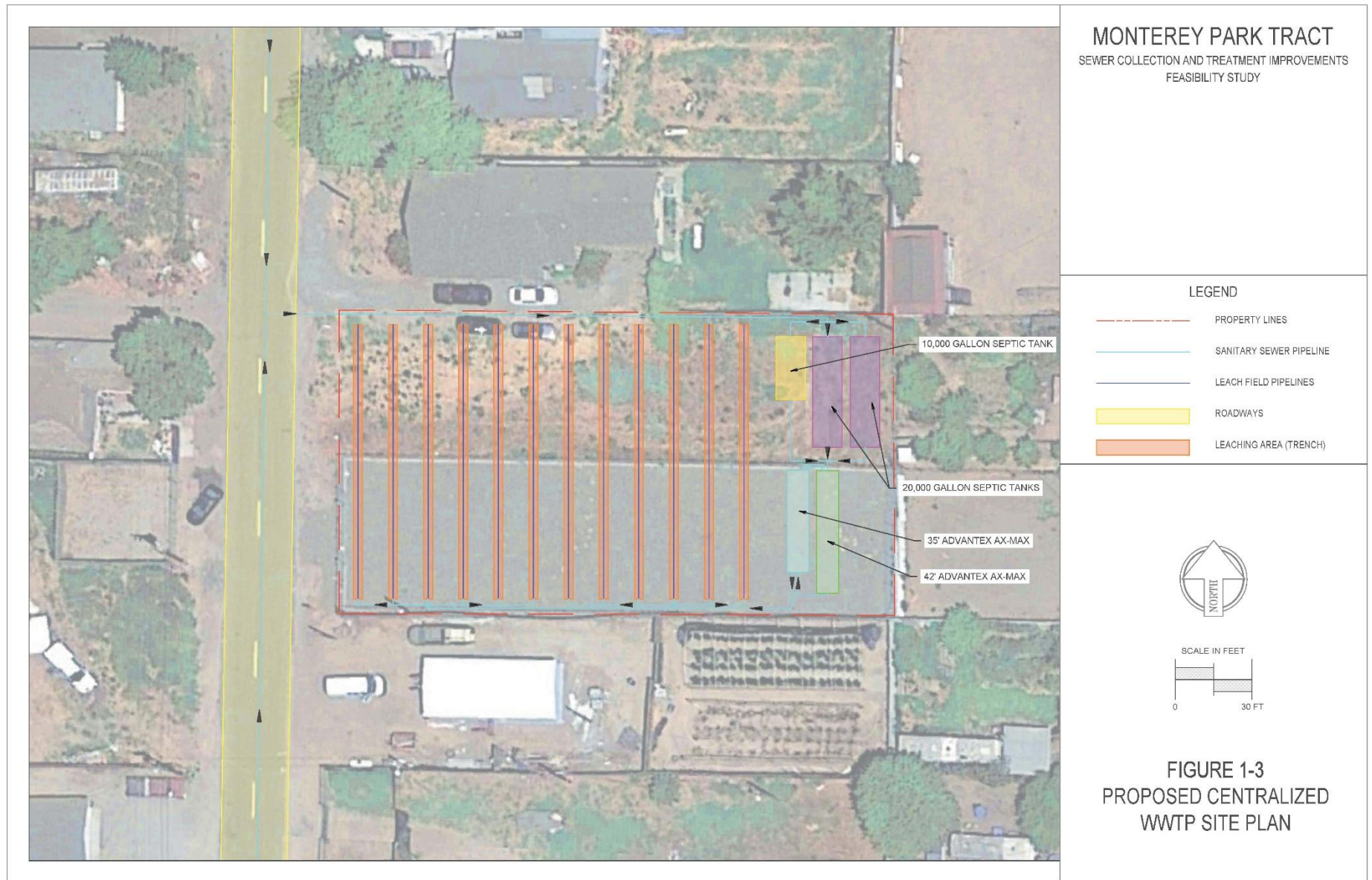
- To provide adequate sewer services to its customers, by replacing individual septic tanks and leach fields with a community collection system and treatment plant.
- To provide an affordable and sustainable solution to growing concerns regarding groundwater contamination, caused by the high density of individuals septic systems in the MPT area.
- To operate the sewer distribution system and WWTP with the most cost-effective methods available that meet the area's overall system performance and regulatory compliance requirements.

2.6 Other Required Approvals

The proposed Project will include, but not be limited to, the following regulatory requirements:

- The adoption of a Mitigated Negative Declaration by the Monterey Park Tract CSD.
- Regional Water Quality Control Board approval.
- State Water Board approval.

Figure 3 – Proposed Wastewater Treatment Facility



AM Consulting Engineers • 5150 N. Sixth Street Suite 124 • Fresno, California 93710 • (559) 473-1371

Chapter 3

IMPACT ANALYSIS

Initial Study Checklist

3.1 Environmental Checklist Form

Project title:

Monterey Park Tract CSD Septic to Sewer Project

Lead agency name and address:

Monterey Park Tract Community Services District
7655 Foy Avenue
Ceres, CA 95307-7527

Contact person and phone number:

Francisco Diaz, MPTCSD
(209) 499-1113

Project location:

See Section 2.1

Project sponsor's name/address:

Monterey Park Tract Community Services District (MPTCSD)

General plan designation:

Agriculture, Stanislaus County General Plan

Zoning:

General AG 10 Acre, Stanislaus County General Plan

Description of project:

See Section 2.3

Surrounding land uses/setting:

See Section 2.2

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

See Section 2.5

California Native American Tribal Consultation:

Have California Native American tribes traditionally and culturally affiliated with the project area requested consultation pursuant to Public Resources Code section 21080.3.1? If so, has consultation begun or is there a plan for consultation that includes, for example, the determination of significance of impacts to tribal cultural resources, procedures regarding confidentiality, etc.?

In accordance with Assembly Bill (AB) 52, potentially affected Tribes were formally notified of this Project and were given the opportunity to request consultation on the Project. The Native American Heritage Commission was contacted, requesting a contact list of applicable Native American Tribes, which was provided. Letters were provided to the listed Tribes, notifying them of the Project and requesting consultation, if desired. See Section 3.17 – Tribal Cultural Resources for more information.

3.2 Environmental Factors Potentially Affected

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

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

3.3 Determination

Based on this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the

project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Travis Crawford, AICP

Date

Environmental consultant to:

Monterey Park Tract Community Services District

I. AESTHETICS

Except as provided in Public Resources Code Section 21099, would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and regulations governing scenic quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

RESPONSES

- Have a substantial adverse effect on a scenic vista?
- Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

No Impact. The proposed Project involves the installation of a sewer collection system that will include installing underground sewer mains and sewer lines, as well as constructing a proposed wastewater treatment plant (WWTP). Views of surrounding areas will not be substantially impacted by the Project, since the majority of the finished work will be below grade. Any construction of at-

grade structures, such as those potentially required for the WWTP, will be in compliance with county and community standards. As such, the proposed Project will not impede any scenic vistas.

Construction activities will occur over a 12-month period and will be visible from the adjacent residences, businesses, and roadsides; however, the construction activities will be temporary in nature and will not affect a scenic vista, as described above. There will be *no impact*.

There are no state designated scenic highways within the vicinity of the proposed Project site.¹ The proposed Project would not damage any trees, rock outcroppings or historic buildings within a State scenic highway corridor. There is *no impact*.

Mitigation Measures: None are required.

- c. In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and regulations governing scenic quality?

Less than Significant Impact. The majority of the work, including proposed pipelines, community septic tanks and a leech field, will be installed underground. The pipelines, community septic tanks and leech field will not be visible once installed and thus would not degrade the existing visual character of the area. Any installation of at-grade structures, such as the treatment units for the proposed WWTP, will comply with county and community standards and requirements. Construction activities will be seen by the residences and businesses within the immediate vicinity and by vehicles driving in MPTCSD; however, construction activities will be temporary.

As such, the proposed Project will not substantially degrade the existing visual character or quality of the area or its surroundings.

The impact will be *less than significant*.

Mitigation Measures: None are required.

¹ California Department of Transportation. California Scenic Highway Mapping System. Stanislaus County.
<https://dot.ca.gov/programs/design/lap-landscape-architecture-and-community-livability/lap-liv-i-scenic-highways>. Accessed September 2020.

d. Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Less Than Significant Impact. Current sources of light in the Project area are from vehicles traveling along surrounding roads and residential lighting. No lighting will be associated with pipeline installation. The Project may implement minimal amounts of security lighting at the proposed WWTP site. Such lighting would be shielded so as not to spill onto adjacent properties and would be subject to community and county standards. Accordingly, the proposed Project would not create substantial new sources of light or glare. The impact is *less than significant*.

Mitigation Measures: None are required.

II. AGRICULTURE AND FOREST RESOURCES

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

RESPONSES

- a. Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?
- b. Conflict with existing zoning for agricultural use, or a Williamson Act contract?
- c. Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?
- d. Result in the loss of forest land or conversion of forest land to non-forest use?
- e. Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

No Impact. The proposed Project includes the installation of new sewer collection mains, pipelines and construction of a WWTP within the community of MPTCSD. The pipelines and associated infrastructure will largely occur within the existing right of way and will be installed underground. The purpose of the Project is to replace existing individual septic systems with a community sewer collection system and treatment facility, and does not have the potential to result in the conversion of farmland to non-agricultural uses or forestland uses to non-forestland.

The area within the District falls under the designation of Agriculture by the Stanislaus County General Plan; however, the community is largely comprised of residences and is not currently utilized for agriculture. Additionally, the California Department of Conservation's Important Farmland Finder program considers the area within MPTCSD to be Urban and Built-Up Land. The proposed Project does not include land under a Williamson Act Contract. No conversion of forestland, as defined under Public Resource Code or General Code, as referenced above, would occur as a result of the proposed Project.

No land conversion from farmland or forest land would occur as a result of the proposed Project. The proposed Project includes new sewer mains, pipelines, and a WWTP, largely within the existing right-of-way. All improvements will take place within an area that is built up with rural and urban uses. As such, the proposed Project does not have the potential to result in the conversion of Farmland to non-agricultural uses or forestland uses to non-forestland. There is *no impact*.

Mitigation Measures: None are required.

III. AIR QUALITY

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Result in other emissions (such as those leading to odors or adversely affecting a substantial number of people)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- Conflict with or obstruct implementation of the applicable air quality plan?
- Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?
- Expose sensitive receptors to substantial pollutant concentrations?

Less than Significant Impact. The San Joaquin Valley Air Basin (SJVAB) is designated nonattainment of state and federal health-based air quality standards for ozone and PM_{2.5}. The SJVAB is designated nonattainment of state PM₁₀.² To meet Federal Clean Air Act (CAA) requirements, the SJVAPCD has multiple air quality attainment plan (AQAP) documents, including:

- Extreme Ozone Attainment Demonstration Plan (EOADP) for attainment of the 1-hour ozone standard (2004);

² San Joaquin Valley Air Pollution Control District. Ambient Air Quality Standards & Valley Attainment Status. <http://www.valleyair.org/aqinfo/attainment.htm>. Accessed September 2020.

- 2007 Ozone Plan for attainment of the 8-hour ozone standard;
- 2007 PM₁₀ Maintenance Plan and Request for Redesignation; and
- 2008 PM_{2.5} Plan.

Because of the region's non-attainment status for ozone, PM_{2.5}, and PM₁₀, if the Project-generated emissions of either of the ozone precursor pollutants (ROG or NO_x), PM₁₀, or PM_{2.5} were to exceed the SJVAPCD's significance thresholds, then the Project uses would be considered to conflict with the attainment plans. In addition, if the Project uses were to result in a change in land use and corresponding increases in vehicle miles traveled, they may result in an increase in vehicle miles traveled that is unaccounted for in regional emissions inventories contained in regional air quality control plans.

As discussed below, predicted construction and operational emissions would not exceed the SJVAPCD's significance thresholds for ROG, NO_x, PM₁₀, and PM_{2.5}. As a result, the Project uses would not conflict with emissions inventories contained in regional air quality attainment plans, and would not result in a significant contribution to the region's air quality non-attainment status. Additionally, the Project would comply with all applicable rules and regulations.

The nonattainment pollutants for the SJVAPCD are ozone, PM₁₀ and PM_{2.5}. Therefore, the pollutants of concern for this impact are ozone precursors, regional PM₁₀, and PM_{2.5}. Ozone is a regional pollutant formed by chemical reaction in the atmosphere, and the Project's incremental increase in ozone precursor generation is used to determine the potential air quality impacts, as set forth in the GAMAQI.

The annual significance thresholds to be used for the Project emissions are as follows³:

Pollutant/ Precursor	Construction Emissions (tpy)	Operational Emissions (permitted) (tpy)	Operational Emissions (non- permitted) (tpy)
CO	100	100	100
NO_x	10	10	10
ROG	10	10	10
SO_x	27	27	27
PM₁₀	15	15	15
PM_{2.5}	15	15	15

Neither the pipeline nor the construction of the wastewater treatment plant will generate emissions once they are constructed. The estimated annual construction emissions are shown below. The Sacramento Metropolitan Air Quality Management District's Road Construction Emissions Model, Version 8.1.0 and

³ San Joaquin Valley Air Pollution Control District. March 19, 2015. Guide for Assessing and Mitigating Air Quality Impacts. http://www.valleyair.org/transportation/GAMAQI_12-26-19.pdf. Page 80. Accessed September 2020.

CalEEMod Version 2016.3.2 were utilized to estimate emissions generated from Project construction. Modeling results are provided in Table 1 and the Road Construction Emissions Model and CalEEMod output files are provided in Appendix A.

Table 1
Proposed Project Construction Emissions

Pollutant/ Precursor	Construction Emissions (tpy)	Threshold/ Exceed?
CO	5.22	100/ N
NOx	6.26	10/ N
ROG	0.73	10/ N
SOx	0.01	27/ N
PM₁₀	0.73	15/ N
PM_{2.5}	0.34	15/ N
CO_{2e}	1046.41	n/a

The nearest sensitive receptors to the proposed Project site are the residential houses located along the proposed pipeline alignment, as an objective of the Project is to implement a community sewer collection system and WWTP instead of individual septic systems.

Construction would take place within the vicinity of sensitive receptors; however, construction emissions would be below SJVAPCD thresholds and be temporary in nature. Therefore, the relatively small amount of emissions generated and the short duration of the construction period would not expose sensitive receptors to substantial pollutant concentrations.

Because the Project will not exceed any established air emission thresholds, does not result in a cumulatively considerable net increase of any criteria pollutant, and does not significantly impact sensitive receptors, the impact is determined to be *less than significant*.

Mitigation Measures: None are required.

- d. Result in other emissions (such as those leading to odors adversely affecting a substantial number of people?

Less Than Significant Impact. During construction, the various diesel-powered vehicles and equipment in use on-site could create localized odors. These odors would be temporary and are not likely to be noticeable for extended periods of time beyond the Project site. In addition, once the Project is operational, there would be no new source of odors from the Project. The septic tanks and other holding facilities will be underground and will not be exposed. Therefore, the impact is *less than significant*.

Mitigation Measures: None are required.

IV. BIOLOGICAL RESOURCES

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IV. BIOLOGICAL RESOURCES

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?
- Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

Less Than Significant Impact With Mitigation. A Biological Resource Evaluation (BRE) was prepared for the proposed Project in August of 2020 by Colibri Ecological Consulting, LLC (CEC). The BRE is included as Appendix B. As part of the BRE, the California Natural Diversity Data Base (CNDDB), the California Native Plant Society's Inventory of Rare and Endangered Plants, and the USFWS special status species lists were queried for records of special-status plant and animal species in the Project area. In addition, multiple field surveys were conducted as described in Appendix B. The results of the BRE are summarized as follows:

Environmental Setting

The Project site is synonymous with the Monterey Park Tract Community Services District and consists of primarily residential development and paved streets. The exact location is approximately five miles

southwest of the City of Ceres in an unincorporated area of Stanislaus County, CA. The District is bordered by agricultural development on all sides. The Project site also includes the proposed WWTP, located centrally in the District on an undeveloped strip of land east of Monterey Avenue. The proposed WWTP site is bordered by residences on all sides.

The proposed Project involves the installation of a sewer collection system, approximating 3,800 feet of gravity collection mains and 10 manholes. Additionally, the Project includes the proposed treatment facility, consisting of three septic tanks, two treatment units and a leech field. See Section 2.4 – Project Description for more detailed information.

Desktop Review

The United States Fish & Wildlife Service (USFWS) species list for the Project site included seven species listed as threatened or endangered under the FESA (USFWS 2020a, Table 1, Appendix A of Appendix B). None of those species could occur on or near the Project site due to either a lack of habitat, the Project site being outside the current range of the species, or the presence of development that would otherwise preclude occurrence (Table 1). As identified in the species list, the Project site does not occur in USFWS-designated Critical Habitat for any species (USFWS 2020a, Appendix A of Appendix B).

Searching the California Natural Diversity Database (CNDDB) for records of special-status species from within the Brush Lake 7.5- minute USGS topographic quad and the eight surrounding quads produced 161 records of 51 species (Table 1, Appendix B). Of those 51 species, 10 are not considered further because state or federal regulatory agencies or special interest groups do not recognize them through special designation (Appendix B). Of the remaining 41 species, 14 are known from within 5 miles of the Project site (Table 1, Figure 4 of Appendix B). Of those 14 species, only Swainson's hawk (*Buteo swainsoni*) could occur on or near the Project site (Table 1 of Appendix B). All other special-status species have no potential to occur due to either the lack of habitat, the Project site being outside the current range of the species, they were not detected during the reconnaissance survey, or a combination thereof.

Searching the CNPS inventory of rare and endangered plants of California yielded 13 species with a California Rare Plant Rank (CRPR) of 1B or 2B (Table 1, Appendix C, CNPS 2020 of Appendix B). None of those species are expected to occur on or near the Project site due to the lack of habitat (Table 1 of Appendix B).

Reconnaissance Survey

The Project site is coincident with the rural community of MPTCSD and consists of residential homes, a community center, a church, paved streets, and disturbed road shoulders (Figures 5–7 of Appendix B). The site of the planned wastewater treatment facility is disturbed, partly fenced, levelled, and half-

covered in gravel (Figure 8 of Appendix B). The Project site is bordered by agricultural development on all sides (Figures 2 and 7 of Appendix B), with corn fields to the east, south, and west; alfalfa fields to the north, and a small dairy farm to the southwest (Figure 2 of Appendix B). The Project site is underlain by a mix of Hilmar loamy sand, slightly saline, 0–1% slopes; Hilmar loamy sand, 0–1% slopes; Delhi loamy sand 0–3% slopes; and Dello loamy sand, 0–1% slopes (NRCS 2020). The elevation of the Project site ranges from 59–69 feet above mean sea level (Google 2020).

A total of 24 plant species (7 native and 17 nonnative) were found during the reconnaissance survey (Table 2 of Appendix B). Fifteen bird species and one mammal species were also detected (Table 2 of Appendix B).

Critical Habitat

The BRE concludes the Project will have no effect on designated or proposed critical habitat as no such habitat has been designated or proposed on or near the Project site.

Special-Status Species

The BRE concludes the Project may affect but is not likely to adversely affect the state listed as threatened Swainson's hawk. The Project is not expected to affect any other special-status species due to the lack of habitat or known occurrence records for those species near the Project site.

Migratory Birds

The BRE concludes the Project may affect but is not likely to adversely affect nesting migratory birds.

Regulated Habitats

The BRE concludes the Project will have no effect on regulated habitats.

Direct and Indirect Impacts

The Project could adversely affect, either directly or through habitat modifications, one special-status animal that occurs or may occur on or near the Project site. Construction activities such as excavating, trenching, or using other heavy equipment that disturbs or harms a special-status species or substantially modifies its habitat could constitute a significant impact. It is recommended that Mitigation Measure BIO-1 be included in the conditions of approval to reduce the potential impact to a less-than-significant level.

Mitigation Measures:**BIO – 1 Protect nesting Swainson’s hawks**

1. To the extent practicable, construction shall be scheduled to avoid the Swainson’s hawk nesting season, which extends from March through August.
2. If it is not possible to schedule work between September and February, a qualified biologist shall conduct a survey for active Swainson’s hawk nests within 0.25 miles of the Project site no more than 14 days prior to the start of construction. If an active nest is found within 0.25 miles, and the qualified biologist determines that Project activities would disrupt nesting, a construction-free buffer or limited operating period shall be implemented in consultation with the CDFW.

- c. Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

No Impact. No wetlands were present in the proposed Project area and as such, there would be *no impacts* associated with the proposed improvements.

Mitigation Measures: None are required.

- d. Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

Less Than Significant with Mitigation. No marine or estuarine fishery resources or migratory routes to and from anadromous fish spawning grounds were present in the survey area.

The Project could impede the use of nursery sites for native birds protected under the Migratory Bird Treaty Act and California Fish and Game Code. Migratory birds are expected to nest on and near the Project site. Construction disturbance during the breeding season could result in the incidental loss of fertile eggs or nestlings or otherwise lead to nest abandonment. Disturbance that causes nest abandonment or loss of reproductive effort is considered take by the CDFW. Loss of fertile eggs or nestlings, or any activities resulting in nest abandonment, could constitute a significant impact if the species is particularly rare in the region. It is recommended that Mitigation Measure BIO-2 (below) be included in the conditions of approval to reduce the potential impact to a less-than-significant level.

Mitigation Measures:**BIO – 2 Protect nesting birds.**

1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through August.
 2. If it is not possible to schedule construction between September and January, pre-construction surveys for nesting birds shall be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting birds, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.
- e. Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?
- f. Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

No Impact. There are no local policies or ordinances that the Project will conflict with. Additionally, there are no adopted local, regional, or state habitat conservation plans adopted for the area. As such, there is *no impact*.

Mitigation Measures: None are required.

V. CULTURAL RESOURCES

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- a. Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?
- b. Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?

Less Than Significant Impact With Mitigation. To meet State and federal requirements, ASM Affiliates, Inc. (ASM) was retained to conduct background research, complete a records search, request a search of the Native American Heritage Commission's Sacred Lands File and reach out to appropriate Native American contacts, conduct a cultural resources survey, and prepare a technical report, dated September 2020 (see Appendix C). The results of the Report are summarized herein and were used to support the determinations made in this CEQA document.

Native American Outreach

A Sacred Lands File (SLF) request was submitted to the Native American Heritage Commission (NAHC) on August 14, 2020. The NAHC responded on August 20, 2020, with a negative result to the SLF search. Additionally, the NAHC provided a list of Native American tribes who have knowledge of the Project APE. ASM wrote to contacts provided by NAHC for additional information pertaining to the APE on August 20, 2020. On September 9, 2020 follow-up emails and phone calls were made to the NAHC

provided contacts. At the time of the report publication no responses have been made. Appendix C provides requests to the NAHC, their results, and information request letters to Native American tribes.

Records Search and Site-Specific Research

A California Historical Resources Information System (CHRIS) records search was conducted by ASM Senior Archaeologist Deanna Keegan, M.A., RPA. Ms. Keegan requested a records search within a 0.5-mi. radius of the APE from the Central California Information Center (CCIC) on August 10, 2020, for the Project. CCIC provided records search results on August 12, 2020 (File No. 11471N). CHRIS records search requests and results are provided in Confidential Appendix B of Appendix C. Summarized records search results provided below are sourced from the CCIC accompanying attachments.

ASM conducted additional archival research including the review of historic maps and photographs, land records, and queries into the Office of Historic Preservation (OHP) Historic Property Directory (HPD) and NRHP. Historic topographic maps reviewed include Brush Lake, California, from 1953, 1969, 2012, 2015, and 2018; Modesto West, California, in 1941; San Jose, California, from 1947, 1956, 1962, 1966; Stockton, California in 1989; and Westport, California in 1915. The APE and surrounding vicinity appear to be open land with seasonal floodplain wetland habitat until c. 1955. There are no historic properties listed in the NRHP, OHP, or the HPD within the APE.

Pedestrian Survey

An intensive pedestrian survey of the APE was conducted on September 1, 2020 by ASM Senior Archaeologist Deanna Keegan, M.A. RPA, and ASM Assistant Archaeologist Jennifer Mak (Figure 6). Ms. Keegan served as Project Field Director. Field methods were designed to meet all professional requirements, including the *Secretary of the Interior's Standards and Guidelines*. The field methods employed included intensive, on-foot examination of the ground surface for evidence of archaeological sites, in the form of artifacts, surface features (such as house pits), and archaeological indicators (e.g., anthropogenic soils or burnt animal bone); the identification and location of any new or previously discovered sites; tabulation and recorded of surface diagnostic artifacts; site photography and sketch mapping; preliminary evaluation of site integrity; and site recording or, in the case of previously recorded sites, site record updating. The California OHP Instructions for Recording Historic Resources and Department of Parks and Recreation (DPR) 523 forms were followed and employed for site recording. GIS data was collected with an iPad using ESRI Collector for ArcGIS software synced with a Trimble R1 unit producing sub-meter accuracy. The APE was examined by walking parallel 20-m parallel transects. Both sides of Monterey Avenue, La Siesta Avenue, Foy Avenue, and Durango Street were inspected for cultural resources. In total, 0.75 linear miles of roadway were inspected. The proposed

location of the wastewater treatment plant were also examined for cultural materials (Figure 6 of Appendix C).

No cultural resources were observed in the survey area. The proposed location for the wastewater treatment plant was inspected first. The proposed wastewater treatment plant, located in the northeast portion of the APE east of Monterey Avenue, is a vacant graveled lot surrounded by a chain-linked fence on the eastern, northern, and western ends of the lot, and a wooden fence at the southern end. Ground visibility for the lot is 95 percent with the entire area leveled and covered by road gravel. Modern debris such as plastic soda bottles and dead vegetation were scattered throughout the entire area. The vacant dirt lot directly abutting the northern end of the fenced location was also examined. Ground visibility in the vacant lot was at 70 percent with vegetation obstructing views. Vegetation consisted of non-native grasses and weeds, jimsonweed and prickly pear cactus. Inspection of the ground revealed highly disturbed alluvial soils and modern debris. Private residences were directly adjacent to the vacant lot on the northern and eastern sides. The pavement and adjacent graded dirt shoulders of Monterey Avenue, La Siesta Avenue, Foy Avenue, and Durango Street were inspected. Inspection revealed that these areas have been periodically modified by road building and agricultural activities. Only modern road litter was found along the roads. Field conditions for the survey were good and survey confidence for the APE is high. Project Area photographs showing roadways and vacant lot for excavation are presented in Appendix A, Figures 8-12 of Appendix C.

Paleontological Resources

Paleontological resources are the fossilized remains of plants and animals and associated deposits. The Society of Vertebrate Paleontology has identified vertebrate fossils, their taphonomic and associated environmental indicators, and fossiliferous deposits as significant nonrenewable paleontological resources. Botanical and invertebrate fossils and assemblages may also be considered significant resources.

CEQA requires that a determination be made as to whether a project would directly or indirectly destroy a unique paleontological resource or site or unique geological feature (CEQA Appendix G(v)(c)). If an impact is significant, CEQA requires feasible measures to minimize the impact (CCR Title 14(3) §15126.4 (a)(1)). California Public Resources Code §5097.5 (see above) also applies to paleontological resources.

Direct and Indirect Impacts

As described in the Cultural Resources Report, the records search, background historical research, Native American outreach and a pedestrian survey revealed that no archaeological, cultural or historical resources occur on the Project site or in the Project area.

Unidentified archaeological, cultural or historical resources could be uncovered during proposed Project construction which could result in a potentially significant impact; however, implementation of Mitigation Measure CUL-1 would ensure that significant impacts remain *less than significant with mitigation incorporation*.

Mitigation Measures:

- CUL – 1** In the event that archaeological remains are encountered at any time during development or ground-moving activities within the entire Project area, all work in the vicinity of the find should be halted until a qualified archaeologist can assess the discovery and take appropriate actions as necessary.

c. Disturb any human remains, including those interred outside of formal cemeteries?

Less than Significant Impact. Although unlikely given the highly disturbed nature of the site and the records search did not indicate the presence of such resources, subsurface construction activities associated with the proposed Project could potentially disturb previously undiscovered human burial sites. Accordingly, this is a potentially significant impact. The California Health and Safety Code Section 7050.5 states that if human remains are discovered on-site, no further disturbance shall occur until the Stanislaus County Coroner has made a determination of origin and disposition. If the Coroner determines that the remains are not subject to his or her authority and if the Coroner recognizes the human remains to be those of a Native American, or has reason to believe that they are those of a Native American, he or she shall contact, by telephone within 24 hours, the NAHC. The NAHC shall identify the person or persons it believes to be the “most likely descendant” (MLD) of the deceased Native American. The MLD may make recommendations to the landowner or the person responsible for the excavation work, for means of treating or disposing of, with appropriate dignity, the human remains and any associated grave goods as provided in Public Resource Code Section 5097.98.

Although considered unlikely subsurface construction activities could cause a potentially significant impact to previously undiscovered human burial sites, however compliance with regulations would reduce this impact to *less than significant*.

Mitigation Measures: None are required.

VI. ENERGY

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

RESPONSES

- a. Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?
- b. Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?

Less Than Significant Impact. The proposed Project involves the installation of a sewer collection system, approximating 3,800 feet of gravity collection mains and 10 manholes. Additionally, the Project includes the proposed construction of a treatment facility, consisting of three septic tanks, two treatment units and a leech field. During construction, the Project would consume energy in two general forms: (1) the fuel energy consumed by construction vehicles and equipment; and (2) bound energy in construction materials, such as asphalt, steel, concrete, pipes, and manufactured or processed materials such as lumber and glass. Title 24 Building Energy Efficiency Standards would provide guidance on construction techniques to maximize energy conservation and it is expected that contractors and the community have a strong financial incentive to use recycled materials and products originating from nearby sources in order to reduce materials costs. As such, it is anticipated that materials used in construction and construction vehicle fuel energy would not involve the wasteful, inefficient, or unnecessary consumption of energy.

Operational Project energy consumption would be minimal, as the pipelines do not require energy once they are installed. Operational energy would also be consumed during each vehicle trip associated with the proposed use for maintenance or otherwise.

As discussed in Impact XVII – Transportation/Traffic, the proposed Project would not generate on-going daily vehicle trips, other than for maintenance. The length of these trips and the individual vehicle fuel efficiencies are not known; therefore, the resulting energy consumption cannot be accurately calculated. Adopted federal vehicle fuel standards have continually improved since their original adoption in 1975 and assists in avoiding the inefficient, wasteful, and unnecessary use of energy by vehicles.

As discussed previously, the proposed Project would be required to implement and be consistent with existing energy design standards at the local and state level, such as Title 24. The Project would also be subject to energy conservation requirements in the California Energy Code and CALGreen for the new WWTP. Adherence to state code requirements would ensure that the Project would not result in wasteful and inefficient use of non-renewable resources due to operation.

Therefore, any impacts are *less than significant*.

Mitigation Measures: None are required.

VII. GEOLOGY AND SOILS

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii. Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iii. Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iv. Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Be located on expansive soil, as defined in Table 18-1-B of the most recently	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

VII. GEOLOGY AND SOILS

Would the project:

adopted Uniform Building Code
creating substantial direct or indirect
risks to life or property?

Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
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- e. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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- f. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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RESPONSES

a-i. Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.

Less Than Significant Impact. The community of Monterey Park Tract Community Services District is located in a seismically active area and there is potential for seismic activity in the Project area. However, no active or potentially active faults have been mapped within the District and the Project area does not lie within a State-designated Alquist-Priolo Earthquake Fault Zone. The lack of mapped active and potentially active faults notwithstanding, the Project area could be subjected to strong ground shaking during an earthquake on a nearby fault such as the San Joaquin Fault, located approximately 10 miles southwest of the site.

The safety risk to people resulting from seismic activity would be significantly decreased by mandatory adherence to all relevant building codes, including the California Building Code (CBC) requirements, adopted by MPTCSD. In addition, the Project does not include any habitable structures. Any impacts would be *less than significant*.

Mitigation Measures: None are required.

- a (ii-iv). Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving strong seismic ground shaking, liquefaction or landslides?

Less than Significant Impact. The proposed Project site is not in an area recognized for severe seismic ground shaking, landslides or liquefaction. Additionally, the Project does not include the construction of substantial structures that would expose people or structures to adverse effects involving rupture of a known earthquake fault. Impacts would be *less than significant*.

Mitigation Measures: None are required.

- b. Result in substantial soil erosion or the loss of topsoil?

Less than Significant Impact. The proposed Project site has a varied topography, but does not include any Project features that would result in substantial soil erosion or loss of topsoil. Most of the Project components will be located below grade. Once construction is completed, the pipeline trenches will be returned to pre-construction conditions and will not result in soil erosion greater than existing conditions. Therefore, the impact is *less than significant*.

Mitigation Measures: None are required.

- c. Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

Less than Significant Impact. As described in Impact VI (aii-aiv), the potential for landslides, liquefaction, settlement or other seismically related hazards is low. As such, any impacts will be *less than significant*.

Mitigation Measures: None are required.

- d. Be located on expansive soil, as defined in Table 18-1-B of the most recently adopted Uniform Building Code creating substantial risks to life or property?

Less than Significant Impact. As described above, the potential for hazard from landslide and liquefaction in the Project area is low. Therefore, the potential for liquefaction induced lateral spreading is also low. Causes of soil instability include, but are not limited to, withdrawal of groundwater, pumping of oil and gas from underground, liquefaction, and hydro-compaction.⁴ The proposed Project does not include the on-site withdrawal of groundwater and the Project site is not located in an area that has been subjected to activities that might cause soil instability. Because the Project site has not been subject to activities that may cause soil instability, the risk of subsidence or collapse is expected to be low. Any impacts would be *less than significant*.

Mitigation Measures: None are required.

- e. Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?

Less Than Significant Impact. The Project itself is a sewer collection system that will eliminate individual septic tanks in the community. Three septic tanks, two treatment units and a leech field are included in the proposed Project. The Project has been designed to work with the soil types in the community. Therefore, there would be a *less than significant impact*.

Mitigation Measures: None are required.

- f. Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

Less Than Significant Impact. Paleontological resources are the fossilized remains of plants and animals and associated deposits. The Society of Vertebrate Paleontology has identified vertebrate fossils, their taphonomic and associated environmental indicators, and fossiliferous deposits as significant nonrenewable paleontological resources. Botanical and invertebrate fossils and assemblages may also be considered significant resources.

⁴ USGS. California Water Science Center. Land Subsidence: Cause & Effect. https://ca.water.usgs.gov/land_subsidence/california-subsidence-cause-effect.html. Accessed September 2020.

CEQA requires that a determination be made as to whether a project would directly or indirectly destroy a unique paleontological resource or site or unique geological feature (CEQA Appendix G(v)(c)). If an impact is significant, CEQA requires feasible measures to minimize the impact (CCR Title 14(3) §15126.4 (a)(1)). California Public Resources Code §5097.5 (see above) also applies to paleontological resources.

There are no unique geological features or known fossil-bearing sediments in the vicinity of the proposed Project site. However, there remains the possibility for previously unknown, buried paleontological resources or unique geological sites to be uncovered during subsurface construction activities. Implementation of Mitigation Measure CUL-1 would require inadvertently discovery practices to be implemented should previously undiscovered paleontological resources be located. As such, impacts to undiscovered paleontological resources would be *less than significant*.

VIII. GREENHOUSE GAS EMISSIONS

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?
- Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

Less than Significant Impact. The proposed Project would generate exhaust-related GHG emissions during construction resulting from construction equipment operation, material haul and delivery trucks, and by trips by construction worker vehicles. Construction-related GHG emissions would occur for approximately twelve months and would cease following completion of the Project. The proposed Project is not a land-use development project that would generate vehicle trips and is not a roadway capacity increasing project that could carry additional VMT. Therefore, the proposed Project would not result in a net increase in operational GHG emissions. As such, the proposed Project would not interfere or obstruct implementation of an applicable GHG emissions reduction plan. The proposed Project would be consistent with all applicable local plans, policies, and regulations for reducing GHG emissions. Any impacts related to GHG emissions would be *less than significant*.

Mitigation Measures: None are required.

IX. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. Impair implementation of or physically interfere with an adopted emergency	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

IX. HAZARDS AND HAZARDOUS MATERIALS

Would the project:

Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
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response plan or emergency evacuation plan?

- g. Expose people or structures either directly or indirectly to a significant risk of loss, injury or death involving wildland fires?

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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Responses:

- Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?
- Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

Less than Significant Impact. While trenching and construction activities may involve the limited transport, storage, use or disposal of hazardous materials, such as the fueling/servicing of construction equipment onsite, the activities would be short-term or one-time in nature and would be subject to federal, state, and local health and safety regulations.

Long-term operation of the proposed Project would involve little or no hazardous materials. Once operational, the pipelines are sealed and will not emit hazardous materials. Since the Project is intended to replace the existing deteriorated individual septic systems, it is assumed to have a positive impact by reducing potential contamination or other issues that may result in the release of hazardous materials.

With implementation of the proposed Project, there are no reasonably foreseeable upset and accident conditions that would create a significant hazard to the public due to the release of hazardous materials. Impacts are considered *less than significant*.

Mitigation Measures: None are required.

- c. Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

No Impact. There are no schools located within one-quarter mile of the Project vicinity. As previously described, long-term operation of the proposed Project would involve little or no hazardous materials. Once operational, the pipelines are sealed and will not emit hazardous materials. Since the Project is intended to replace the existing deteriorated individual septic systems, it is assumed to have a positive impact by reducing potential contamination or other issues that may result in the release of hazardous materials.

Mitigation Measures: None are required.

- d. Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

No Impact. The proposed Project site is not located on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.⁵ The nearest site is located approximately four miles northeast of the Project site, west of Central Avenue and north of Grayson Road in the City of Ceres. However, the site investigation has been closed and no further action is necessary. The Project is not impacted by the site and as such, there is *no impact*.

Mitigation Measures: None are required.

- e. For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?

Less Than Significant Impact. The nearest airport to the Project site is the Modesto City-County Airport located in the City of Modesto, approximately 7.5 miles northeast. As previously described, the Project does not include any significant above-grade structures and as such has *a less than significant impact* on any airport operations.

Mitigation Measures: None are required.

- f. Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

⁵ California Department of Toxic Substance Control. EnviroStor.
<https://www.envirostor.dtsc.ca.gov/public/map/?myaddress=monterey+park+tract>. Accessed September 2020.

Less Than Significant Impact. Pipeline installation will be temporary in nature and will not cause any road closures that could interfere with any adopted emergency response or evacuation plan. Construction schedules pertaining to pipelines within roadways will be coordinated with sheriff/fire/emergency services. Adequate emergency access will be maintained at all times. As such, any impacts will be *less than significant*.

Mitigation Measures: None are required.

- g. Expose people or structures either directly or indirectly to a significant risk of loss, injury or death involving wildland fires?

No Impact. Implementation of the Project would not change the degree of exposure to wildfires because no new housing or businesses will be constructed. Therefore, there is *no impact*.

Mitigation Measures: None are required.

X. HYDROLOGY AND WATER QUALITY

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i. Result in substantial erosion or siltation on- or off- site;	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii. substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii. create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv. impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

X. HYDROLOGY AND WATER QUALITY

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
d. In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- a. Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?

Less than Significant Impact. The Monterey Park Tract Community Services District (MPTCSD) is a small rural community located approximately 5 miles southerly of the City of Ceres in Stanislaus County. MPTCSD owns and operates the community's water system which presently serves 50 households, a church and a community center for a total of 55 active water service connections. The estimated population of the community is approximately 133 people according to the 2010 census. Individual septic tanks and leach fields are used for sewer service in the area and there are growing concerns about groundwater contamination caused by the elevated density of septic systems.

The proposed Project includes replacement of the existing individual septic systems and construction of a WWTP. The Project does not include any processes that would result in the production of chemicals or substances that would adversely impact local water quality beyond existing conditions. The Project is intended to rehabilitate/replace deteriorating septic tanks and to upgrade to a community sewer collection system and WWTP in an effort to protect groundwater in the area. The Project will not result in any additional water releases that could potentially impact groundwater or water quality. The State Water Resources Control Board will have ultimate review and approval of the upgraded system, thereby ensuring adequate water quality standards. MPTCSD is currently in compliance and has not received any notices of violation. There are no aspects of the Project that would result in changes to waste discharge requirements. Any impacts would be *less than significant*.

Mitigation Measures: None are required.

- b. Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?

Less Than Significant Impact. The Project is an upgrade and replacement of the existing individual septic systems and will not use additional groundwater beyond what is already being used by MPTCSD. Additionally, the proposed Project will not significantly interfere with groundwater recharge as it will not introduce significant amounts of impermeable surfaces. As such, any impacts to groundwater supplies will be *less than significant*.

Mitigation Measures: None are required.

- c. Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:
- i. result in substantial erosion or siltation on- or offsite;
 - ii. substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;
 - iii. create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or
 - iv. impede or redirect flood flows?

Less than Significant Impact. The proposed replacement of the existing individual septic systems will likely introduce few non-permeable surfaces. The pipelines and other improvements will be installed within the existing road right-of-way, or other easements and will not alter any existing drainage patterns. There may be a small amount of non-permeable surfaces associated with the proposed WWTP; however, they will be in compliance with community and county standards and are not expected to effect stormwater drainage systems in the area. There are no waterways in the immediate vicinity of the proposed Project. Any impacts would be *less than significant*.

Mitigation Measures: None are required.

- d. In flood hazard, tsunami or seiche zones, risk release of pollutants due to project inundation?
- e. Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?

No Impact. The Project is not within a regulatory floodway or within a base floodplain (100 year) elevation. In addition, the Project does not include any housing or structures that would be subject to flooding either from a watercourse or from dam inundation. There are no bodies of water near the site

that would create a potential risk of hazards from seiche, tsunami or mudflow. The Project will not conflict with any water quality control plans or sustainable groundwater management plan. Therefore, there are *no impacts*.

Mitigation Measures: None are required.

XI. LAND USE AND PLANNING

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- Physically divide an established community?
- Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?

No Impact. The proposed Project is located largely within the existing streetscape within the community of Monterey Park Tract Community Services District as presented in Figure 2. The construction of the sewer lines and appurtenances would not cause any land use changes in the surrounding vicinity nor would it divide an established community. Once construction is completed, disturbed ground will be restored. The proposed Project involves replacement of the existing individual septic systems and does not conflict with any land use plans, policies or regulations. *No impacts* would occur as a result of Project implementation.

Mitigation Measures: None are required.

XI. MINERAL RESOURCES

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- a. Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?
- b. Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

No Impact. The proposed Project includes replacement of the existing individual septic systems with a community sewer collection system and new WWTP. Construction will take place within the existing streetscape and not in an area with known mineral resources. Therefore, there is *no impact*.

Mitigation Measures: None are required.

XII. NOISE

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- a. Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?
- b. Generation of excessive groundborne vibration or groundborne noise levels?

Less than Significant Impact. The nearest sensitive receptors to the proposed Project would be the residences along the existing pipeline alignment, as presented in Figure 2. Project construction would involve temporary, short-term noise sources including site preparation and installation of the pipeline and site cleanup work is expected to last for approximately one year. Construction-related short-term, temporary noise levels would be higher than existing ambient noise levels in the Project area, but is temporary and would not occur after construction is completed.

Operations-related noise would be similar to existing conditions. The pipelines themselves do not emit noise, nor do the related improvements. As such, any impacts to sensitive receptors would be less than significant.

During the proposed Project construction, noise from construction related activities will contribute to the noise environment in the immediate vicinity. Activities involved in construction will generate maximum noise levels, as indicated in Table 2, ranging from 79 to 91 dBA at a distance of 50 feet, without feasible noise control (e.g., mufflers) and ranging from 75 to 80 dBA at a distance of 50 feet, with feasible noise controls.

Table 2
Typical Construction Noise Levels

Type of Equipment	dBA at 50 ft	
	Without Feasible Noise Control	With Feasible Noise Control
Dozer or Tractor	80	75
Excavator	88	80
Scraper	88	80
Front End Loader	79	75
Backhoe	85	75
Grader	85	75
Truck	91	75

The distinction between short-term construction noise impacts and long-term operational noise impacts is a typical one in both CEQA documents and local noise ordinances, which generally recognize the reality that short-term noise from construction is inevitable and cannot be mitigated beyond a certain level. Thus, local agencies frequently tolerate short-term noise at levels that they would not accept for permanent noise sources. A more severe approach would be impractical and might preclude the kind of construction activities that are to be expected from time to time. Most residents recognize this reality and expect to hear construction activities on occasion.

Typical outdoor sources of perceptible ground borne vibration are construction equipment, steel-wheeled trains, and traffic on rough roads. Construction vibrations can be transient, random, or continuous. Construction associated with the proposed Project is earthmoving activities associated installing pipelines and installing equipment.

The approximate threshold of vibration perception is 65 VdB, while 85 VdB is the vibration acceptable only if there are an infrequent number of events per day.⁶ Table 3 describes the typical construction equipment vibration levels.

Table 3
Typical Construction Vibration Levels

Equipment	VdB at 25 ft
Small Bulldozer	58
Jackhammer	79

Vibration from construction activities will be temporary and not exceed the Federal Transit Authority threshold for the nearest sensitive receptors.

As such, any impacts resulting from an increase in noise levels or from groundborne noise levels is *less than significant*.

Mitigation Measures: None are required.

- c. For a project located within the vicinity of a private airstrip or an airport land use plan, or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

No Impact. The nearest airport to the Project site is the Modesto City-County Airport located in the City of Modesto, approximately 7.5 miles northeast. As previously described, the Project does not include any above-grade structures and as such has *no impact* on or from noise associated with airport operations.

Mitigation Measures: None are required.

⁶ Transit Noise and Vibration Impact Assessment. Final Report No. FTA-VA-90-1003 prepared for the U.S. Federal Transit Administration by Harris Miller Miller & Hanson Inc., May 2006. Page 7-5. http://www.rtd-fastracks.com/media/uploads/nm/14_Section_38_NoiseandVibration_Part3.pdf. Accessed September 2020.

XIV. POPULATION AND HOUSING

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?
- Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?

Less Than Significant Impact. There are no new homes or businesses associated with the proposed Project, nor would Project implementation displace people or housing. The proposed Project is needed to replace existing individual septic systems. There is a *less than significant impact*.

Mitigation Measures: None are required.

XV. PUBLIC SERVICES

Would the project:

Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
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- a. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- a. Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

Fire Protection?

No Impact. The proposed Project would replace the existing individual septic systems with a community sewer collection system and new WWTP. The proposed Project would not directly or indirectly induce population growth and there would be no changes needed to the existing fire suppression services. There is *no impact*.

Police Protection?

No Impact. The proposed Project will continue to be served by existing police protection services. No additional police personnel or equipment is anticipated. There is *no impact*.

Schools, Parks, Other Public Facilities?

No Impact. The proposed Project would not increase the number of residents in the community, as the Project does not include residential units. Because the demand for schools, parks, and other public facilities is driven by population, the proposed Project would not increase demand for those services. As such, the proposed Project would result in *no impacts*.

Mitigation Measures: None are required.

XVI. RECREATION

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- a. Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?
- b. Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

No Impact. The proposed Project does not include the construction of residential uses and would not directly or indirectly induce population growth. Therefore, the proposed Project would not cause physical deterioration of existing recreational facilities from increased usage or result in the need for new or expanded recreational facilities. The Project would have *no impact* to existing parks.

Mitigation Measures: None are required.

XVII. TRANSPORTATION/ TRAFFIC

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?
- Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?
- Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?
- Result in inadequate emergency access?

Less Than Significant Impact. The proposed Project would not cause a substantial increase in traffic, reduce the existing level of service, create any additional congestion at any intersections, or be inconsistent with CEQA Guidelines Section 15064.3. The construction of pipelines and appurtenances will not generate any additional traffic (beyond construction-related traffic trips) and as such, level of service standards and vehicle miles traveled standards would not be exceeded. There are no components of the proposed Project that would increase hazards due to a geometric design feature. As traffic due to

construction activities would be temporary in nature; the proposed Project would not cause a substantial increase in traffic or result in inadequate emergency access. Construction schedules pertaining to pipelines within roadways will be coordinated with police/fire/emergency services. Adequate emergency access will be maintained at all times. Access to existing residences will also be maintained throughout construction.

Once installed, the new pipelines would not generate significant additional traffic trips per day, other than as needed for periodic maintenance. The Project would not conflict with a program plan, ordinance, or policy addressing the circulation system and as such, impacts would be *less than significant*.

Mitigation Measures: None are required.

XVIII. TRIBAL CULTURAL RESOURCES

Would the project:

a. Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:

i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or

ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
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Responses:

- a). Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:
- i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or
 - ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

Less Than Significant Impact. In accordance with Assembly Bill (AB) 52, potentially affected Tribes were formally notified of this Project and were given the opportunity to request consultation on the Project.

A Sacred Lands File (SLF) request was submitted to the Native American Heritage Commission (NAHC) on August 14, 2020. The NAHC responded on August 20, 2020, with a negative result to the SLF search. Additionally, the NAHC provided a list of Native American tribes who have knowledge of the Project APE. ASM wrote to contacts provided by NAHC for additional information pertaining to the APE on August 20, 2020. On September 9, 2020 follow-up emails and phone calls were made to the NAHC provided contacts. At the time of the report publication no responses have been made. Appendix C provides requests to the NAHC, their results, and information request letters to Native American tribes. Therefore, there is a *less than significant impact*.

Mitigation Measures: None are required.

XIX. UTILITIES AND SERVICE SYSTEMS

Would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Responses:

- a. Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?

Less Than Significant Impact. MPTCSD currently only provides water service to the residences in the area. MPTCSD was enabled by the California Governing Code (CGC) 61000 and is the responsible agency with the authority to provide services to residents within the boundaries of the Community Services District. This authority was given by consent of registered voters in the community and formed by the Stanislaus County Board of Supervisors in 1984.

MPTCSD owns and operates the community's water system which presently serves 50 households, a church and a community center for a total of 55 active water service connections. The estimated population of the community is approximately 133 people according to the 2010 census.

Individual septic tanks and leach fields are used for sewer service and there are growing concerns about groundwater contamination caused by the elevated density of septic systems. The State Water Resources Control Board adopted the Onsite Wastewater Treatment Systems (OWTS) Policy in July 2012. The OWTS Policy established new requirements that affect the regulation and management of septic systems. The requirements of the OWTS policy are expected to increase the long-term costs of operating and maintaining individual septic systems.

The proposed Project includes replacement of the community's existing individual septic systems with a community sewer collection system and new WWTP, the results of which would not exceed any wastewater treatment requirements set by the Regional Water Quality Control Board. The Project is intended to prevent potential contamination of groundwater by the current high density of individual septic systems. The State Water Resources Control Board will have ultimate review and approval of the upgraded system, thereby ensuring adequate water quality standards. The environmental impacts of the proposed Project are discussed within this document.

Mitigation Measures: The Project will require multiple mitigation measures as identified throughout this document.

- b. Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?

No Impact. The proposed Project includes replacement of the community's existing individual septic systems with a community sewer collection system and new WWTP. No new water supplies would be required as a result of this Project. There is *no impact*.

Mitigation Measures: None are required.

- c. Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

Less Than Significant Impact. The proposed Project includes replacement of the community's existing individual septic systems with a community sewer collection system and new WWTP, the results of which would require consolidation of existing wastewater produced by the community. The Project includes installation of new wastewater treatment facilities and processes; however, the current sewage septic disposal system employed by the MPTCSD is unsustainable and the proposed Project is intended to rehabilitate/replace that system with one better suited to the community's needs and requirements. The State Water Resources Control Board will have ultimate review and approval of the upgraded system, thereby ensuring adequate water quality standards. The Project will be in compliance with all State and local regulations and requirements.

Mitigation Measures: None are required.

- d. Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?
- e. Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?

Less Than Significant Impact. Proposed Project construction and operation will generate minimal amounts of solid waste. The proposed Project will not generate waste on an on-going basis and will comply with all federal, state and local statutes and regulations related to solid waste. Any impacts will be *less than significant*.

Mitigation Measures: None are required.

XX. WILDFIRE

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

	Potentially Significant Impact	Less than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a. Substantially impair an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Responses:

- Substantially impair an adopted emergency response plan or emergency evacuation plan?
- Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?

- c. Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?
- d. Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?

Less Than Significant Impact. The proposed Project is located in areas that have been developed with urban uses. The proposed Project includes replacement of the community's existing individual septic systems, which will include underground pipelines and construction of a new WWTP. There is no increased risk or on-going risk of wildfire beyond existing conditions associated with the Project.

As such, any wildfire risk to the Project structures or people would be *less than significant*.

Mitigation Measures: None are required.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

Would the project:

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

Responses:

- a. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

Less than Significant Impact With Mitigation. The analyses of environmental issues contained in this Initial Study indicate that the proposed Project is not expected to have substantial impact on the environment or on any resources identified in the Initial Study. Mitigation measures have been incorporated in the Project to reduce all potentially significant impacts to *less than significant*.

- b. Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

Less than Significant Impact. CEQA Guidelines Section 15064(i) states that a Lead Agency shall consider whether the cumulative impact of a project is significant and whether the effects of the project are cumulatively considerable. The assessment of the significance of the cumulative effects of a project must, therefore, be conducted in connection with the effects of past projects, other current projects, and probable future projects. Due to the nature of the Project and consistency with environmental policies, incremental contributions to impacts are considered less than cumulatively considerable. The proposed Project would not contribute substantially to adverse cumulative conditions, or create any substantial indirect impacts (i.e., increase in population could lead to an increase need for housing, increase in traffic, air pollutants, etc.). The impact is *less than significant*.

- c. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Less than Significant Impact With Mitigation. The analyses of environmental issues contained in this Initial Study indicate that the Project is not expected to have substantial impact on human beings, either directly or indirectly. Mitigation measures have been incorporated in the Project to reduce all potentially significant impacts to *less than significant*.

Chapter 4

MITIGATION MONITORING & REPORTING PROGRAM

MITIGATION MONITORING AND REPORTING PROGRAM

This Mitigation Monitoring and Reporting Program (MMRP) has been formulated based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Septic to Sewer Project located in the Monterey Park Tract Community Services District, in Stanislaus County. The MMRP lists mitigation measures recommended in the IS/MND for the proposed Project and identifies monitoring and reporting requirements as well as conditions recommended by responsible agencies who commented on the Project.

The first column of the Table identifies the mitigation measure. The second column, entitled “Party Responsible for Implementing Mitigation,” names the party responsible for carrying out the required action. The third column, “Implementation Timing,” identifies the time the mitigation measure should be initiated. The fourth column, “Party Responsible for Monitoring,” names the party ultimately responsible for ensuring that the mitigation measure is implemented. The last column will be used by the MPTCSD to ensure that individual mitigation measures have been monitored.

Mitigation Measure	Party responsible for Implementing Mitigation	Implementation Timing	Party responsible for Monitoring	Verification (name/date)
Biology				
BIO-1 Protect Nesting Swainsons Hawks. <ol style="list-style-type: none"> 1. To the extent practicable, construction shall be scheduled to avoid the Swainson's hawk nesting season, which extends from March through August. 2. If it is not possible to schedule work between September and February, a qualified biologist shall conduct a survey for active Swainson's hawk nests within 0.25 miles of the Project site no more than 14 days prior to the start of construction. If an active nest is found within 0.25 miles, and the qualified biologist determines that Project activities would disrupt nesting, a construction-free buffer or limited operating period shall be implemented in consultation with the CDFW. 	MPTCSD	Prior to and during construction	MPTCSD	
BIO-2 Protect Nesting Birds. <ol style="list-style-type: none"> 1. To the extent practicable, construction shall be scheduled to avoid the nesting season, which extends from February through August. 2. If it is not possible to schedule construction between September and January, pre-construction surveys for nesting birds shall 				

Mitigation Measure	Party responsible for Implementing Mitigation	Implementation Timing	Party responsible for Monitoring	Verification (name/date)
<p>be conducted by a qualified biologist to ensure that no active nests will be disturbed during Project implementation. A pre-construction survey shall be conducted no more than 14 days prior to the initiation of construction activities. During this survey, the qualified biologist shall inspect all potential nest substrates in and immediately adjacent to the impact areas for nests. If an active nest is found close enough to the construction area to be disturbed by these activities, the qualified biologist shall determine the extent of a construction-free buffer to be established around the nest. If work cannot proceed without disturbing the nesting birds, work may need to be halted or redirected to other areas until nesting and fledging are completed or the nest has otherwise failed for non-construction related reasons.</p>				
Cultural Resources				
<p>Mitigation Measure CUL-1 –</p> <ul style="list-style-type: none"> • In the event that archaeological remains 	MPTCSD	Prior to and during	MPTCSD	

Mitigation Measure	Party responsible for Implementing Mitigation	Implementation Timing	Party responsible for Monitoring	Verification (name/date)
are encountered at any time during development or ground-moving activities within the entire Project area, all work in the vicinity of the find should be halted until a qualified archaeologist can assess the discovery and take appropriate actions as necessary.		construction		

(Appendices can be found by clicking the link below)

<https://www.stanislauslafco.org/PDF/Notices/MPTCSD.CEQA.pdf>

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EXHIBIT G

LAFCO Resolution No. 2022-03

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: May 25, 2022

NO. 2022-03

SUBJECT: LAFCO Application No. 2022-01, Municipal Service Review No. 2020-01 & Sphere of Influence Update No. 2022-01 – Activation of Latent Powers (Sewer Service) to the Monterey Park Tract Community Services District

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, the Monterey Park Tract Community Services District adopted a resolution of application requesting the activation of latent powers for the district;

WHEREAS, a Municipal Service Review and Sphere of Influence Update has been prepared with associated determinations, in accordance with Government Code Sections 56425 and 56430, for the Monterey Park Tract Community Services District;

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

WHEREAS, the territory is considered inhabited as it contains more than 12 registered voters;

WHEREAS, the purpose of the proposal is to allow the Monterey Park Tract Community Services District to provide sewer services within its territory;

WHEREAS, the Commission has conducted a public hearing to consider the proposal on May 25, 2022, and notice of said hearing was given at the time and in the form and manner provided by law;

WHEREAS, the Commission has duly considered the Municipal Service Review and Sphere of Influence Update for the Monterey Park Community Services District and the determinations contained therein;

WHEREAS, the Monterey Park Tract Community Services District, as Lead Agency, has prepared and subsequently approved a Mitigated Negative Declaration for the proposal in compliance with the California Environmental Quality Act (CEQA);

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

WHEREAS, as required by Section 57000 of the Cortese Knox Hertzberg Act, the proposed activation of latent powers is subject to protest proceedings.

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, which included determinations and factors set forth in Government Code Sections 56668 and 56824.14, and any testimony and evidence presented at the meeting held on March 23, 2022;

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Certifies, in accordance with CEQA, as Responsible Agency, that it has considered the Mitigated Negative Declarations prepared by Stanislaus County.
2. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures.
3. Designates the proposal as the "Activation of Latent Powers (Sewer Service) to the Monterey Park Tract Community Services District."
4. Approves the Municipal Service Review prepared for the Monterey Park Tract Community Services District, and adopts the written determinations contained therein pursuant to Government Code Section 56430.
5. Determines, based on presently existing evidence, facts, and circumstances filed and considered by the Commission, that the Sphere of Influence for the Monterey Park Tract Community Services District should be affirmed as it currently exists, as more specifically described on the map contained within the Municipal Service Review document.
6. Approves the proposal subject to the following terms and conditions:
 - a. Successful completion of Conducting Authority Proceedings
 - b. Payment of any and all outstanding fees owed the Commission and/or other agencies involved in the processing of this proposal.
 - c. Approval of an assessment, special tax or other revenue source sufficient to maintain the sewer service and improvements.
 - d. 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.

e. The effective date of the activation of latent powers shall be the date of recordation of the Certificate of Completion.

7. Directs the Executive Officer to initiate protest proceedings pursuant to Government Code Section 57000 et seq.

ATTEST:

Sara Lytle-Pinhey
Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT
MAY 25, 2022**

TO: LAFCO Commissioners

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

SUBJECT: FINAL LAFCO BUDGET FOR FISCAL YEAR 2022-2023

RECOMMENDATION

Staff recommends that following the Executive Officer's report and public testimony regarding the Final LAFCO Budget that the Commission:

1. Adopt Resolution No. 2022-07, approving the Final Budget for Fiscal Year 2022-2023, including a \$14,570 increase from the Proposed Budget to fund re-classification expenses.
2. Direct Staff to transmit the adopted Final Budget to the Board of Supervisors, each City, each Independent Special District, and the County Auditor, in accordance with State law.
3. Request that the County Auditor apportion and collect the net operating expenses of the Final Budget from the County and nine cities in accordance with Government Code Sections 56381(b)(2) and 56381(c).
4. Request that the County initiate compensation and classification studies for the LAFCO Executive Officer and Assistant Executive Officer and authorize the Chairperson to sign a Supervisor's Position Description Questionnaire for the Executive Officer position.

DISCUSSION

At its April 27, 2022 LAFCO meeting, the Commission reviewed and approved the Proposed LAFCO Budget for Fiscal Year (FY) 2022-2023. During the discussion regarding the Proposed Budget, the Commission requested that Staff return with additional information regarding salary comparisons and classification of its employees to ensure that the positions remain fairly and competitively compensated.

LAFCO's Staff are currently provided by the County through a Memorandum of Understanding (MOU) between the Commission and the County. The Commission further enters into an agreement directly with the employee appointed by the Commission as the LAFCO Executive Officer. The three LAFCO Staff are identified in the County's classification system and currently receive respective County benefits as a Manager IV (for the Executive Officer), a Manager II (for the Assistant Executive Officer), and a Confidential Assistant IV (for the Commission Clerk).

The County Human Relations Department (HR) has indicated that staffing studies should be submitted during the County's budget cycle, due June 27, 2022 for the County's Final Budget for 2022-2023. County HR also indicated that it has 49 other studies and the entire process could take from six months to two years in length. LAFCO Staff has been compiling the necessary documentation to assist the HR process, including salary survey data and comparable descriptions.

EXECUTIVE OFFICER'S AGENDA REPORT
MAY 25, 2022
PAGE 2

Staff collected salary survey information from the LAFCOs of the eight comparison counties. This data is "point-in-time" and does not include potential cost-of-living increases for Stanislaus County or the comparison counties in the coming year(s). Table 1 summarizes the results of this survey.

Table 1: Salary Survey: Comparison to Other LAFCOs

LAFCO	Executive Officer	Assistant Executive Officer (or Principal/Senior Analyst)	Commission Clerk
Stanislaus	\$85,446 – 128,170 <i>(Manager IV)</i>	\$66,851 – 100,256 <i>(Manager II)</i>	\$50,398 – 75,608 <i>(Confidential Asst. IV)</i>
Fresno	\$95,000 – 150,000	\$67,416 – 81,948	\$47,544 – 57,592
Kern	\$140,000	\$75,000 – 100,000	\$48,000 – 59,000
Madera*	<i>Part-time EO (low-activity County)</i>	<i>Part-time Staff (low-activity County)</i>	<i>Part-time Staff (low-activity County)</i>
Merced	\$106,933 – 130,062 <i>(recently converted from contract / hourly)</i>	<i>Part-time Staff (shared w/ County Planning)</i>	\$47,694 – 58,011
Monterey	\$188,148	\$106,704 – 143,000	\$70,699 – 94,744
Sacramento	\$131,872 – 145,403	\$87,288 – 106,020	\$67,275 – 81,787
San Joaquin	\$128,266 – 156,811	\$89,434 – 108,731	<i>Currently being filled by part-time Clerk</i>
Tulare	\$111,921 – 167,600	\$79,162 – 96,477	\$43,979 – 53,599
8-County Average	\$114,798 – 154,003	\$83,543 – 106,031	\$54,119 – 67,489
<i>Top-Step Comparison</i>	<i>Stanislaus is \$25,833 or 20.16% Less than Average</i>	<i>Stanislaus is \$5,773 or 5.76% Less than Average</i>	<i>Stanislaus is \$8,119 or 10.74% Above Average</i>

**Madera has a part-time EO and staff with very low application activity. (Madera County has two incorporated cities and a population of 157,327.)*

Of those counties with full-time LAFCO Executive Officers, Stanislaus LAFCO's Executive Officer position is currently the lowest of the County comparisons. The Assistant Executive Officer position is currently below average when compared to the other counties, while having the lowest initial step of the comparison ranges. Stanislaus LAFCO's Commission Clerk position was reclassified in 2009 and appears to remain competitive to other County comparisons at this time.

Staff also collected salary data and position descriptions for positions in the County, city planning departments, and other JPA/Commission-led agencies. An initial chart of these comparisons is attached for the Commission's information. This data will be provided to HR to assist in their analysis of LAFCO's positions. The results of the County's classification study will be presented to the Commission for their acceptance upon completion.

Estimated Budget Impacts

For the Final Budget, Staff is recommending the Commission include a \$14,570 increase to Salaries and Benefits, which is the estimated budgetary impact of reclassification. This amount is equivalent to a five percent salary increase for the Executive Officer and the Assistant Executive Officer positions, contingent upon the completion of the County's reclassification study. Staff is requesting this amount be included in the Commission's Final Budget in order to meet the timeline specified by HR for the County's Final Budget and to avoid additional contribution requests from LAFCO's funding agencies in the upcoming fiscal year.

The resulting Final Budget includes operating expenses totaling \$593,480 and reflects a 7% increase as compared to the current year's budget. A detailed Final Budget chart is attached to this report highlighting the individual Salaries & Benefits accounts that would be affected.

Table 2: LAFCO Final Budget Summary

Expenses	Current Budget FY 2021-2022	Proposed Budget FY 2022-2023	Final Budget FY 2022-2023	Overall % Change (Final v. Current)
Salaries & Benefits	\$467,380	\$495,540	\$510,110	9%
Services & Supplies	86,980	82,170	82,170	-6%
Other Charges	1,200	1,200	1,200	0%
Total Expenses	\$555,560	\$578,910	\$593,480	7%
Revenues				
Undesignated Fund Balance	(\$42,402)	(\$25,000)	(\$20,000)	-53%
Application & Other Revenues	(20,000)	(20,000)	(20,000)	0%
Agency Contributions	\$493,158	\$533,910	\$553,480	12%

The Commission maintains a General Fund Reserve of 15% of operating expenses. This reserve fund is also recommended to be adjusted for the Final Budget to maintain its 15% level.

Table 3: Reserve Funds

	Proposed Budget FY 2022-2023	Final Budget FY 2022-2023
General Fund Reserve (15%)	\$ 86,850	\$ 89,025
Accrued Leave Fund (Cash-Out Liability)	95,000	95,000
Long-Term Liability Reserve	100,000	100,000
<i>Total Reserves</i>	<i>\$ 281,850</i>	<i>\$ 284,025</i>

With the proposed increase to expenses, and an adjustment in available fund balance used to offset agency contributions, the estimated agency contributions for Fiscal Year 2022-2023 would see slight adjustments as shown on the following page.

Table 4: Estimated Agency Contributions FY 2022-2023*

	State Controller Reported Revenues (FY 19-20)	% of LAFCO Budget	Current FY 21-22 Contrib.	Proposed Budget FY 22-23 Contrib.	Final Budget FY 22-23 Contrib.	Total Change FY 21-22 v FY 22-23	% Increase (Decrease)
Ceres	70,106,565	4.14%	\$ 21,874	\$ 22,128	\$ 22,939	1,065	4.87%
Hughson	11,151,271	0.66%	3,254	3,520	3,649	395	12.13%
Modesto	504,938,908	29.85%	144,774	159,374	165,215	20,441	14.12%
Newman	14,830,137	0.88%	4,184	4,681	4,852	669	15.98%
Oakdale	35,114,399	2.08%	11,597	11,083	11,489	(108)	(0.93%)
Patterson	50,010,789	2.95%	13,175	15,785	16,363	3,188	24.20%
Riverbank	20,187,656	1.19%	6,568	6,372	6,605	37	0.56%
Turlock	130,954,294	7.74%	38,435	41,333	42,848	4,413	11.48%
Waterford	8,491,900	0.50%	2,718	2,680	2,779	60	2.22%
All Cities	845,785,919	50%	246,579	266,955	276,740	30,161	12.23%
County Contribution		50%	246,579	266,955	276,740	30,161	12.23%
Total Agency Contributions		100%	\$ 493,158	\$ 533,910	\$ 553,480	\$ 60,322	12.23%

* 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.

CONCLUSION

The Commission is required to adopt a Final Budget annually by June 15th. Following adoption of the Final Budget, a copy will be transmitted to the County, each City, each Independent Special District, and to the County Auditor. The County Auditor will then allocate and charge LAFCO's net budget to all participating local agencies as outlined under Government Code Section 56381(b) and (c).

Approval of the Final Budget will enable the Commission to perform its core responsibilities effectively, and continue its work to fulfill state mandates, policy development, and current projects. Additionally, inclusion of the additional \$14,570 for re-classification impacts will support the Commission's intent to ensure fair and competitive salaries for its Staff.

Attachments: LAFCO Comparable Positions - Initial Data
Final Budget Detail Fiscal Year 2022-2023
Draft LAFCO Resolution No. 2022-07

LAFCO Comparable Positions – Initial Data

Staff has collected the following initial data for County Human Relations (HR) during the classification study and is providing this list for the Commission's information. Descriptions for each position listed will be provided to HR for their use and a final analysis will be shared with the Commission when available.

LAFCO Executive Officer Comparison to Other Positions within Stanislaus County

Agency	Title / Classification	Salary Range (Low – High)
Stanislaus LAFCO	Executive Officer (Manager IV)	\$85,446 – 128,170
Stanislaus County	Planning & Community Development Director	\$134,826 – 202,218
	Assistant Director of Planning & Community Development <i>(recently re-classified to multiple deputy director positions)</i>	\$94,952 – 143,418
Children and Families Commission <i>Uses County Classification System</i>	Children and Families Commission (First 5) Executive Director	\$106,995 – 160,493
Stanislaus Animal Service Agency <i>JPA, Uses County Classification System</i>	Director of Animal Services	\$106,995 – 160,493
Stanislaus Regional 911 <i>JPA, Uses County Classification System</i>	Director of Stanislaus Regional 911	\$106,995 – 160,493
City of Modesto	Director of Community & Economic Development	\$152,704 – 190,526
	Deputy Director of Community & Economic Development	\$114,120 – 139,080
City of Turlock	Deputy Development Services Director - Planning	\$120,120 – 146,016
	Asst. to the City Manager – Economic Development	\$117,288 – 142,572
City of Ceres	Director of Community Development	\$138,420 – 168,252
StanCOG	Executive Director	\$198,029+ <i>(2018 publicly-reported amount used; StanCOG did not provide current rate in time for report)</i>

LAFCO Assistant Executive Officer
Comparison to Other Positions within Stanislaus County

Agency	Title / Classification	Salary Range (Low – High)
Stanislaus LAFCO	Assistant Executive Officer (Manager II)	\$66,851 – 100,256
Stanislaus County	Assistant Planning & Community Development Director <i>(recently re-classified to multiple deputy director positions)</i>	\$94,952 – 143,418
	Deputy Director (Manager IV)	\$85,446 – 128,170
	Senior Planner <i>(block-budgeted as Manager II/III; higher level shown here for comparison purposes)</i>	\$75,872 – 113,360
City of Modesto	Planning Manager	\$111,239 – 135,198
	Economic Development Manager	\$108,526 – 131,901
	Principal Planner	\$100,783 – 122,488
	Senior Business Analyst	\$86,239 – 105,625
	Senior Planner	\$82,709 – 100,533
City of Turlock	Deputy Development Services Director - Planning	\$120,120 – 146,016
	Principal Planner	\$93,696 – 113,880
	Senior Planner	\$79,728 – 96,912
City of Ceres	Redev. & Economic Development Manager	\$104,568 – 127,104
	Senior Planner	\$70,440 – 85,620
City of Riverbank	City Planner	\$102,352 – 124,410
StanCOG	Principal Transportation Planner	\$84,872 – 121,685
	Senior Planner	\$79,249 – 110,334

LAFCO Commission Clerk
Comparison to Other Positions within Stanislaus County

Agency	Title / Classification	Salary Range (Low – High)
Stanislaus LAFCO	Commission Clerk (Confidential Assistant IV)	\$50,398 – 75,608
Stanislaus County	Exec. Assistant to Director & Deputy Director – Planning & Community Devt (Confidential Asst. IV)	\$50,398 – 75,608
	Planning Commission Clerk (Staff Services Technician)	\$46,384 – 56,388
Children and Families Commission <i>Uses County Classification System</i>	Confidential Assistant IV	\$50,398 – 75,608
Stanislaus Animal Service Agency <i>JPA, Uses County Classification System</i>	Confidential Assistant IV	\$50,398 – 75,608
Stanislaus Regional 911 <i>JPA, Uses County Classification System</i>	Confidential Assistant IV	\$50,398 – 75,608
City of Modesto	Executive Assistant to the City Council	\$66,159 – 80,414
	Executive Assistant to the City Manager	\$66,159 – 80,414
	Executive Assistant	\$55,723 – 67,724
	Senior Administrative Office Assistant (Confidential)	\$50,485 – 61,359
City of Turlock	Executive Assistant to the City Manager / Deputy City Clerk	\$73,404 – 89,244
	Secretary / Deputy City Clerk	\$54,792 – 66,588
	Senior Secretary	\$51,144 – 62,172
City of Ceres	Administrative Secretary	\$47,460 – 57,672
	Deputy City Clerk	\$49,860 – 60,600
StanCOG	Executive Administrative Assistant	\$41,112 – 74,061

Stanislaus LAFCO
FINAL FISCAL YEAR 2022-2023 BUDGET

Account	FY 21-22 Adopted Budget	FY 22-23 PROPOSED BUDGET	FY 22-23 FINAL BUDGET	Current FY vs Final Increase or (Decrease)	Current FY vs Final Overall % Change
Salaries and Benefits					
50000+ Salaries and wages	\$ 285,000	\$ 304,900	\$ 313,905	\$ 28,905	10%
52000 Retirement	89,990	95,160	98,500	8,510	9%
52010 FICA	22,500	23,175	23,175	675	3%
53000 Group health insurance	59,300	61,080	61,080	1,780	3%
53020 Unemployment insurance	360	460	460	100	28%
53051 Benefits admin fee	190	200	200	10	5%
53081 Long term disability	425	407	407	(18)	-4%
54000 Workers compensation insurance	1,035	1,330	1,330	295	29%
55000 Auto allowance	2,400	2,400	4,200	1,800	75%
55080 Professional development	2,200	2,200	2,500	300	14%
55130 Deferred comp mgmt/conf	3,980	4,228	4,353	373	9%
Total Salaries and Benefits	\$ 467,380	\$ 495,540	\$ 510,110	\$ 42,730	9%
Services and Supplies					
60400 Communications (ITC - Telecom)	\$ 1,290	\$ 1,065	\$ 1,065	\$ (225)	-17%
61000 Insurance (SDRMA)	4,800	4,950	4,950	150	3%
61030 Fiduciary liability insurance	70	65	65	(5)	-7%
62200 Memberships (CSDA, CALAFCO)	10,560	10,990	10,990	430	4%
62400 Miscellaneous expense	3,000	3,000	3,000	-	0%
62450 Indirect costs (A87 roll forward)	(460)	(1,805)	(1,805)	(1,345)	292%
62600 Office supplies	1,500	1,500	1,500	-	0%
62730 Postage	1,200	1,200	1,200	-	0%
62750 Other mail room expense	470	350	350	(120)	-26%
63000 Professional & special serv	12,515	14,940	14,940	2,425	19%
Building maint & supplies	3,540	4,500	4,500	960	27%
Office lease	4,000	4,290	4,290	290	7%
Utilities	1,560	1,500	1,500	(60)	-4%
Janitorial	855	1,300	1,300	445	52%
Purchasing	295	400	400	105	36%
HR/Risk Mgt overhead	2,265	2,950	2,950	685	30%
63090 Auditing & accounting	2,505	2,040	2,040	(465)	-19%
63400 Engineering services	2,000	2,000	2,000	-	0%
63640 Legal services	12,000	12,000	12,000	-	0%
63990 Outside data proc services (IT & GIS Lic)	12,950	15,525	15,525	2,575	20%
IT Services (ITC)	9,250	11,525	11,525	2,275	25%
Video Streaming (ITC)	1,000	1,000	1,000	-	0%
Mtg Recording (Final Cut Media)	1,500	1,800	1,800	300	20%
GIS License (ITC)	1,200	1,200	1,200	-	0%
65000 Publications & legal notices	1,000	1,200	1,200	200	20%
65660 Special dept. expense (3yr audit)	12,000	-	-	(12,000)	-100%
65780 Education & training	2,500	6,000	6,000	3,500	140%
65810 Other supportive services (messenger)	350	315	315	(35)	-10%
65890 Commission expense (stipends, training)	6,100	6,100	6,100	-	0%
67040 Other travel expenses (mileage)	500	600	600	100	20%
67201 Salvage disposal	130	135	135	5	4%
Total Services and Supplies	\$ 86,980	\$ 82,170	\$ 82,170	\$ (4,810)	-6%
Other Charges					
73024 Planning dept services	\$ 1,200	\$ 1,200	\$ 1,200	\$ -	0%
Total Other Charges	\$ 1,200	\$ 1,200	\$ 1,200	\$ -	0%
TOTAL EXPENSES	\$ 555,560	\$ 578,910	\$ 593,480	\$ 37,920	7%
TOTAL REVENUES					
40680+ Agency Contributions	493,158	533,910	553,480	60,322	12%
36414 Application & Other Revenues	20,000	20,000	20,000	-	0%
17000+ Interest Earnings & Refunds	-	-	-	-	nb
Use of Undesig. Fund Balance	\$ 42,402	25,000	\$ 20,000	\$ (22,402)	-53%

Stanislaus LAFCO
FINAL FISCAL YEAR 2022-2023 BUDGET
Reserve Funds & Undesignated Fund Balance

Estimated Fund Balance June 30, 2022	\$	308,653
<i>General Fund Reserve (15%)</i>		(89,025)
<i>Accrued Leave Fund (Cash-Out Liability)</i>		(95,000)
<i>Long-Term Liability Reserve</i>		(100,000)
Undesignated Fund Balance (Est.)	\$	24,628

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: May 25, 2022

NO. 2022-07

SUBJECT: Adoption of the Final LAFCO Budget for Fiscal Year 2022-2023

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, Government Code Section 56381(a) requires the Commission to adopt annually, following noticed public hearings, a proposed budget by May 1 and a final budget by June 15;

WHEREAS, the Stanislaus Local Agency Formation Commission wishes to provide for a budget to fulfill its purposes and functions as set forth by State law;

WHEREAS, pursuant to Government Code Section 56381(a), the proposed budget must be, at a minimum, equal to the previous budget, unless a finding is made that the reduced costs will nevertheless allow the Commission to fulfill the purposes and programs of the Stanislaus Local Agency Formation Commission (LAFCO);

WHEREAS, the Commission conducted a public hearing on April 27, 2022 and approved a Proposed Budget for Fiscal Year 2022-2023, as submitted by the Executive Officer;

WHEREAS, the Commission considered the Final Budget for Fiscal Year 2022-2023 at a duly noticed public hearing on May 25, 2022;

WHEREAS, approval of the Final Budget will enable the Commission to perform its core responsibilities effectively, and to continue its work on State-mandated Municipal Service Reviews and Sphere of Influence Updates;

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Finds that the Final Budget for Fiscal Year 2022-2023 will allow the Stanislaus Local Agency Formation Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act.
2. Adopts the Final Budget for Fiscal Year 2022-2023, with total operating expenses of \$593,480, as outlined in the attachment.

3. Directs Staff to transmit the adopted Final Budget for Fiscal Year 2022-2023 to the Board of Supervisors, each City, each Independent Special District, and the County Auditor, pursuant to Government Code Section 56381(a).
4. Requests that the County Auditor apportion and collect the net operating expenses of the Commission's Final Budget for Fiscal Year 2022-2023 in the amount of \$553,480 from the County and each of the nine cities no later than July 1, 2022 for the amount each entity owes in accordance with Government Code Sections 56381(b)(2) and 56381(c).
5. Authorizes the Executive Officer and the County Auditor to determine the method of collection if a city or the County does not remit its required payment within 60 days, as outlined in 56381(c).

ATTEST:

Sara Lytle-Pinhey
Executive Officer

Attachment: Final Budget for Fiscal Year 2022-2023

Stanislaus LAFCO
FINAL FISCAL YEAR 2022-2023 BUDGET

FY 22-23
FINAL
BUDGET

Account			
Salaries and Benefits			
50000+	Salaries and wages	\$	313,905
52000	Retirement		98,500
52010	FICA		23,175
53000	Group health insurance		61,080
53020	Unemployment insurance		460
53051	Benefits admin fee		200
53081	Long term disability		407
54000	Workers compensation insurance		1,330
55000	Auto allowance		4,200
55080	Professional development		2,500
55130	Deferred comp mgmt/conf		4,353
Total	Salaries and Benefits	\$	510,110
Services and Supplies			
60400	Communications (ITC - Telecom)	\$	1,065
61000	Insurance (SDRMA)		4,950
61030	Fiduciary liability insurance		65
62200	Memberships (CSDA, CALAFCO)		10,990
62400	Miscellaneous expense		3,000
62450	Indirect costs (A87 roll forward)		(1,805)
62600	Office supplies		1,500
62730	Postage		1,200
62750	Other mail room expense		350
63000	Professional & special serv		14,940
	Building maint & supplies		4,500
	Office lease		4,290
	Utilities		1,500
	Janitorial		1,300
	Purchasing		400
	HR/Risk Mgt overhead		2,950
63090	Auditing & accounting		2,040
63400	Engineering services		2,000
63640	Legal services		12,000
63990	Outside data proc services (IT & GIS Lic)		15,525
	IT Services (ITC)		11,525
	Video Streaming (ITC)		1,000
	Mtg Recording (Final Cut Media)		1,800
	GIS License (ITC)		1,200
65000	Publications & legal notices		1,200
65660	Special dept. expense (3yr audit)		-
65780	Education & training		6,000
65810	Other supportive services (messenger)		315
65890	Commission expense (stipends, training)		6,100
67040	Other travel expenses (mileage)		600
67201	Salvage disposal		135
Total	Services and Supplies	\$	82,170
Other Charges			
73024	Planning dept services	\$	1,200
Total	Other Charges	\$	1,200
TOTAL EXPENSES		\$	593,480
TOTAL REVENUES		\$	593,480
40680+	Agency Contributions		553,480
36414	Application & Other Revenues		20,000
17000+	Interest Earnings & Refunds		-
	Use of Undesig. Fund Balance	\$	20,000

Stanislaus LAFCO
FINAL FISCAL YEAR 2022-2023 BUDGET
Reserve Funds & Undesignated Fund Balance

Estimated Fund Balance June 30, 2022	\$	308,653
<i>General Fund Reserve (15%)</i>		(89,025)
<i>Accrued Leave Fund (Cash-Out Liability)</i>		(95,000)
<i>Long-Term Liability Reserve</i>		(100,000)
Undesignated Fund Balance (Est.)	\$	24,628