



**STANISLAUS LAFCO
LOCAL AGENCY FORMATION COMMISSION**

Sara Lytle-Pinhey, Executive Officer
1010 10th Street, Third Floor
Modesto, California 95354
Phone: 209-525-7660
Fax: 209-525-7643
www.stanislauslafco.org

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, September 28, 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. CORRESPONDENCE

No correspondence addressed to the Commission, individual Commissioners or staff will be accepted and/or considered unless it has been signed by the author, or sufficiently identifies the person or persons responsible for its creation and submittal.

- A. Specific Correspondence.
- B. Informational Correspondence.
- C. "In the News."

4. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

5. CONSENT ITEMS

A. **MINUTES OF THE AUGUST 24, 2022 LAFCO MEETING.** (Staff Recommendation: Accept the Minutes.)

B. **PROPOSED LAFCO MEETING CALENDAR FOR 2023**
(Staff Recommendation: Accept the 2023 Meeting Calendar.)

C. **MUNICIPAL SERVICE REVIEW NO. 2022-03 AND SPHERE OF INFLUENCE UPDATE NO. 2022-03 – FOR MODESTO IRRIGATION DISTRICT:** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Modesto Irrigation 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. 2022-09.)

D. **MUNICIPAL SERVICE REVIEW NO. 2022-04 AND SPHERE OF INFLUENCE UPDATE NO. 2022-04 – FOR TURLOCK IRRIGATION DISTRICT:** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Turlock Irrigation 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. 2022-10.)

E. **INFORMATIONAL UPDATE REGARDING THE COMMISSION'S AGRICULTURAL PRESERVATION POLICY**
(Staff Recommendation: Receive and file the report.)

6. PUBLIC HEARINGS

A. **LAFCO APPLICATION NO. 2022-03 CITY OF MODESTO FIRE SERVICE CONTRACT WITH THE SALIDA FIRE PROTECTION DISTRICT.** A request to approve a fire services contract, pursuant to Government Code Section 56134, for the provision of fire services outside the City of Modesto's jurisdictional boundaries to the Salida Fire Protection District. The contract is considered exempt from the California Environmental Quality Act pursuant to the General Rule, Section 15061(b)(3) as it can be seen with certainty that there will not be a significant impact to the environment. (Staff Recommendation: Adopt Resolution No. 2022-11 approving the contract.)

7. OTHER BUSINESS

None.

8. COMMISSIONER COMMENTS

Commission Members may provide comments regarding LAFCO matters.

9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

The Commission Chair may announce additional matters regarding LAFCO matters.

10. EXECUTIVE OFFICER'S REPORT

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

A. On the Horizon.

11. ADJOURNMENT

A. Set the next meeting date of the Commission for October 26, 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.

IN THE NEWS

Newspaper Articles

- The Modesto Bee, August 30, 2022, “Diablo Grande’s new developer is defaulting on taxes. Foreclosure cases are in court.”
- The Modesto Bee, September 6, 2022, “Diverters of Tuolumne River water suddenly see hope for state agreement on fish flows.”
- The Modesto Bee, September 8, 2022, “Modesto introduces a general plan overhaul to Salida residents. No fireworks yet.”
- The Modesto Bee, September 20, 2022, “Sidewalks for schoolkids, lighting and drainage: Stanislaus leaders could OK projects.”
- The Modesto Bee, September 21, 2022, “Big spending ahead: Stanislaus leaders OK money for ‘island ’projects, parks and libraries.”

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IN THE NEWS – The Modesto Bee, August 30, 2022

Diablo Grande's new developer is defaulting on taxes. Foreclosure cases are in court

BY Ken Carlson

The new owner that took over the Diablo Grande development two years ago is delinquent on more than \$2 million in property taxes, according to a Stanislaus County tax collector listing.

Angel's Crossing LLC owes \$2,072,208 in unpaid taxes on 65 parcels at the resort community in western Stanislaus County. The Treasurer-Tax Collector's office published the three-year tax default listing in Sunday's Modesto Bee.

The list shows \$1.43 million is owed since the 2018-19 fiscal year on the Diablo Grande clubhouse property on Morton Davis Drive. An additional \$643,160 is owed on 64 other parcels at Diablo Grande.

Donna Riley, county treasurer-tax collector, said the county could exercise authority to sell the properties in two years if the taxes are not paid. Riley said Monday a review of the Diablo Grande parcels showed Angel's Crossing doesn't have payment plans for the tax debt. Some owners on the list are making payments.

Principles for Angel's Crossing did not return messages from The Bee.

The new developer took over Diablo Grande in 2020 from World International, which also was saddled with tax debt and costs. Representatives for Angel's Crossing talked about building nearly 4,000 homes over a 20-year period, in addition to the current 600 homes at the troubled resort.

Diablo Grande residents said they haven't seen the new developer invest in the resort project. According to court documents, Angel's Crossing has not paid contracted amounts to the homeowners association or special taxes to Western Hills Water District, which supplies water for Diablo Grande.

Mike Crumb, a homeowner since 2006, said the clubhouse is closed and the two golf courses that once were the glory of Diablo Grande are dead.

"That supposed developer has not spent one penny on this development," Crumb said.

In a civil case in Stanislaus Superior Court, Western Hills Water District is attempting to foreclose on parcels held by Angel's Crossing due to nonpayment of special taxes for a community financing district. Western Hills also is taking action to foreclose on tax-delinquent parcels still owned by World International.

Julie Davis, president of the Western Hills Water District board, said millions of dollars in special taxes have not been paid since the end of 2017.

If a court decision goes in favor of Western Hills, the affected parcels could be sold to new owners to recover the unpaid taxes. Residents hope prospective new owners would do more to develop the resort.

The Western Hills case against Angels Crossing is scheduled for a court hearing and settlement conference in November.

Diablo Grande originally was a 33,000-acre master plan with five villages and a convention center, but only one village was authorized for development and the project went into bankruptcy in 2008. About 600 homes

IN THE NEWS – The Modesto Bee, August 30, 2022 (Continued Page 2)

were constructed in the initial phase. A county-approved amendment in 2017 allows for 2,354 more dwellings at Diablo Grande.

Angela Freitas, county director of planning and community development, said Monday that Angel's Crossing has not submitted any of its own plans to the county for Diablo Grande.

IN THE NEWS – The Modesto Bee, September 6, 2022

Divers of Tuolumne River water suddenly see hope for state agreement on fish flows

BY John Holland

The main divers of Tuolumne River water could be closing in, finally, on an agreement with the state on fish protections.

The boards of the Modesto and Turlock irrigation districts voted separately Tuesday to direct their staffs to finalize the deal.

Details have not yet been disclosed on how much water would be released from Don Pedro Reservoir to support salmon and other fish in the lower river.

Only about 20% of natural flows are left in an average year after MID, TID and San Francisco take their shares. The volume would roughly double under a plan approved in 2018 by the State Water Resources Control Board but not yet carried out. That idea has support from environmental and fishing groups.

The districts and San Francisco have offered to boost reservoir releases somewhat while also enhancing fish habitat with nonflow measures such as restoring spawning gravel.

The state board has reached “voluntary agreements” with some of the other users of Central Valley rivers. Exactly what led to the recent progress on a Tuolumne pact is not public, but the board is expected to release the details at some point.

The Tuolumne River Trust has opposed the divers’ proposal in the past and remains skeptical, Policy Director Peter Drekmeier said in an email Tuesday to The Modesto Bee.

“Relying predominantly on habitat restoration and little on in-stream flows simply does not work, and conditions continue to deteriorate,” he said.

The districts have rights to about half of the Tuolumne, including part of the city of Modesto supply. San Francisco sends an eighth to the Bay Area and has signed on to the pending agreement.

The rest of the water is taken by riverside rights holders or makes it to the Sacramento-San Joaquin Delta.

Tuesday’s votes were unanimous in boardrooms about 14 miles apart.

“To me, today is a huge win for our community,” TID Chairman Michael Frantz said. “It’s a win for the Tuolumne River.”

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IN THE NEWS – The Modesto Bee, September 8, 2022

Modesto introduces a general plan overhaul to Salida residents. No fireworks yet

BY Ken Carlson

Modesto's general plan update has high aspirations for addressing land use, transportation, economic development and climate change in a plan through 2050.

City staff explained the planning process to Salida residents Tuesday evening without igniting territorial issues that have marred relations between Stanislaus County's biggest city and its largest unincorporated town. Salida has about 14,000 residents.

"We certainly are not coming after Salida in any shape or form," said Jaylen French, the city's community and economic development director, speaking at the Salida Municipal Advisory Council meeting.

A proposal for Modesto to annex Salida in 2013 touched off a storm of opposition. It has been a politically charged issue going back to the 1990s.

Randy Pringle of Salida complimented French for a well-spoken presentation but said residents attending the meeting were quick to raise hackles.

"We are not going to give up anything," another Salida resident said.

French said Modesto's first general plan overhaul since 1995 is going through the "visioning" process. Discussion of land use scenarios most likely will begin in 2023.

He said the goal is building a community vision and the city promises many opportunities for public input through interactive tools, workshops, online surveys and hearings. The city expects to hold 35 or more meetings to update specific groups.

The general plan serves to guide where regional and local shopping is developed, plots residential areas and affects economic development, schools, parks, transportation and public safety, city staff said.

Modesto is also adding a state-required environmental justice element to the general plan, putting a lens on disadvantaged areas and deficiencies in public health, access to healthy food, safe and sanitary housing and exposure to pollution.

Placeworks of Southern California was hired under a \$1.74 million contract to assist Modesto with the three-year planning effort.

NORTHWARD GROWTH FOR MODESTO

Situated north of Modesto on Highway 99, Salida has been part of Modesto's growth planning for years. French explained that most communities plan around major transportation corridors,

IN THE NEWS – The Modesto Bee, September 8, 2022 (Continued Page 2)

where the potential is greatest for high-yield land uses creating economic activity. Salida sits at the intersection of Highway 99 and Kiernan Avenue.

Salida community members, some of whom have dreams of incorporating as a city, are not expecting an attempt by Modesto to absorb Salida. They predict the city will go after prime development land.

Residents at Tuesday's meeting said they don't have a voice in Modesto's planning.

Steve Mitchell, city planning manager for Modesto, said long-range planning is one process but a regional body oversees changes to local government boundaries.

Mitchell pointed out the Local Agency Formation Commission rejected a Modesto proposal in 1996 to include Salida and other land north of the city in its "sphere of influence" or ultimate growth area. LAFCO consists of appointees from the county and cities and the public at large.

IN THE NEWS – The Modesto Bee, September 20, 2022

Sidewalks for schoolkids, lighting and drainage: Stanislaus leaders could OK projects

BY Ken Carlson

Stanislaus County leaders could approve recommendations Tuesday for spending \$50 million in American Rescue Plan Act funds on improvements to “county islands.”

County staff members are recommending \$10 million for improvements in the Bret Harte area of south Modesto and \$6.87 million in the Parklawn neighborhood off Hatch Road.

Bret Harte and Parklawn are disadvantaged areas that have been improved with sewer hookups but have other needs including storm drainage, sidewalks, curbs and gutters and streetlights.

It’s estimated that Bret Harte and Parklawn need \$58 million and \$25.8 million in improvements, respectively, to meet standards for annexation to Modesto.

County Supervisor Chance Condit plans to work with county staff to hold community meetings to discuss what specific improvements should be made in the two areas with the \$16.87 million in ARPA funds.

The money falls short of what’s needed to annex the two neighborhoods to the city, but it can pay for some immediate needs such as sidewalks and street lighting, Condit said.

“All of those will be great improvements for the community,” Condit said Monday. “It will make walking to school more accessible for the schoolkids, and sidewalks will make it more accessible for the elderly and disabled. It is a good start and something that allows us to continue to work in making things more equitable in District 5 compared to other areas of the county.”

Condit and the four other county supervisors expect to have \$3 million each to spend on needed infrastructure in their respective districts through the county’s newly created “building community” program.

Condit said he will dedicate his district’s \$3 million to a stormwater main in the unincorporated town of Empire. The county will need to find an additional \$2 million to cover costs of the Empire storm drain.

If the ARPA-funded improvements are approved Tuesday evening, county Public Works will begin the environmental review process and scheduling for the projects.

In 2021, county supervisors came out with a spending plan for \$90 million in ARPA federal relief funds, allocating \$50 million for upgrades to county islands that don’t have basic urban improvements, \$30 million for economic development and job creation to help communities recover from the COVID pandemic, \$5 million to create a nonprofit community development corporation to help revitalize struggling communities and \$5 million in navigation assistance to help people access safety-net services.

IN THE NEWS – The Modesto Bee, September 20, 2022 (Continued Page 2)

ALLOCATIONS BASED ON NEED

In August, supervisors chose to allocate the largest portion of the \$50 million, earmarked for county islands, to Chance Condit's District 5, based on the unmet needs in that district.

Beside the \$16.87 million for Chance Condit's district, the board allocated \$12.2 million to Supervisor Mani Grewal's District 4 in Modesto, \$10.6 million to board chairman Terry Withrow's District 3 in west Modesto, \$5.6 million to Buck Condit's District 1 including Riverbank and Oakdale, and \$4.7 million to Vito Chiesa's District 2 in Turlock.

County staff is recommending \$10 million for improvements in the Colorado-Rouse neighborhood of Modesto and \$2.2 million for upgrades in the Herndon Road area in Ceres, south of the Tuolumne River. The two areas were chosen because of opportunities to use ARPA funds as leverage to secure money from other sources.

The Colorado-Rouse area is already part of a wastewater improvement project in west Modesto supported by community development funds.

The neighborhood could be brought up to standards for annexation to Modesto by using the \$10 million in ARPA funds, along with a potential \$8 million from the State Water Board to finish the wastewater project and \$5 million in state funds anticipated from Modesto, a county staff report says.

A proposal to annex the Colorado-Rouse area to Modesto would trigger a protest vote.

According to the staff report, Grewal is supportive of dedicating funds from his district's "building community" account, along with the \$2.2 million in ARPA funds, for improvements in the Herndon Road area of Ceres.

UPGRADES FOR RIVERDALE AND RIVERBANK

The Board of Supervisors will also consider a recommendation of \$10.6 million for improvements in Riverdale Park Tract in board chairman Terry Withrow's district.

Riverdale Park, a future candidate for annexation to Modesto, has a need for wastewater improvements, sidewalks, drainage and lighting. The \$10.6 million in ARPA funds isn't enough to cover the \$13.7 million in costs for Riverdale Park improvements, but county staff and Withrow will work on identifying other sources of funding.

Another recommendation is \$5.6 million in ARPA funds for upgrades to the Topeka Street and Santa Fe area of Riverbank. The costs for improvements are estimated at \$8.15 million. County staff could talk with the city of Riverbank about more refined cost estimates and the level of improvements required for annexation.

In Turlock, the recommended project is \$4.7 million for upgrading the Starr and Kenwood avenue neighborhood, a county pocket that needs wastewater service, curb and gutter and storm drainage. County officials will talk about finding an additional \$550,000 to cover the total costs of improvements.

Turlock has expressed an interest in annexation of the Starr-Kenwood area.

The Stanislaus County Board of Supervisors meets at 6:30 p.m. Tuesday in the meeting chambers at Tenth Street Place, at 1010 10th St., Modesto.

Big spending ahead: Stanislaus leaders OK money for ‘island’ projects, parks, libraries

BY Ken Carlson

Stanislaus County is moving forward with \$50 million in long-awaited improvements for county pockets that don't have basic services.

Supervisors approved the spending Tuesday evening for seven neglected unincorporated neighborhoods, saying they hope it paves the way for efforts to bring “county islands” up to standards and get them annexed to cities.

The \$50 million is federal relief money through the American Rescue Plan Act.

At Tuesday's Board of Supervisors meeting, the often frugal county leadership said the county will spend down \$60 million in savings in the next three years to enhance parks and libraries, restore county properties and stabilize the county workforce.

The plan for spending general fund reserves was approved Tuesday night in the final county budget for 2022-23, including \$16.5 million in community service investments and a \$15 million “building community” fund for spending on infrastructure in board member districts.

Supervisor Buck Condit said the investments in parks and libraries should have a “huge impact” on quality of life. But not many details of the public investment plan were disclosed during the budget discussion.

The county has the money to spend after building up reserves during the economic recovery of the past decade, but officials said at Tuesday's meeting that signs of trouble in the economy are reason for caution.

The board approved the largest amount of ARPA funding for improvements in the Bret Harte and Parklawn areas in south Modesto. The \$10 million for Bret Harte and \$6.87 million for Parklawn will pay for sidewalks, street lighting, curbs, gutters and storm drainage.

The county's first two projects will target the small county pockets at Topeka and Santa Fe streets in Riverbank and the Starr and Kenwood Avenue neighborhood in Turlock. The two pockets combined are less than 50 acres.

Supervisor Channce Condit asked about the timing of the projects and said he didn't want to wait long for work to begin at the 1,200-parcel Bret Harte area and at Parklawn, which has 330 parcels.

Public Works Director David Leamon said the smaller projects will take less time to complete. Leamon also noted it will take time for additional community outreach to get input on specific improvements needed for Bret Harte and Parklawn.

Leamon said the county island improvements need to get done around the same time, because of strict deadlines for using the funds through the American Rescue Plan Act.

IN THE NEWS – The Modesto Bee, September 21, 2022 (Continued Page 2)

He said all the projects will be designed in 2023 and should be under construction in early 2025. The county faces an ultimate deadline of Dec. 31, 2026, for spending the ARPA funds.

Robert McKelvy, a Parklawn resident, suggested the board devote the majority of ARPA funds to complete improvements in one area so a neighborhood like Parklawn could be annexed to Modesto.

The board approval of \$10 million for the Colorado-Rouse area of Modesto is an attempt to get that 154-acre neighborhood ready for annexation to the city. Colorado-Rouse is part of a sewer improvement project in west Modesto, but also needs sidewalks, curbs, gutters and drainage.

The county hopes to combine the \$10 million in ARPA funds for Colorado-Rouse with a potential \$8 million from the State Water Board and \$5 million in state funding from Modesto.

Supervisor Mani Grewal said he is willing to add \$3 million from his district's "building community" fund to \$2.2 million in ARPA funds approved for the Herndon Road area of Ceres, at least to get started on \$26.6 million in identified improvements for the Herndon area.

"Not getting it done is not an option anymore," Grewal said of the Colorado-Rouse and Herndon projects, both in his district.

Board Chairman Terry Withrow said that \$10.6 million in ARPA funds approved for the Riverdale Park Tract will make a world of difference for the residential area, which suffers from contaminated wells and other problems. An effort is under way to get Riverdale connected to city of Modesto water service through Self-Help Enterprises.



DRAFT

STANISLAUS LOCAL AGENCY FORMATION COMMISSION MINUTES

August 24, 2022

1. CALL TO ORDER

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

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

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

Commissioners Absent: Amy Bublak, City Member
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

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

3. CORRESPONDENCE

- A. Specific Correspondence.

None.

- B. Informational Correspondence.

- 1. CALAFCO Quarterly – August 2022.
- 2. CALAFCO U – “Two Agencies in Dispute” Flier.

- C. “In the News.”

4. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

5. CONSENT ITEMS

A. **MINUTES OF THE MAY 25, 2022 LAFCO MEETING.** (Staff Recommendation: Accept the Minutes.)

B. **LEGISLATIVE UPDATE.** (Staff Recommendation: Accept the update.)

Motion by Commissioner Chiesa, seconded by Commissioner O'Brien, and carried with a 4-0 vote to approve the consent items, by the following vote:

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

6. PUBLIC HEARING

A. **OUT-OF-BOUNDARY SERVICE APPLICATION: ROUSE-COLORADO (CITY OF MODESTO - SEWER SERVICE).** A request to provide an area wide out-of-boundary sewer service extension to the unincorporated Rouse/Colorado neighborhood outside the City of Modesto's existing city limits. The area consists of approximately 154 acres. As the territory is outside the City's limits, LAFCO review is required prior to the extension of City services. Stanislaus County, as Lead Agency under the California Environmental Quality Act (CEQA) prepared and subsequently approved a Negative Declaration for the proposal. (Staff Recommendation: Adopt Resolution No. 2022-08, approving the application.)

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

Chair Withrow opened the item up for Public Comment at 6:11 p.m.

There was none.

Chair Withrow closed the Public Hearing at 6:11 p.m.

Motion by Commissioner O'Brien, seconded by Commissioner Lopez, and carried with a 4-0 vote to approve the application and adopt Resolution No. 2022-08, by the following vote:

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

7. OTHER BUSINESS

None.

8. COMMISSIONER COMMENTS

None.

9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

None.

10. EXECUTIVE OFFICER'S REPORT

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

- The documents have been submitted to County Human Resources for review.
- For the September 28th meeting, Staff anticipates a fire service contract application, the Municipal Service Reviews for Modesto Irrigation and Turlock Irrigation Districts, as well as an informational item on the Ag Policy.

12. CLOSED SESSION – ANNUAL PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957, a closed session will be held to consider the following item: Public Employee Performance Evaluation – Title: LAFCO Executive Officer

Robert J. Taro, Legal Counsel, announced the closed session and provided an opportunity for the public to comment. There were no comments and the Commission recessed to Closed Session at 6:13 p.m.

The Commission reconvened at 6:34 p.m. Counsel Taro stated there was no reportable action.

13. ADJOURNMENT

A. Chair Withrow adjourned the meeting at 6:35 p.m.

DRAFT

Sara Lytle-Pinhey, Executive Officer

MEMORANDUM

DATE: September 28, 2022
TO: LAFCO Commissioners
FROM: Jennifer Vieira, Commission Clerk
SUBJECT: Proposed LAFCO Meeting Calendar for 2023

RECOMMENDATION

Staff recommends that the Commission accept the proposed 2023 LAFCO Meeting Calendar

BACKGROUND

Each year, the Commission considers the following year's regular meeting calendar. The Commission's regular meetings occur on the fourth Wednesday of each month, with the exception of the November and December meetings that are combined due to the holidays and held on the first Wednesday in December. The calendar includes holidays and CALAFCO educational opportunities (staff workshop and annual conference) for the Commission's information.

Attachment: Proposed LAFCO 2023 Meeting Calendar

LAFCO CALENDAR FOR 2023

REGULAR MEETING TIME: 6:00 P.M.

JANUARY							FEBRUARY							MARCH							APRIL						
Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa
1	2	3	4	5	6	7				1	2	3	4				1	2	3	4							1
8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8	9	10	11	2	3	4	5	6	7	8
15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18	9	10	11	12	13	14	15
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25	16	17	18	19	20	21	22
29	30	31					26	27	28					26	27	28	29	30	31		23	24	25	26	27	28	29
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MAY							JUNE							JULY							AUGUST						
Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5
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 **LAFCO MEETINGS – REGULAR TIME: 6:00 P.M.**
 (4TH WEDNESDAY OF EVERY MONTH, WITH THE EXCEPTION OF NOVEMBER & DECEMBER,
 WHICH ARE COMBINED AND HELD ON THE 1ST WEDNESDAY IN DECEMBER)

 **HOLIDAYS**

 CALAFCO STAFF WORKSHOP – MURPHEYS (April 26-28, 2023)
 CALAFCO ANNUAL CONFERENCE – MONTEREY (October 18-20, 2023)

* APRIL'S REGULARLY SCHEDULED MEETING IS TENTATIVE, AS THE CALAFCO STAFF WORKSHOP OVERLAPS THE MEETING DATE.

**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 28, 2022****TO:** LAFCO Commissioners**FROM:** Javier Camarena, Assistant Executive Officer**SUBJECT: MSR NO. 2022-03, SOI UPDATE 2022-03: MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE FOR THE MODESTO IRRIGATION DISTRICT****INTRODUCTION**

This proposal was initiated by the Local Agency Formation Commission in response to State mandates that require the Commission to conduct municipal service reviews and sphere of influence updates for all cities and special districts every five years, as needed. The current review covers the Modesto Irrigation District, which provides irrigation water, domestic water, and electrical power services. The District operates under Irrigation District Law, Division 11 of the Water Code, §20500 et. seq. The District's boundaries are located in Stanislaus County, generally between the Tuolumne and Stanislaus Rivers. The District also has an electrical service area which extends beyond its boundary and into San Joaquin County. The electrical service boundary is not regulated by LAFCO.

DISCUSSION

The Municipal Service Review and Sphere of Influence (MSR-SOI) Update process provides an opportunity for districts to share accurate and current data, accomplishments and information regarding the services they provide. LAFCO Staff sent MID requests for information, researched District reports and reviewed MID's most recent audits and financial statements. Once this data was collected, a revised Municipal Service Review and Sphere of Influence Update document was drafted.

Since the previous MSR-SOI Update, MID has updated its Agricultural Water Management Plan (AWMP). The AWMP provides a list of projects that are consistent with its goals and efficient water management practices. The list includes the following projects: Dr. Moor Headworks Project, Lateral 9 Headworks Project, Tully Lateral Headworks Weir, Waterford Lateral 10 Weir, Lower Main Canal Lining Project, Waterford Lateral 9 Weir, Little Shoemake Pipeline Replacement, Miller Lake SCADA Project, Waterford Lateral 3 Headworks, Lateral 3 Drop 48 Weir, Beard Ditch Dry Creek Crossing, Lateral 4 Drop 33, Rose Avenue Pump Station Project, Tidewater Culvert Crossing Rehabilitation, Main Canal Reservoir Project, Lateral 3 Flume, Pelton Flume and Main Canal Check Structure projects.

The City of Modesto and the MID have prepared a joint Urban Water Management Plan (UWMP) for 2020, finalized in June 2021. The plan acts as a planning tool for both agencies in developing, managing and delivering municipal water supplies to the joint water service area.

The District's 49 MW Woodland Generating Station Unit 1 was commissioned in 1993. Its gas turbine engine is aging and is no longer supported by the manufacturer or repair facilities. In order to enhance its reliability, the District began a capital project in early 2022 to replace the existing engine with a newer engine with similar generating capacity. This project is expected to be completed by Q3 2023.

Current state legislation requires the District to obtain 60% of its electricity from renewable sources by 2030. MID's current portfolio contains approximately 34% renewable energy.

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

ENVIRONMENTAL REVIEW RECOMMENDATIONS

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

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

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

ALTERNATIVES FOR COMMISSION ACTION

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

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

RECOMMENDED ACTION

Approve Option 1. Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the Modesto Irrigation District. Therefore, Staff recommends that the Commission adopt Resolution No. 2022-09, which:

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

4. Directs Staff to circulate the subject resolution depicting the District's adopted Sphere of Influence to all affected agencies.

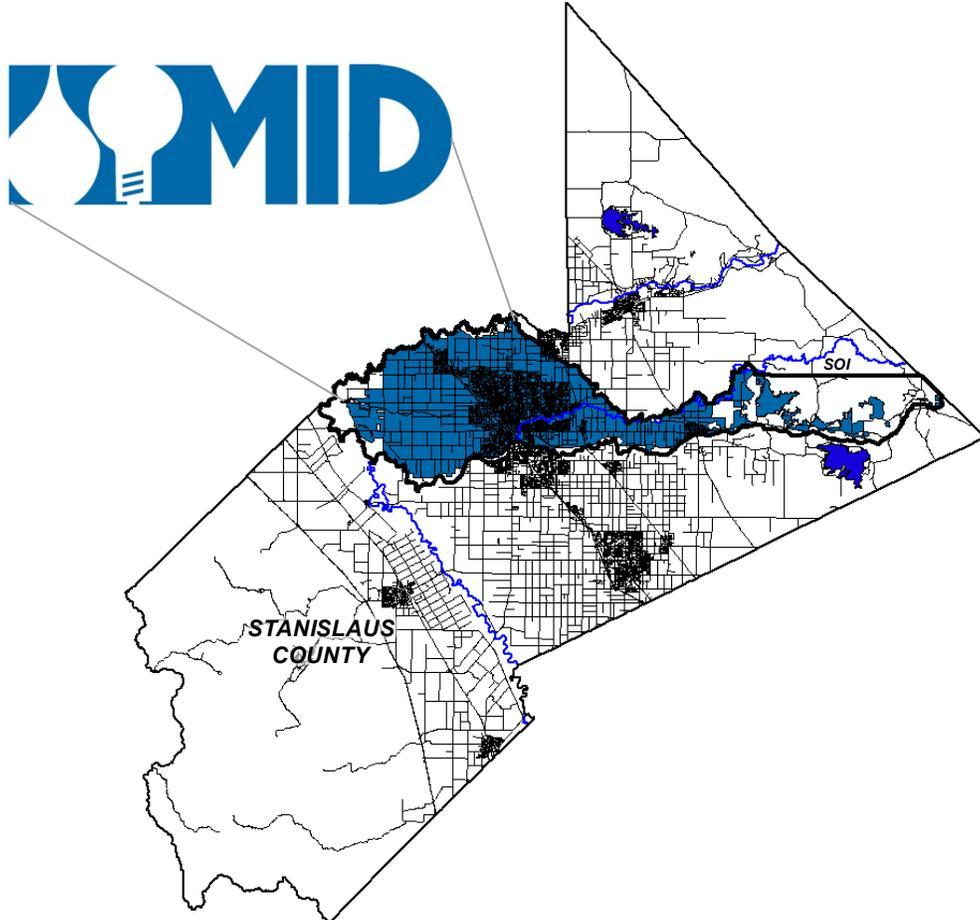
Attachments:

Exhibit 1 - Draft Municipal Service Review and Sphere of Influence Update for the Modesto Irrigation District

Exhibit 2 - Draft Resolution No. 2022-09 (Modesto Irrigation District)

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**MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE FOR THE:**



MODESTO IRRIGATION 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

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Sara Lytle-Pinhey, Executive Officer

Javier Camarena, Assistant Executive Officer

Rob Taro, Commission Counsel

Jennifer Vieira, Commission Clerk

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Municipal Service Review and Sphere of Influence Update For the Modesto Irrigation 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 §56430 of the CKH Act. The Act states, that “in order to prepare and to update spheres of influence in accordance with §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, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

This Service Review will analyze the Modesto Irrigation District. The most recent Sphere of Influence (SOI) update for the Modesto Irrigation District was adopted in 2017 and proposed no changes to the District’s SOI. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOI for the District.

Sphere of Influence Update Process

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

Service Review – Modesto Irrigation District

Authority

The Modesto Irrigation District was organized under the provisions of the California Irrigation District Law (Division 11 of the Water Code, §20500 et. seq). In addition, the District is a “registered voter district”, as registered voters elect the board of directors from five geographical divisions within the District’s boundaries.

Background

Throughout the years, water and California have been linked. No resource is more vital to California than water, from the agricultural areas, urban centers, and industrial plants, to open space and recreational areas, the distribution of water has been critical to all land uses.

In California, there are hundreds of special water districts with a great diversity of purposes, governance structures, and financing mechanisms. Some districts are responsible for one type of specific duty, while other districts provide multiple public services, as is the case for the Modesto Irrigation District.

Purpose

The specific powers that an irrigation district may exercise include: supply water for beneficial purposes; provide for any and all drainage made necessary by the irrigation provided for by the district; purchase or lease electric power and provide for the acquisition, operation, and control of plants for the generation, transmission, and provision of electric power; provide, maintain and operate flood control works in districts having 200,000 acres or more; reclaim waste for beneficial use; sewage disposal if provided by majority at election; construct, maintain, and operate recreational facilities in connection with dams, reservoirs, or other work owned and constructed by the district.

Water Code §22120 allows a district to sell, dispose of, and distribute electric power for use outside its boundaries. However, MID’s authority to sell power outside its political boundaries is outlined by Public Utilities Code §9610. That section allows MID to provide electric service within an area of approximately 400 square miles to the north of its political boundaries, as well as to the Mountain House Community Services District, and up to 8 megawatts of power to the Contra Costa Water District.

Governance

A five-member Board of Directors governs the District. Registered voters within a geographical area or “Division”, elect the board members. Regularly scheduled Board meetings are held at 9:00 a.m. on the second Tuesday of each month at the MID main office located at 1231 11th Street, Modesto. Additional meetings are generally scheduled on other Tuesdays, and may be scheduled at other times, as necessary.

The District has established a website (www.mid.org), which is user-friendly and provides information such as: district news, services, education, board agendas, rates and fees, and annual reports.

Formation

The Modesto Irrigation District (MID) was formed on July 18, 1887.

Location and Size

The majority of the District is located in northern Stanislaus County. The District's water service area boundaries comprise of approximately 101,700 acres. The District provides irrigation water to approximately 3,100 agricultural customers who irrigate close to 60,000 acres of permanent and annual crops alike. The District maintains over 200 miles of canals and pipelines, which are operated on a gravity flow system. The canals were completed in 1903 and the first official MID irrigation season opened in 1904. The District also owns and operates irrigation groundwater wells and drainage wells.

Sphere of Influence

The District's Sphere of Influence (SOI) is slightly larger than its District boundaries, and reflects expansion areas for irrigation service (see "Map 1", attached). The city limits of Modesto (north of the Tuolumne River), Riverbank (south of the MID Main Canal), Waterford, and the unincorporated communities of Empire and Salida are located within the District's Sphere of Influence boundary.

When the Sphere of Influence was first adopted by LAFCO for the Modesto Irrigation District in 1984, two separate spheres were considered--one for irrigation and one for electricity. However, since the District does not need LAFCO approval for changes to its electrical service area, only a sphere for irrigation services was adopted.

The Modesto Irrigation District's electric service area is depicted on "Map 2", attached. The laws governing an irrigation district allow a district to provide electric power outside its boundaries. Therefore, it is recommended that the current SOI be affirmed.

Personnel

The District currently has 458 employees.

Classification of Services

The District is authorized to provide the functions or classes of services (e.g. electricity, irrigation and domestic water) as identified in this report. Due to recent changes in the Cortese-Knox-Hertzberg Act, the District would have to seek LAFCO approval to exercise other latent powers (i.e. services) not currently provided.

The District currently distributes water for irrigation purposes, delivers treated drinking water to the City of Modesto on a wholesale basis, and generates and distributes retail electrical power. Storm water and agricultural drainage services are also provided.

- **Water Resources and Delivery**

The District's source of water is the Tuolumne River, which begins with melting snow on the slopes of 13,090-foot Mt. Lyell in Yosemite National Park. Before it joins the San Joaquin River on the valley floor, the Tuolumne River water is stored in reservoirs. The stored water is used to produce electricity and is used for irrigation and drinking water for MID, Turlock

Irrigation District (TID) and the City/County of San Francisco. The 158-mile Tuolumne River also provides recreational opportunities. In addition to the Tuolumne River, the District also utilizes groundwater.

The following water facilities are utilized by the District: Don Pedro Reservoir, which provides water storage as well as other benefits such as flood control, hydropower, and recreation; the La Grange Dam, which diverts water for MID and TID; and the Modesto Reservoir, which regulates canal flows and stores water.

Irrigation Water

The District has provided irrigation water for agriculture since 1904, and currently delivers irrigation water to approximately 3,100 customers farming approximately 60,000 acres. Irrigated crops include almonds, pasture lands, walnuts, hay, peaches, corn, alfalfa, wine grapes, oats, and vegetable crops.

Domestic Water

The District provides wholesale domestic water service to only one customer – the City of Modesto. MID also served the Del Este Water Company when the District began wholesale domestic water service in 1994. The Del Este water distribution system was subsequently acquired by the City of Modesto.

MID's wholesale domestic water facilities include the Modesto Regional Water Treatment Plant located at Modesto Reservoir, east of the City of Waterford. The plant completed an expansion in 2016 and is now capable to provide up to 60 million gallons per day. A treated water transmission pipeline extends from this plant to a terminal reservoir and pump station located in east Modesto. Several smaller transmission pipelines connect the terminal reservoir and pump station to the City of Modesto's water distribution system.

The District also provides retail domestic water service to approximately 68 customer connections in the unincorporated community of La Grange. The La Grange water system is co-owned by MID and the Turlock Irrigation District (TID) under a contract dating back to 1921. TID operates and maintains the La Grange domestic water system.

- Electric Delivery and Transmission Services

In 1923, the District, together with TID, completed construction of the original Don Pedro Dam and electrical powerhouse. Ownership of the Don Pedro project was based on the land area of the two districts. As a result, both districts operate the dam and share in its irrigation water and power output according to a ratio of 31.54 percent for MID and 68.46 percent for TID. Currently, the Modesto Irrigation District supplies electricity to approximately 131,000 retail customers.

Electrical Power Facilities

In 1971, a new larger Don Pedro Dam was completed, which inundated the original dam and enlarged the reservoir's capacity seven times. The new powerhouse increased hydroelectric generation by nearly the same amount. Lake Don Pedro and the Modesto Reservoir, which are also part of the District's irrigation system, serve as popular recreation

areas for boaters, campers, anglers and water skiers. The District's share of Don Pedro's 199 MW generating capacity is approximately 63 MW.

Other electrical generating facilities that are owned and operated by the District include: the 181 MW natural gas-fired Woodland Generation Station, the 96 MW natural gas-fired Ripon Generation Station, and the 122 MW dual-fuel (diesel/natural gas) McClure Generation Station.

Electric Utility Public Benefit Programs

In accordance with state law, the District devotes a percentage of its electric revenue to public benefit programs, such as energy efficiency and conservation; low-income assistance; renewable energy resources and technology; and research and development or demonstration projects.

- Other MID Programs

Through the "MPowered" program, MID offers rebates, energy audits, customer education and information to its electrical customers. The "Shave the Energy Peak" or STEP program is a demand-side management program which allows MID operators to reduce electricity demand by cycling air conditioners during peak use periods. (Approximately 10,000 customers are currently enrolled in the STEP program.)

MID also sponsors safety education programs, including the use of a mascot named "Splasher" to promote canal safety and "BeAware Bear" for electrical safety.

Mission Statement

"MID will provide electric, irrigation and domestic water services for its customers, delivering the highest value at the lowest cost possible through teamwork, technology, innovation and commitment."

Partnership Agencies

The District maintains positive and collaborative relationships with other agencies, such as: the cities of Modesto, Oakdale, Riverbank, Waterford, Ripon, Escalon, Stanislaus County, Turlock Irrigation District (TID), Merced Irrigation District, Oakdale Irrigation District (OID), South San Joaquin Irrigation District (SSJID), San Joaquin Tributaries Authority (SJTA), the City/County of San Francisco (CCSF), Pacific Gas & Electric Company (PG&E), Sacramento Municipal Utility District (SMUD), Calaveras County Water District, Mountain House Community Services District, Don Pedro Recreation Agency, Balancing Authority of Northern California (BANC), the Transmission Agency of Northern California (TANC), the M-S-R Public Power Agency, the Northern California Power Agency (NCPA), and other local, state, and federal agencies.

Funding Sources

The District's source of revenue is derived from the following sources: power sales (residential, commercial, and industrial), wholesale power, domestic water, irrigation water, interest earnings, and other income (including improvement district fees and customer fees). The

District does not collect special assessments, nor does it receive a share of the county property tax revenues.

Service Review Determinations:

The following provides an analysis of the seven categories or components required by §56430 for a Service Review for the Modesto Irrigation District:

1. Growth and population projections for the affected area

The District currently serves about 3,100 customers with irrigation water for agricultural purposes, one wholesale domestic water customer (City of Modesto), and 68 retail customers in La Grange that are jointly served by MID and TID with domestic water for residential purposes.

The District currently provides electric service to approximately 131,000 retail customers, including over 8,300 in the Mountain House community in San Joaquin County. The District notes that retail electric consumption has remained relatively flat over the long-term, with a modest increase in more recent years.

MID's revenue estimates are influenced by growth projections for Stanislaus County (including the communities of Salida and Empire) and the cities of Modesto, Riverbank, and Waterford. At this time, no significant growth is anticipated.

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

Based on annual median household income, there are several areas identified as Disadvantaged Unincorporated Communities (DUCs) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000. These communities include the town of Empire and the Airport, West Modesto, and Rouse Neighborhoods. No additional DUCs have been identified within the District's sphere of influence. There are several DUCs adjacent to the District's boundaries. However, those areas are located within the Turlock Irrigation District's boundaries.

3. Present and planned capacity of public facilities, adequacy of public services, and 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.

Irrigation

The District utilizes long-term planning documents in order to assess current capacity and future needs for services. In 2007, with assistance from the Irrigation Training and Research Center (ITRC), the District began work on a Comprehensive Water Resources Management Plan to assess long-term needs and opportunities for water delivery service. As part of the implementation of this plan, the District installed a new irrigation control SCADA (Supervisory Control and Data Acquisition) system and automation upgrades. In 2020 the District also completed the Main Canal Reservoir to increase distribution system flexibility and capacity.

As required by SBx7-7, MID prepared its first Agricultural Water Management Plan in 2012, followed by an update in 2015 and again in 2020. The AWMP describes MID's water supplies and irrigation demands, local conditions, facilities and operations, rules and policies and a variety of water management activities, including a series of efficient water management practices (EWMPs) designed to improve water use efficiency. The 2020 AWMP provides a list of capital projects from 2015-2020 that are consistent with its goals and EWMPs. The list of projects includes the following: Dr. Moor Headworks Project, Lateral 9 Headworks Project, Tully Lateral Headworks Weir, Waterford Lateral 10 Weir, Lower Main Canal Lining Project, Waterford Lateral 9 Weir, Little Shoemake Pipeline Replacement, Miller Lake SCADA Project, Waterford Lateral 3 Headworks, Lateral 3 Drop 48 Weir, Beard Ditch Dry Creek Crossing, Lateral 4 Drop 33, Rose Avenue Pump Station Project, Tidewater Culvert Crossing Rehabilitation, Main Canal Reservoir Project, Lateral 3 Flume, Pelton Flume and Main Canal Check Structure projects.

Wholesale Domestic Water

The City of Modesto and the MID have prepared a joint Urban Water Management Plan (UWMP) for 2020, finalized in June 2021. The plan acts as a planning tool for both agencies in developing, managing and delivering municipal water supplies to the joint water service area.

The Modesto Regional Water Treatment Plant, completed in 1994, could be expected to supply the City of Modesto's growing demand for potable water which has resulted from poor water well quality and the increase in growth anticipated by the City's Modesto Urban Area General Plan. Phase 2 of the Plant was completed in June of 2016. The plant is capable of producing 60 million gallons per day of treated water to the City's drinking water supply.

Electric Service

As part of MID's capital improvement program, the District completed installation of a 16-mile long Westley-Rosemore Transmission Line in 2008. The transmission line brings up to 350 megawatts of power to the District from throughout California and the western United States.

The District's 49 MW Woodland Generating Station Unit 1 was commissioned in 1993. Its gas turbine engine is aging and is no longer supported by the manufacturer or repair facilities. In order to enhance its reliability, the District began a capital project in early 2022 to replace the existing engine with a newer engine with similar generating capacity. This project is expected to be completed by Q3 2023.

Current state legislation requires the District to obtain 60% of its electricity from renewable sources by 2030. MID's current portfolio contains approximately 34% renewable energy.

4. Financial ability of agencies to provide services

The District's annual budget process is designed to screen out unnecessary costs and is submitted to the Board of Directors for review and approval. Rates and fees for services are adjusted periodically to meet budget needs.

According to the District's yearly audit report, assets increased by approximately \$11.2 million in 2020. The increased is based on a combination of changes in the District's portfolio from long-term investments to short-term plus electric sales increasing cash.

The District routinely buys, sells, and exchanges electric power and transmission capacity with other utilities located throughout the Western United States and Canada in order to reduce operating costs, provide improved facility utilization and revenue, and increase operating reliability.

Currently, the District sells treated surface water to the City of Modesto on a wholesale basis, and utilizes the revenue to pay off the existing bonds, which financed the original construction of the domestic water facilities. The process is "revenue neutral" for the District, as the revenues received from the City pay for plant operations and bond retirement, with no profit.

The District participates in a variety of joint agency practices, which maximize cost avoidance opportunities (e.g., Stanislaus and Tuolumne Rivers Groundwater Association, Transmission Agency of Northern California, Modesto-Santa Clara-Redding Public Power Agency, San Joaquin Tributaries Authority). MID also shares staff with unique skills and training, specialized equipment, spare parts and materials with other public agencies and utilities to minimize costs and to improve response to routine and emergency customer needs.

5. Status of, and opportunities for, shared facilities

MID has many jointly owned facilities with other public agencies and also participates in many joint powers agencies (JPAs) that own facilities. Some of MID's major jointly owned and JPA facilities include:

- Don Pedro Dam and Reservoir (31.54% MID, 68.46% TID).
- Don Pedro Power Plant (31.54% MID, 68.46% TID).
- La Grange Reservoir (50% MID, 50% TID).
- Westley-Parker-Walnut 230kV transmission line (50% MID, 50% TID).
- Westley-Tracy 230kV transmission line and substation original facilities (50% MID, 50% TID).
- New Hogan Power Plant (0% MID, 100% Calaveras County Water District). MID built, operates and maintains the plant and is entitled to the power output for a 50 year term.
- California Oregon Transmission Project 500 kV lines and substations (MID share about 320 MW through the Transmission Agency of Northern California JPA.)
- Lodi Energy Center 302 MW combined-cycle antural gas power plant operated by the Northern California Power Agency (10.71% MID share).
- Shared right-of-way.

MID also has agreements with the City of Modesto, the City of Riverbank, the Oakdale Irrigation District and Stanislaus County that permit limited use of MID canals for the conveyance of storm water drainage.

6. Accountability for community service needs, including governmental structure and operational efficiencies

A five-member Board of Directors governs the District. Registered voters within a geographical area or “Division”, elect the board members. The Board conforms to the provisions of the Brown Act requiring open meetings. The District has also established a website (www.mid.org) which is user-friendly and provides information such as the history and services of the District, water updates, news, education, board agendas, rates and fees, and annual reports.

It is reasonable to conclude that the District has the organizational capability to adequately serve the areas under its jurisdiction. The District has the necessary resources and staffing levels to operate in a cost-efficient and professional manner.

7. Any other matter related to effective or efficient service delivery, as required by commission policy

2020-2022 have been severe and record breaking dry years for California. Due to such dry conditions, MID is operating in an extremely conservative matter during the irrigation season. Also, MID has implemented special drought operation rules and programs to help utilize irrigation water as efficiently as possible.

Sphere of Influence Update for the Modesto Irrigation 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 as Appendix "A".

The following determinations for the Modesto Irrigation District Sphere of Influence update are made in conformance with Government Code §56425 and Commission policy.

Sphere Determinations:

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

The Modesto Irrigation District's current irrigation water service area is comprised of approximately 101,700 acres. An additional 41,600 acres lie within the District's Sphere of Influence (SOI). The land uses within the District boundaries and SOI consist of agricultural, rural residential, suburban and urban land use areas. Planned uses for the area are described in the general plans of Stanislaus County (including the Salida Community Plan), and the cities of Modesto, Waterford, and Riverbank. 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 are retained by Stanislaus County and the cities of Modesto, Riverbank, and Waterford.

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

The District has provided irrigation water for agriculture since 1904, and currently delivers irrigation water to over three thousand customers farming approximately 60,000 acres. The present and future public service needs within the District's (irrigation water) boundaries are characteristic of agricultural areas. The types of public services needed in these areas are of the type, which enhance the use of the land for agricultural purposes. As discussed in the Service Review section, the District is utilizing a Comprehensive Water Resources Management Plan in order to improve operational efficiency.

Since 1995, the District has provided domestic water and currently supplies 40% of the drinking water for the City of Modesto via the Modesto Regional Water Treatment Plant (MRWTP). As a result of increased water quality regulations and water demands, the plant's capacity has been expanded to 60 million gallons per day (mgd). This is expected to assist in meeting the demands associated with the City of Modesto's Urban Area General Plan.

As discussed in the Service Review section, the District is actively increasing its renewable energy profile in order to meet state mandates for 60 percent renewable energy sources by 2030.

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

The District presently has adequate capacity and/or plans to provide the necessary public facilities and services within its existing sphere of influence. For example, the District and City of Modesto recently completed the Modesto Regional Water Treatment Plant Phase Two expansion. This phase will double the capacity of MID's water treatment plant thus providing needed water supply to the community.

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

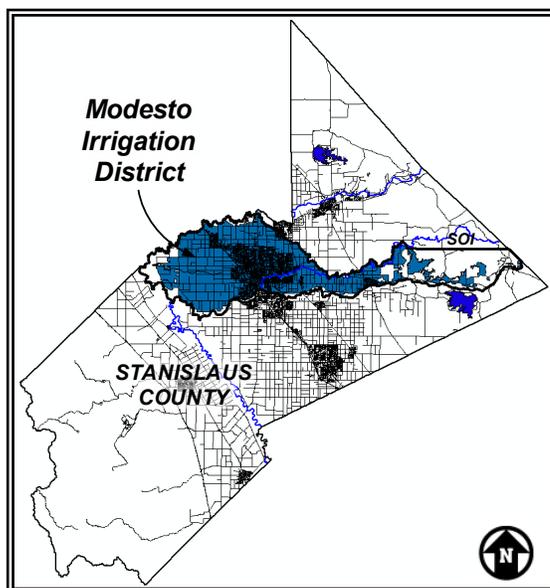
The following jurisdictions can be categorized as Communities of Interest in the area: the cities of Modesto, Oakdale, Riverbank, and Waterford, and the unincorporated communities of Empire, Salida, and La Grange, in Stanislaus County. The District also provides electricity to the cities of Escalon and Ripon, and the unincorporated community of Mountain House in San Joaquin County.

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

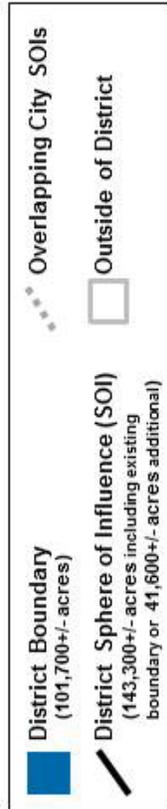
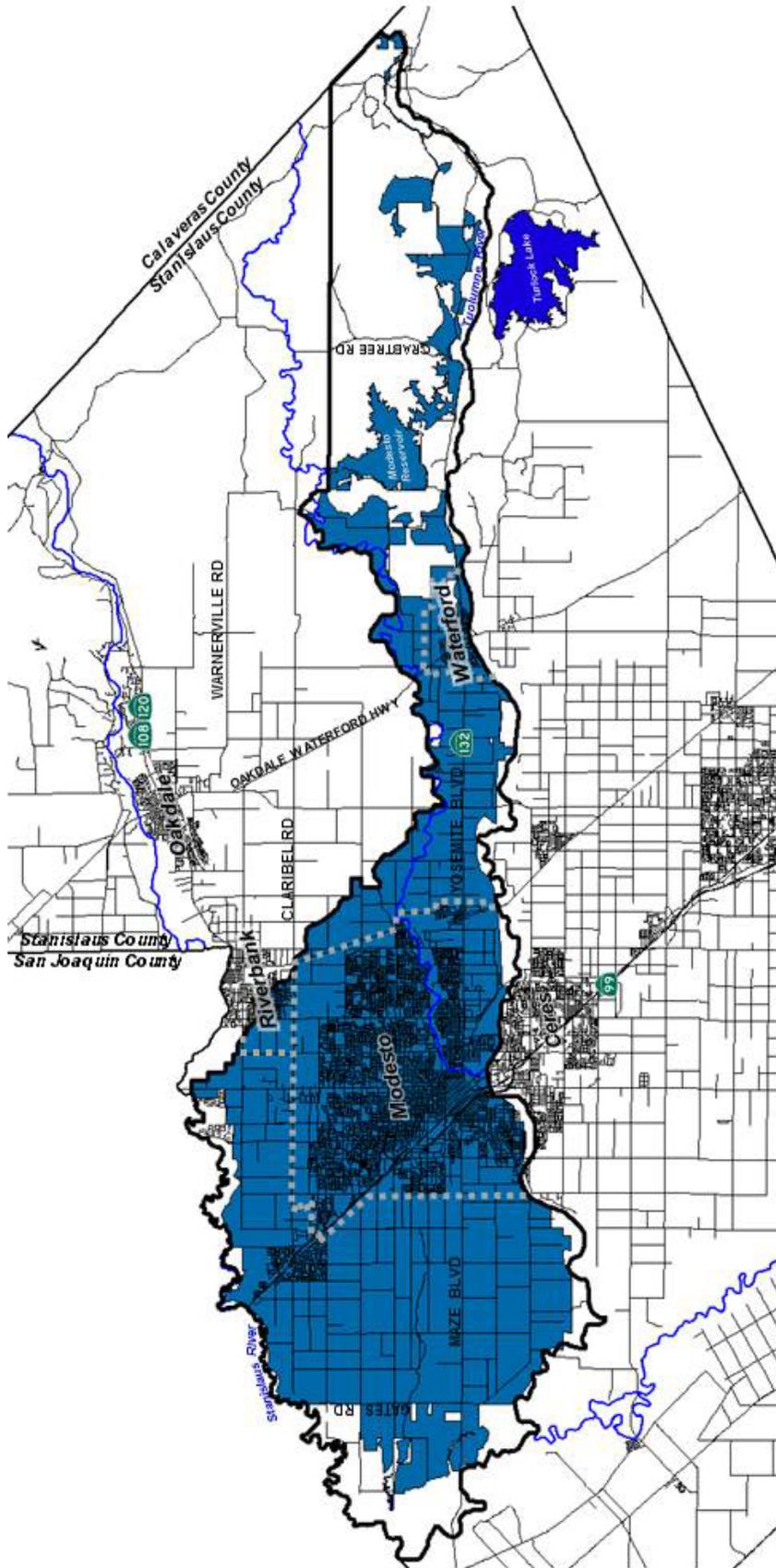
There are several areas identified as disadvantaged unincorporated communities (DUCs) within the existing MID Sphere of Influence. These communities include the town of Empire and the Airport, West Modesto, and Rouse Neighborhoods. The District provides part of the City of Modesto's water supply for residential and commercial purposes. The City of Modesto serves all of the mentioned DUCs. The District does not provide services related to sewers or structural fire protection.

DISTRICT SUMMARY PROFILE

District:	MODESTO IRRIGATION DISTRICT (MID)
Formation:	July 18, 1887
Location:	The District's boundary includes certain acreage between the Stanislaus, San Joaquin, and Tuolumne Rivers, adjacent to the Oakdale Irrigation District in Stanislaus County. MID also has an electrical service area that extends beyond this boundary to the north, into San Joaquin County, a small portion of Tuolumne County, as well as the Mountain House area.
Service Area:	Irrigation - 101,700+/- acres (159 square miles) Electrical - 362,880+/- acres (567 square miles)
Customers:	3,104 irrigation accounts 131,535 electrical accounts
Land Use:	Agricultural, rural residential, suburban and urban
District Services:	Distribution of water for irrigation and domestic purposes and provision of electricity
Enabling Act:	California Water Code, Division 11: Irrigation Districts, §20500-29978
Governing Body:	Five-member Board of Directors, elected by the registered voters within five geographic divisions of the District's boundaries
Administration:	458 employees
Adopted Budget:	Calendar Year 2022: \$139,238,436
Revenue Sources:	Power sales (residential, commercial and industrial), wholesale power, domestic water, irrigation water, and interest earnings

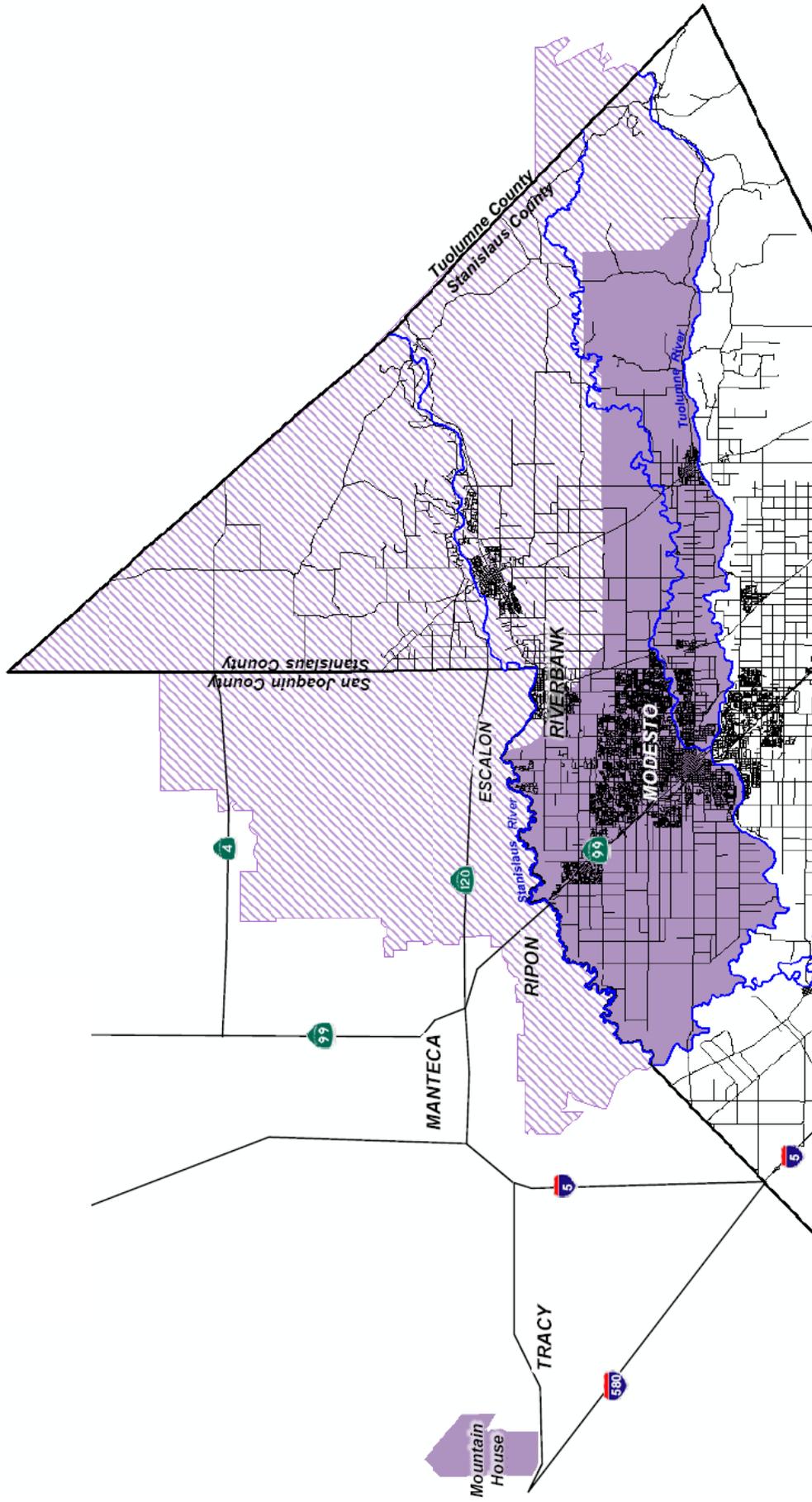


**MAP 1:
MODESTO IRRIGATION DISTRICT
BOUNDARY AND SPHERE OF INFLUENCE**



Source – LAFCO files, County GIS, July 2010

**MAP 2:
MODESTO IRRIGATION DISTRICT
ELECTRICAL SERVICE AREA**



	Area in Which Only MID Provides Electric Service
	Area in Which Both MID and PG&E Provide Electric Service



For illustration purposes only. For more information about the electrical service areas, contact the Modesto Irrigation District.

REFERENCES

1. Association of California Water Agencies (ACWA) (www.acwanet.com).
2. Baker Tilly, “Financial Statements and Supplementary Information – Modesto Irrigation District”, December 31, 2021 and 2020.
3. California Department of Water Resources (www.dwr.water.ca.gov).
4. California State Water Resources Control Board (www.swrcb.ca.gov).
5. City of Modesto / Modesto Irrigation District, “Joint Urban Water Management Plan 2005 Update”, May 2007.
6. Irrigation Training And Research Center, California Polytechnic State University, “Comprehensive Water Resources Management Plan – Phase 1”, February 2008.
7. Modesto Irrigation District, “2022 Detailed Budget”.
8. Modesto Irrigation District website (www.mid.org).
9. Previous MSR/SOI Update for the Modesto Irrigation District, Adopted by Stanislaus LAFCO on February 22, 2017.
10. State of California Legislative Analyst’s Office Report – “Water Special Districts: A Look at Governance and Public Participation, March 2002”.
11. U.S. Bureau of Reclamation (www.usbr.gov).

**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 28, 2022

NO. 2022-09

SUBJECT: MSR No. 2022-03, SOI Update No. 2022-03: Making Written Determinations and Approving Municipal Service Review and Sphere of Influence Update for the Modesto Irrigation District.

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, a Service Review mandated by California Government Code Section 56430 and a Sphere of Influence Update mandated by California Government Code Section 56425, has been conducted for the Modesto Irrigation District, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

WHEREAS, at the time and in the form and manner provided by law, the Executive Officer has given notice of the September 28, 2022 public hearing by this Commission on this matter;

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

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

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

WHEREAS, the Modesto Irrigation District provides irrigation and domestic water, and electrical power services;

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

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

NOW, THEREFORE, BE IT RESOLVED by the Commission:

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

ATTEST: _____
Sara Lytle-Pinhey, Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 28, 2022****TO:** LAFCO Commissioners**FROM:** Javier Camarena, Assistant Executive Officer**SUBJECT: MSR NO. 2022-04, SOI UPDATE 2022-04: MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE FOR THE TURLOCK IRRIGATION DISTRICT****INTRODUCTION**

This proposal was initiated by the Local Agency Formation Commission in response to State mandates that require the Commission to conduct municipal service reviews and sphere of influence updates for all cities and special districts every five years, as needed. The current review covers the Turlock Irrigation District, which provides irrigation water, domestic water, and electrical power services. The District operates under Irrigation District Law, Division 11 of the Water Code, §20500 et. seq. The District's boundaries are located in Stanislaus County, in an area south of the Tuolumne River, east of the San Joaquin River, with a portion extending into Merced County (north of the Merced River). The District also has an electrical service area which extends beyond its boundary to the east and west. The electrical service boundary is not regulated by LAFCO.

DISCUSSION

The Municipal Service Review and Sphere of Influence (MSR-SOI) Update process provides an opportunity for districts to share accurate and current data, accomplishments and information regarding the services they provide. LAFCO Staff sent Turlock Irrigation District (TID) requests for information, researched District reports and reviewed TID's most recent audits and financial statements. Once this data was collected, a revised Municipal Service Review and Sphere of Influence Update document was drafted.

The District manages and operates 250 miles of canals and laterals channeling irrigation water to more than 1,660 miles of community and privately owned ditches and pipelines serving 150,000 acres. The District continues to budget for various water improvement projects, including rehabilitation of its canal system and resurfacing over the next several years.

Due to recent drought conditions, TID is has implemented special water conservation rules to help utilize irrigation water as efficiently as possible.

The District also provides electrical service and prepares electrical capital plans and electric resource plans. These plans identify required capital projects and determine the most efficient and cost effective strategy to meet increasing electric demand.

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

ENVIRONMENTAL REVIEW RECOMMENDATIONS

Pursuant to the California Environmental Quality Act (CEQA), the adoption of a municipal service review is considered to be categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 - Regulation

§15306). Further, LAFCO's concurrent reaffirmation of an existing sphere of influence qualifies for a General Exemption as outlined in CEQA Regulation §15061(b)(3), which states:

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

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

ALTERNATIVES FOR COMMISSION ACTION

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

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

RECOMMENDED ACTION

Approve Option 1. Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the Turlock Irrigation District. Therefore, Staff recommends that the Commission adopt Resolution No. 2022-10, which:

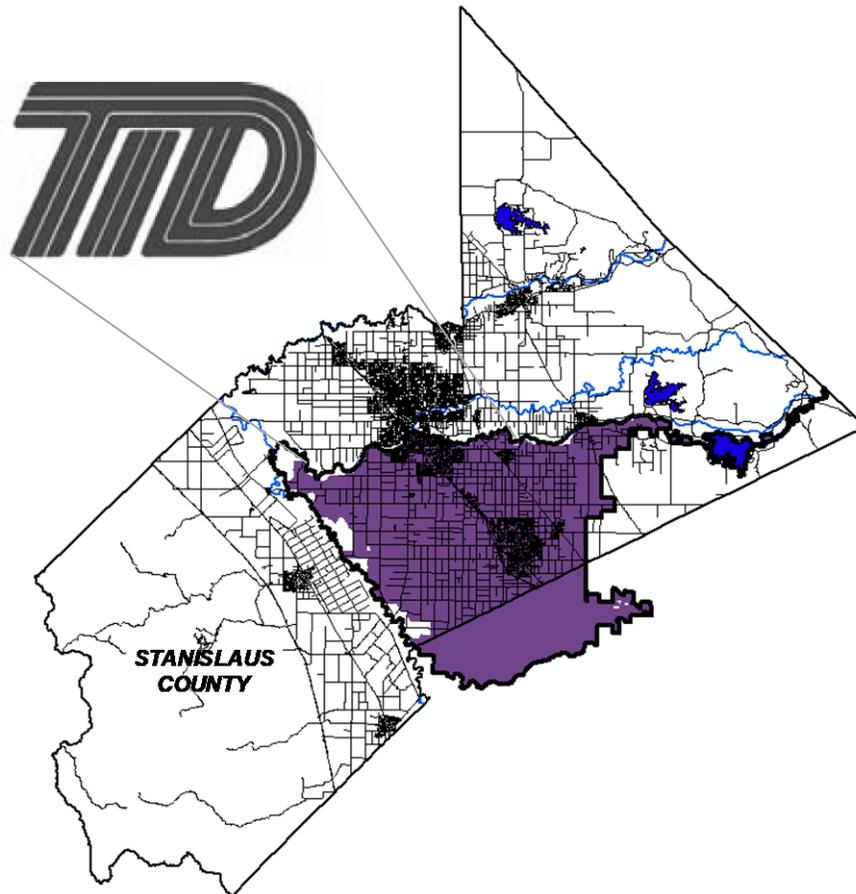
1. Determines that the Municipal Service Review and Sphere of Influence Update qualifies for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulations Sections 15306 and 15061(b)(3).
2. Makes determinations related to the Municipal Service Review and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

Attachments:

Exhibit 1 - Draft Municipal Service Review and Sphere of Influence Update for the Turlock Irrigation District

Exhibit 2 - Draft Resolution No. 2022-10 (Turlock Irrigation District)

**MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE FOR THE:**



TURLOCK IRRIGATION 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

Rob Taro, Commission Counsel

Jennifer Vieira, Commission Clerk

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Municipal Service Review and Sphere of Influence Update For the Turlock Irrigation 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 §56430 of the CKH Act. The Act states, that “in order to prepare and to update spheres of influence in accordance with §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, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

This Service Review will analyze the Turlock Irrigation District. The most recent Sphere of Influence (SOI) update for the Turlock Irrigation District was adopted in 2011 and proposed no changes to the District’s SOI. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOI for the District.

Sphere of Influence Update Process

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

Service Review – Turlock Irrigation District

Authority

The Turlock Irrigation District was organized under the provisions of the California Irrigation District Law (Division 11 of the Water Code, §20500 et. seq). In addition, the District is a “registered voter district”, as registered voters elect the board of directors from five geographical divisions within the District’s boundaries.

Background

Throughout the years, water and California have been linked. No resource is more vital to California than water, from the agricultural areas, urban centers, and industrial plants, to open space and recreational areas, the distribution of water has been critical to all land uses.

In California, there are hundreds of special water districts with a great diversity of purposes, governance structures, and financing mechanisms. Some districts are responsible for one type of specific duty, while other districts provide multiple public services, as is the case for the Turlock Irrigation District.

Purpose

The specific powers that an irrigation district may exercise include: supply water for beneficial purposes; provide for any and all drainage made necessary by the irrigation provided for and by the district; purchase or lease electric power and provide for the acquisition, operation, and control of plants for the generation, transmission, and provision of electric power; provide, maintain and operate flood control works in districts having 200,000 acres or more; reclaim waste for beneficial use; sewage disposal if provided by majority at election; construct, maintain, and operate recreational facilities in connection with dams, reservoirs, or other work owned and constructed by the district.

Water Code §22120 allows a district to sell, dispose of, and distribute electric power for use outside its boundaries. Irrigation districts that offered electric services to retail customers as of January 1, 1999, may not construct, lease, acquire, install, or operate facilities for the distribution or transmission of electricity to retail customers located in the service territory of an electrical corporation providing electric distribution services, unless the district has first applied for and received approval of the Public Utilities Commission (Public Utilities Code Section 9607).

Governance

A five member Board of Directors governs the District. Registered voters within a geographical area or “Division” of the District’s boundaries, elect the board members. Meetings are held every Tuesday at 9 a.m. in the District’s administrative office located at 333 E. Canal, Turlock, CA 95380.

The District has established a website (www.tid.org), which is user-friendly and provides information such as: district news, services, education, board agendas, rates and fees, and annual reports.

Formation

The Turlock Irrigation District (TID) was formed on June 6, 1887, and was the first special district to be formed in the State of California.

Location and Size

The District's boundaries are comprised of approximately 196,499 acres the majority of which is located in southern Stanislaus County. A portion of the District is also located in northern Merced County, just north of the Merced River. The District also includes an electric service area of 423,500 acres. The District maintains approximately 250 miles of canals, which are operated on a gravity flow system.

Sphere of Influence

The District's adopted Sphere of Influence (SOI) is somewhat larger than its boundaries, and reflects expansion areas for irrigation service (see Map 1, attached). The cities of Ceres, Hughson, Turlock, and a portion of the city of Modesto, as well as the unincorporated communities of Denair, Hickman, and Keyes are located within the District's Sphere of Influence boundary. The District's Sphere of Influence also reaches into several unincorporated communities in Merced County (e.g., Ballico, Delhi, and Hilmar).

When the 1984 Sphere of Influence was adopted for the Turlock Irrigation District, two separate spheres were considered, one for irrigation and one for electricity. However, since the District did not need LAFCO approval for changes in its electrical service area, only a sphere of influence for irrigation services was adopted. The laws governing an irrigation district allow a district to provide electric power outside its boundaries. A map of the District's electrical service area is attached for illustrative purposes (See Map 2).

Personnel

The District currently has 456 employees.

Classification of Services

As part of this service review, the District has provided a listing of the services provided within its boundaries. The District is authorized to provide the functions or classes of services (e.g. irrigation, domestic water, and electrical power) as identified in this report. Due to recent changes in the Cortese-Knox-Hertzberg Act, the District would have to seek LAFCO approval to exercise other latent powers (services) not currently provided.

Water Resources and Delivery

Since 1900, the Turlock Irrigation District has been diverting water from the Tuolumne River for delivery through a system of gravity-fed canals and laterals. The majority of the District's water supply is derived from the spring snowmelt that flows into the Tuolumne River watershed and then impounded annually at the Don Pedro Reservoir.

The District's major source for storing irrigation water is Don Pedro Reservoir, located in the Sierra Nevada foothills. The District also meets its growers' water needs by supplementing surface supplies with groundwater.

Irrigation Water

The District maintains approximately 250 miles of canals and laterals in its service area, which serves nearly 7,500 parcels with irrigation water, and covering nearly 150,000 acres of farmland in Stanislaus and Merced counties.

Each year, the district sets a water allotment for growers, based on anticipated runoff in the Tuolumne River watershed. The irrigation water season is for the duration of the “growing season” that traditionally runs from mid-March through mid-October, though weather conditions often change the start and finish dates. Although most of the land within TID is flood irrigated, the District also serves the needs of growers with drip and micro irrigation systems.

Domestic Water

The District, under an agreement dating back to 1921, provides water for domestic use in the unincorporated community of La Grange, which is located outside its irrigation service area boundary. The La Grange domestic water system is co-owned by TID and the Modesto Irrigation District, and serves approximately 68 connections. TID operates and maintains the water system.

Electric Generation, Transmission, and Distribution

TID owns and operates an electric system, which includes generation, transmission, and distribution facilities. Its generating facilities include hydroelectric, wind, gas-fired, and other facilities. The District currently has over 2,300 miles of distribution lines, which stretch from the Sierra Nevada foothills to the Santa Clara County line between the Tuolumne and Merced rivers. TID also purchases power and transmission service from other sources and participates in other utility arrangements.

In December 2003, upon approval by the California Public Utilities Commission, the District began to provide electrical power to an approximate 237 square-mile service area in western Stanislaus County. The new service area includes the City of Patterson and the unincorporated communities of Crows Landing and Diablo Grande. This area was previously served by Pacific Gas & Electric (PG&E).

The District currently supplies electricity to a population of approximately 240,000 within a 662 square-mile electric service area. The District also sells surplus energy on the open energy market.

Don Pedro Dam

In 1923, the District, in partnership with the Modesto Irrigation District (MID), constructed the original Don Pedro Dam and powerhouse. The ownership of the project was based upon the geographic size of the two districts. TID is the operating partner and owns 68.46% of the project.

In 1971, a new larger Don Pedro Dam was completed, which inundated the original dam and enlarged the reservoir’s capacity seven times. The new powerhouse increased hydroelectric generation by nearly the same amount. Lake Don Pedro and Turlock Lake, which are a part of the District’s irrigation system, also serve as popular recreation areas for boaters, campers, anglers and water skiers.

The current Federal Energy Regulatory Commission (FERC) license for the Don Pedro Project expired in 2016. The Districts have been actively engaging in relicensing efforts since 2009 and will continue to operate under an annual license until a new license is issued by FERC.

Projects

The District has completed numerous projects to enhance and diversify its power supply, including completion of a fuel cell plant, the Walnut Energy Center, Westley Substation and Transmission Line, the Tuolumne Wind Project, the Almond 2 Power Plant, and the Hughson-Grayson 115kV Transmission Line and Substation Project. In 2015 the Lateral 8 Regulating Reservoir Project was completed. The reservoir captures, stores, and releases water into TID's irrigation system.

Other TID Services/Programs

In accordance with state law, the District devotes a percentage of their electric revenue on public benefit programs, such as energy efficiency and conservation, low-income assistance, and public education and outreach.

Assistance Programs: TID offers multiple assistance programs for low income and other qualifying customers. These programs include TID Cares, which offers reduced rates of up to a 15% for residential customers on fixed or low incomes, Medical Rate Assistance, Budget Billing, and a Weatherization Program.

Energy Efficiency Program: The District offers cash rebates to residents and businesses that install energy efficient equipment within the District's electrical service area. Qualifying equipment must be "energy-efficient rated" such as: clothes washers, refrigerators, air conditioners (room and central), whole house fans, window sunscreens and/or awnings.

Public Education Programs: The District sponsors education programs relating to water safety (using a mascot named "Dexter Duck"), electrical safety, and energy efficiency. This includes presentations at local schools, community events, and a variety of publications.

Mission Statement

TID will provide reliable and competitively priced water and electric service, while being good stewards of our resources and providing a high level of customer satisfaction.

Partnership Agencies

The District maintains positive and collaborative relationships with other agencies, such as: the cities of Ceres, Hughson, Modesto, Patterson, and Turlock; Stanislaus and Merced Counties; the Merced, Modesto, Patterson, and South San Joaquin Irrigation Districts; Friends of the Tuolumne, San Joaquin Valley Air Pollution Control Board, San Joaquin River Group, Department of Water Resources, State Water Resources Control Board, Association of California Water Agencies (ACWA), California Energy Commission, California Public Utilities Commission, California Municipal Utilities Association, Transmission Agency of Northern California, Northern California Power Agency, and the Federal Energy Regulatory Commission.

Funding Sources

The District's source of revenue is derived from the following sources: retail and wholesale power sales (residential, commercial, and industrial), irrigation water, domestic water, interest earnings, other income including improvement district fees and customer fees. The District receives a very small share of the County property tax revenues.

Service Review Determinations:

The following provides an analysis of the seven categories or components required by §56430 for a Service Review for the Turlock Irrigation District:

1. Growth and population projections for the affected area

The District currently serves approximately 4,700 customers with irrigation water for agricultural purposes (covering approximately 150,000 acres of farmland) and 68 retail customers in La Grange with domestic water for residential purposes. The District also provides full electric service to a population of approximately 240,000. TID forecasts electricity demand for both number of customers and energy use. A number of customer conservation programs are utilized in order to promote efficient energy use.

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

Based on annual median household income, there are several areas identified as Disadvantaged Unincorporated Communities (DUCs) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000. These communities include the town of Keyes, Cowan Tract, Monterey Park Tract, and the Parklawn, Shackelford, and Bystrum Neighborhoods. No additional DUCs have been identified within the District's sphere of influence. There are several DUCs adjacent to the District's boundaries. However, those areas are located within the Modesto Irrigation District's boundaries.

3. Present and planned capacity of public facilities, adequacy of public services, and 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.

The District manages and operates 250 miles of canals and laterals channeling irrigation water to more than 1,660 miles of community and privately owned ditches and pipelines serving 150,000 acres. Nearly 90 percent of the District's canals and laterals are concrete lined. The District continues to budget for various water operations improvement projects, including rehabilitation of the existing canal system (gunite resurfacing) over the next several years.

With regards to electrical service, the District has prepared Electric Capital Plans, which were created to identify required capital projects, including available resources over a multi-year time period (5 to 10 years). The District also prepares electric resource plans to determine the most efficient and cost effective strategy to meet increasing electric demand. These plans are intended to assist TID in meeting its goal "to create maximum value for those we serve" by helping to keep the planned projects aligned to TID's long-term vision and strategies.

TID is not a provider of sewer, municipal water, or fire protection services to the areas previously identified as Disadvantaged Unincorporated Communities (DUCs) within or contiguous to its Sphere of Influence (SOI).

4. Financial ability of agencies to provide services

The District's overall annual budget process is designed to screen out unnecessary costs and is submitted to the Board of Directors for review and approval. Rates and charges for services are adjusted periodically based on a cost of service methodology.

The District also participates in a variety of joint agency practices, which maximize cost avoidance opportunities (e.g., San Joaquin River Group, Don Pedro Recreation Agency, Walnut Energy Center Authority, Westside Power Authority, Northwest Public Power Agency, Transmission Agency of Northern California, Northern California Power Agency, and American Public Power Association).

Overall, at the present time, the District appears to be in good financial shape and has the necessary resources to fund service to its customers.

5. Status of, and opportunities for, shared facilities

The District has many jointly owned facilities with other public agencies and also participates in many joint powers agencies (JPAs) including:

- Don Pedro Dam and Reservoir (68.46% TID, 31.54% MID).
- Don Pedro Power Plant (68.46% TID, 31.54% MID).
- La Grange Reservoir (50% TID, 50% MID).
- Walnut Energy Center Authority (JPA with Merced County).
- Westley-Parker-Walnut 230kV transmission line (50% TID, 50% MID).
- Westley-Tracy 230kV substation original facilities (50% TID, 50% MID).

In 2015 TID and the Stanislaus Regional Water Authority (SRWA), a Joint Powers Authority that includes the Cities of Turlock and Ceres, approved an agreement allowing TID to sell/transfer Tuolumne River surface water ("Transfer Water") to SRWA. In less than normal irrigation water years, SRWA would provide "Offset Water" to TID, which would be a mix of recycled water and non-potable well water. This Offset Water is to balance the reduced Tuolumne River water available to TID irrigators that comes as a result of the surface water transfer to SRWA.

The agreement has a 50-year term, is limited to a maximum of 30,000 acre-feet of Transfer Water to SRWA per year, and will be priced at TID's Tier 4 Irrigation Water rate.

The SRWA is currently constructing a water treatment plant to service Turlock and Ceres for domestic water use that is expected to be completed in 2023.

6. Accountability for community service needs, including governmental structure and operational efficiencies

A five member Board of Directors governs the District. Registered voters within a geographical area or "Division" of the District's boundaries, elect the board members. The Board conforms to the provisions of the Brown Act requiring open meetings. The District maintains a website (www.tid.org) which provides information such as the history of the District, news, rates and consumer information.

The District has the necessary resources and staffing levels to operate in a cost-efficient and professional manner. It is reasonable to conclude that the District has the organizational capability to adequately serve the areas under its jurisdiction.

7. Any other matter related to effective or efficient service delivery, as required by commission policy

Recent years have been severe and record breaking dry years for California. Due to such dry conditions, TID is operating in a conservative manner during the irrigation season. TID has implemented special water conservation rules to help utilize irrigation water as efficiently as possible.

Sphere of Influence Update for the Turlock Irrigation 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 as Appendix "A".

The following determinations for the Turlock Irrigation District Sphere of Influence update are made in conformance with Government Code §56425 and Commission policy.

Sphere Determinations:

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

The land uses within the District boundaries (including its SOI) consist of agricultural, rural residential, suburban and urban land use areas. 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 are retained by the cities of Ceres, Hughson, Modesto, and Turlock, and by Stanislaus and Merced Counties. Planned uses for the area are described in the general plans of the respective jurisdictions.

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

The District currently delivers irrigation water to approximately 7,500 parcels covering nearly 150,000 acres. The present and future public service needs within the District's irrigation water boundaries are characteristic of agricultural areas. The types of public services needed in these areas are those which enhance the use of the land for agricultural purposes.

Since 1923, the District has provided retail electric service and transmission services to the area. As a result of de-regulation, population growth, and energy demands, the present and probable need for these services are not expected to diminish.

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

Presently, the District has adequate capacity and/or plans to provide the necessary public facilities and services within its existing sphere of influence. For example, the District is budgeting funds to rehabilitate its canal system over the next several years. The District has also prepared Electric Capital Plans, which were created to identify required capital projects, including available resources over a multi-year time period (5 to 10 years).

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

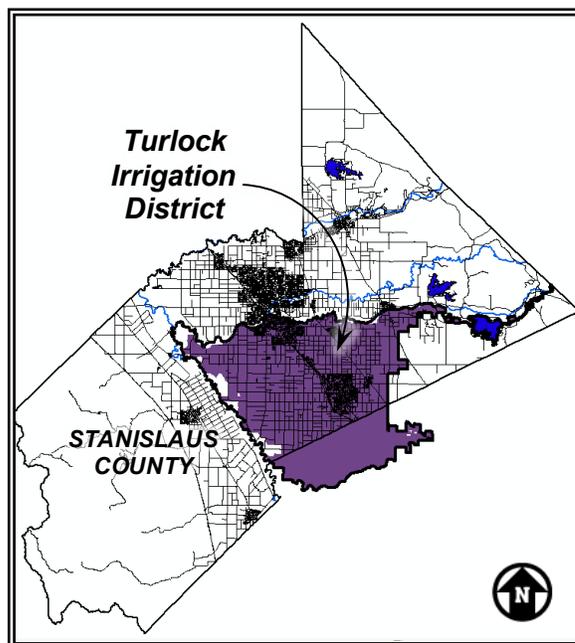
The following jurisdictions can be categorized as Communities of Interest in the area: the cities of Ceres, Hughson, Modesto (south of the Tuolumne River), and Turlock, and the unincorporated communities of Denair, Hickman, Keyes, and La Grange (in Stanislaus County), as well as, Hilmar, Delhi, and Ballico (in Merced County)

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

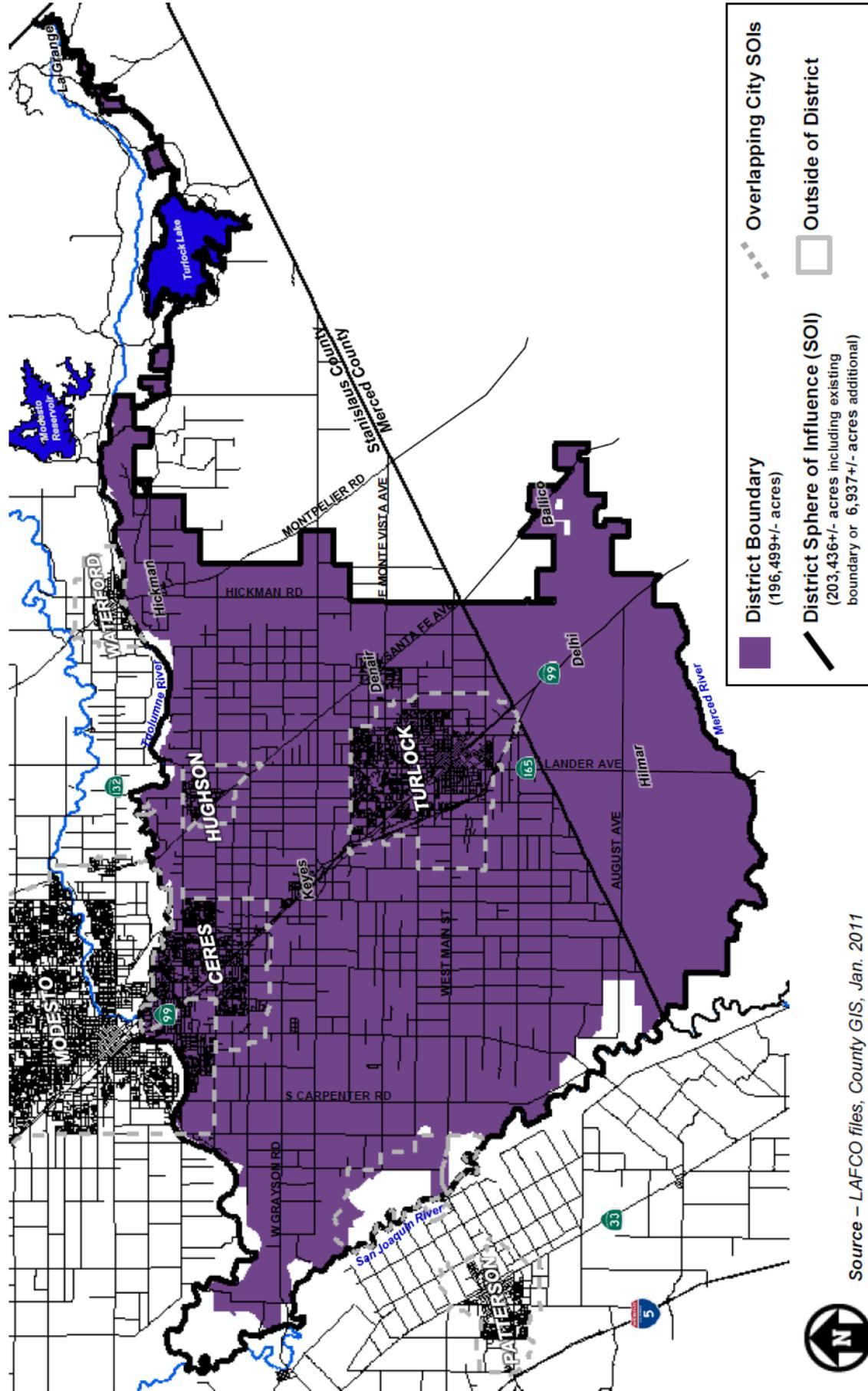
There are several areas identified as disadvantaged unincorporated communities (DUCs) within the existing TID Sphere of Influence. These communities include the town of Keyes, Cowan Tract, Monterey Park Tract, and the Parklawn, Shackelford, and Bystrum Neighborhoods. No additional DUCs have been identified within the District's sphere of influence. There are several DUCs adjacent to the District's boundaries. However, those areas are located within the Modesto Irrigation District's boundaries. Although the District provides a limited amount of domestic water service connections, the District's water supply is mainly for irrigation use. The District does not provide services related to sewers or structural fire protection.

DISTRICT SUMMARY PROFILE

District:	TURLOCK IRRIGATION DISTRICT (TID)
Formation:	June 6, 1887
Location:	The District's boundary includes certain acreage between the San Joaquin and Tuolumne Rivers in Stanislaus County, and acreage north of the Merced River in Merced County. TID also has an electrical service area that extends beyond this boundary to the east and west, including approximately 662 square miles.
Service Area:	Irrigation: 196,499+/- acres (307 sq. miles) Electrical: 423,500+/- acres (662 sq. miles)
Customers:	4,780 irrigation accounts 240,000 population served (electrical)
Land Use:	Agricultural, rural residential, suburban and urban
District Services:	Distribution of water for irrigation and domestic purposes, and provision of electricity
Enabling Act:	California Water Code, Division 11: Irrigation Districts, §20500-29978
Governing Body:	Five Board of Directors, elected by the registered voters within five geographic divisions of the District's boundaries
Administration:	458 employees
Budget:	\$403.1 Million (2022 Calendar Year)
Revenue Sources:	Retail and wholesale power sales, water sales, and County property tax appropriations



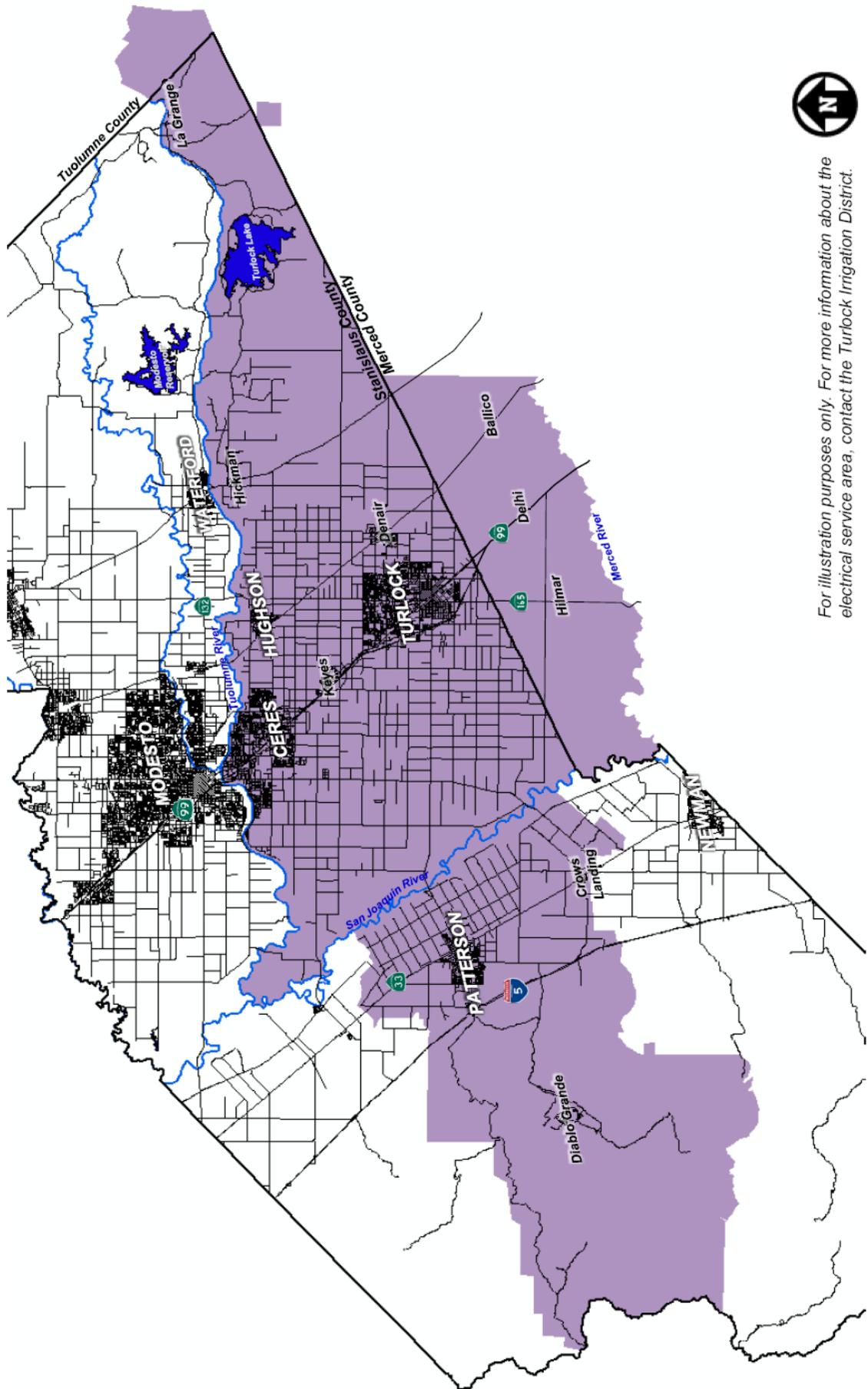
**MAP 1:
TURLOCK IRRIGATION DISTRICT
BOUNDARY AND SPHERE OF INFLUENCE**



Source – LAFCO files, County GIS, Jan. 2011



**MAP 2:
TURLOCK IRRIGATION DISTRICT
ELECTRICAL SERVICE AREA**



For illustration purposes only. For more information about the electrical service area, contact the Turlock Irrigation District.

REFERENCES

1. Association of California Water Agencies (ACWA) (www.acwanet.com).
2. California Department of Water Resources (www.dwr.water.ca.gov).
3. California State Water Resources Control Board (www.swrcb.ca.gov).
4. Don Pedro Project Relicensing website (www.donpedro-relicensing.com)
5. Previous MSR/SOI Update for the Turlock Irrigation District, Adopted by Stanislaus LAFCO on April 26, 2017.
6. PricewaterhouseCoopers LLP, “Report of Independent Auditors”, April 16, 2010.
7. Stanislaus County Draft 2015-2023 Housing Element Update, April 2016.
8. Stanislaus Regional Water Authority (www.stanrwa.com)
9. State of California Legislative Analyst’s Office Report – “Water Special Districts: A Look at Governance and Public Participation, March 2002”.
10. Timothy J. Durbin, Inc., “Assessment of Future Groundwater Impacts Due to Assumed Water-Use Changes – Turlock Groundwater Basin, California”, September 11, 2008.
11. Turlock Groundwater Basin Association, “Groundwater Management Plan”, March 18, 2008.
12. Turlock Irrigation District website (www.tid.org).
13. U.S. Bureau of Reclamation (www.usbr.gov).

**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 28, 2022

NO. 2022-10

SUBJECT: MSR No. 2022-04, SOI Update No. 2022-04: Making Written Determinations and Approving Municipal Service Review and Sphere of Influence Update for the Turlock Irrigation District.

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, a Service Review mandated by California Government Code Section 56430 and a Sphere of Influence Update mandated by California Government Code Section 56425, has been conducted for the Turlock Irrigation District, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

WHEREAS, at the time and in the form and manner provided by law, the Executive Officer has given notice of the September 28, 2022 public hearing by this Commission on this matter;

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

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

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

WHEREAS, the Turlock Irrigation District provides irrigation and domestic water, and electrical power services;

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

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

NOW, THEREFORE, BE IT RESOLVED by the Commission:

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

ATTEST: _____
Sara Lytle-Pinhey, Executive Officer

MEMORANDUM

DATE: September 28, 2022

TO: LAFCO Commissioners

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

SUBJECT: Informational Update Regarding the Commission's Agricultural Preservation Policy

RECOMMENDATION

This informational update is being provided to the Commission on the 10th anniversary of the original adoption of its Agricultural Preservation Policy. It is recommended that the Commission receive and file this report.

BACKGROUND

The Commission adopted an Agricultural Preservation Policy ("Policy") on September 26, 2012, following an effort that spanned roughly two years. The Policy in its current form is attached to this report. During development of the Policy, the Commission considered input from various interest groups, property owners, cities, and special districts in addition to existing policies from other jurisdictions and LAFCOs. The Policy is intended to assist the Commission in fulfilling its legislative intent to preserve agricultural lands, while recognizing that there are differing methods or strategies to accomplish this goal. Similar to the requirement for applicants to prepare a "Plan for Services" to demonstrate sufficient service levels, the Policy requires applicants to prepare a Plan for Agricultural Preservation, demonstrating that impacts to agriculture have been appropriately considered and minimized.

The Commission's Agricultural Preservation Policy was recognized by CALAFCO in 2013 and received a "Project of the Year" award. That same year, Stanislaus LAFCO was recognized with a "Most Effective Commission" award. Since that time, Staff has been invited to present the Policy at various CALAFCO trainings and conferences to share with other LAFCOs and interested agencies. In 2018, the Policy was featured as a case study in the Governor's Office of Planning and Research (OPR) and the Strategic Growth Council's report entitled "Creating Sustainable Communities and Landscapes."

Only two amendments have been made to the Policy since its original adoption. In 2015, a clarification was made to the section regarding in-lieu fees, including a standard formula for their calculation. An allowance was given for deviations from the formula if an applicant demonstrated that the in-lieu fee would still fully fund 1:1 agricultural mitigation. In 2019, an additional clarification was made to the section of the Policy regarding timing for the collection of in-lieu fees. This change was made at the request of a developer to allow for cities to collect fees during the building permit stage of a project.

CITY POLICIES & EFFORTS SINCE 2012

Since the adoption of the Policy in 2012, many of the cities in Stanislaus County have either adopted their own agricultural policies or are currently pursuing a specific agricultural preservation strategy. Below is a brief summary of these efforts, including some that were in direct response to LAFCO's Policy:

<u>City</u>	<u>Agricultural Preservation Policies (2012 - Present)</u>
Ceres	Adopted a General Plan update in 2018, including a policy requiring preparation of a Plan for Agricultural Preservation, consistent with LAFCO's policies.
Hughson	Adopted a policy in January 2013 requiring agricultural mitigation at a 2:1 ratio for conversions of agricultural lands to residential uses.
Modesto	Currently in the process of updating its General Plan. Approved two specific plans that require agricultural mitigation at a 1:1 ratio for residential uses.
Newman	Voters approved an urban growth boundary in November 2014 that corresponds with the LAFCO-adopted Sphere of Influence and is intended to restrict growth in the area until 2040.
Oakdale	Adopted two specific plans that require agricultural mitigation at a 1:1 ratio for residential uses.
Patterson	Adopted policy language that mirrors LAFCO's requirements for the preparation of a Plan for Agricultural Preservation.
Riverbank	Adopted a Sustainable Agricultural Strategy in 2016 that requires all annexations have established agricultural land mitigation programs consistent with the City's General Plan and LAFCO's policy.
Turlock	Adopted an updated General Plan that encourages infill development and includes a policy requiring that 70% of building permits associated with a prior master plan area must be issued prior to the City's consideration of planning, annexation, and development of a new master plan area.
Waterford	City Council expressed initial interest in the establishment of a greenbelt between the City of Waterford and the City of Modesto.

OUTCOMES

In addition to various city policies that are already adopted or are in progress, nearly every city has prepared a Plan for Agricultural Preservation for a proposal. (Hughson and Waterford are the only exceptions, as neither city has submitted an annexation application since 2012.) A total of nine Plans for Agricultural Preservation have been submitted for the Commission's review since the Policy's adoption, with a breakdown of strategies used as follows:

- Five Plans relied on 1:1 mitigation (with the option for direct acquisition or in-lieu fees)
- Three Plans relied on a city's existing policies and/or solely involved commercial/industrial uses
- One Plan relied on a voter-approved Urban Growth Boundary

Additionally, four city annexations were approved by the Commission that were considered exempt from the requirement to prepare a Plan for Agricultural Preservation. Annexations that qualify for an exemption are those shown to have no impact to agricultural lands, including proposals that are already substantially developed with urban uses.

Cities and developers are ultimately responsible for implementing agricultural mitigation associated with their projects. Below is a summary of those annexations that included 1:1 mitigation and their current status:

Annexations Using 1:1 Mitigation (Direct Acquisition or In-Lieu Fees)

<u>City</u>	<u>Annexation</u>	<u>Date</u>	<u>Acres to be Mitigated</u>	<u>Status</u>
Modesto	Woodglen	1/8/2014	73.68	In progress, in-lieu fees being collected (\$963.66 per housing unit)
Oakdale	Crane Crossing	9/17/2015	20.32*	Not yet developed
Ceres	Whitmore Ranch	6/27/2019	51.7	Not yet developed, developer analyzing infrastructure costs
Riverbank	Crossroads West	8/26/2019	347.39*	In progress, City anticipates adopting mitigation fee in October 2022
Modesto	Fairview Village No. 2	5/4/2022	148	Approved earlier this year, not yet developed

** Oakdale and Riverbank's plan areas both included mixed-use designations; final acreage will be based on actual acreage converted to residential uses*

The above annexations represent the potential for upwards of approximately 642 acres to be mitigated as a result of their project conditions. LAFCO Staff will continue to monitor these periodically for updates and the Commission's information.

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Stanislaus LAFCO
AGRICULTURAL PRESERVATION POLICY
Amended March 27, 2019

Agriculture is a vital and essential part of the Stanislaus County economy and environment. Accordingly, boundary changes for urban development should only be proposed, evaluated, and approved in a manner which, to the fullest extent feasible, is consistent with the continuing growth and vitality of agriculture within the County.

LAFCO's mission is to discourage urban sprawl, preserve open space and prime agricultural lands, promote the efficient provision of government services and encourage the orderly formation of local agencies. Additionally, Government Code Section 56668(e) requires LAFCO to consider "the effect of the proposal on maintaining the physical and economic integrity of agricultural lands."

Consistent with the legislative intent of LAFCO, the goals of this policy are as follows:

- Guide development away from agricultural lands where possible and encourage efficient development of existing vacant lands and infill properties within an agency's boundaries prior to conversion of additional agricultural lands.
- Fully consider the impacts a proposal will have on existing agricultural lands.
- Minimize the conversion of agricultural land to other uses.
- Promote preservation of agricultural lands for continued agricultural uses while balancing the need for planned, orderly development and the efficient provision of services.

The Commission encourages local agencies to identify the loss of agricultural land as early in their processes as possible, and to work with applicants to initiate and execute plans to minimize that loss, as soon as feasible. Agencies may also adopt their own agricultural preservation policies, consistent with this Policy, in order to better meet their own local circumstances and processes.

The Commission shall consider this Agricultural Preservation Policy, in addition to its existing goals and policies, as an evaluation standard for review of those proposals that could reasonably be expected to induce, facilitate, or lead to the conversion of agricultural land.

A. Plan for Agricultural Preservation Requirement

Upon application for a sphere of influence expansion or annexation to a city or special district ("agency") providing one or more urban services (i.e. potable water, sewer services) that includes agricultural lands, a Plan for Agricultural Preservation must be provided with the application to LAFCO. The purpose of a Plan for Agricultural Preservation is to assist the Commission in determining how a proposal meets the stated goals of this Policy.

The Plan for Agricultural Preservation shall include: a detailed analysis of direct and indirect impacts to agricultural resources on the site and surrounding area, including a detailed description of the agricultural resources affected and information regarding Williamson Act Lands; a vacant land inventory and absorption study evaluating lands within the existing boundaries of the jurisdiction that could be developed for the same or

similar uses; existing and proposed densities (persons per acre); relevant County and City General Plan policies and specific plans; consistency with regional planning efforts (e.g. the San Joaquin Valley Blueprint and the Sustainable Communities Strategy); and an analysis of mitigation measures that could offset impacts to agricultural resources. The Plan for Agricultural Preservation should be consistent with documentation prepared by the Lead Agency in accordance with the California Environmental Quality Act (CEQA).

The Plan for Agricultural Preservation shall specify the method or strategy proposed to minimize the loss of agricultural lands. The Commission encourages the use of one or more of the following strategies:

1. Removal of agricultural lands from the existing sphere of influence in order to offset, in whole or in part, a proposed sphere of influence expansion or redirection.
2. An adopted policy or condition requiring agricultural mitigation at a ratio of at least 1:1. This can be achieved by acquisition and dedication of agricultural land, development rights and/or conservation easements to permanently protect agricultural land, or payment of in-lieu fees to an established, qualified, mitigation program to fully fund the acquisition and maintenance of such agricultural land, development rights or easements, consistent with Section B-2 of this Policy.
 - a. In recognition of existing County policies applicable to agricultural land conversions in the unincorporated areas, as well as the goals of individual agencies to promote employment growth to meet the stated needs of their communities, an agency may select to utilize a minimum of 1:1 mitigation for conversions to residential uses.
 - b. Agricultural mitigation easements or offsets shall not be required for any annexations of land for commercial or industrial development.
3. A voter-approved urban growth boundary designed to limit the extent to which urban development can occur during a specified time period.

B. Commission Evaluation of a Plan for Agricultural Preservation

1. The Commission may consider approval of a proposal that contains agricultural land when it determines that there is sufficient evidence within the Plan for Agricultural Preservation that demonstrates all of the following:
 - a. Insufficient alternative land is available within the existing sphere of influence or boundaries of the agency and, where possible, growth has been directed away from prime agricultural lands towards soils of lesser quality.
 - b. For sphere of influence proposals, that the additional territory will not exceed the twenty year period for probable growth and development (or ten years within a proposed primary area of influence). For annexation proposals, that the development is imminent for all or a substantial portion of the proposal area.
 - c. The loss of agricultural lands has been minimized based on the selected agricultural preservation strategy. For the purposes of making the determination in this section, the term “minimize” shall mean to allocate no more agricultural land to non-agricultural uses than what is reasonably needed to accommodate the amount and types of development anticipated to occur.

- d. The proposal will result in planned, orderly, and efficient use of land and services. This can be demonstrated through mechanisms such as:
 - i. Use of compact urban growth patterns and the efficient use of land that result in a reduced impact to agricultural lands measured by an increase over the current average density within the agency's boundaries (e.g. persons per acre) by the proposed average density of the proposal area.
 - ii. Use of adopted general plan policies, specific or master plans and project phasing that promote planned, orderly, and efficient development.
2. For those proposals utilizing agricultural mitigation lands or in-lieu fees, the Commission may approve a proposal only if it also determines all of the following:
 - a. The mitigation lands must be of equal or better soil quality, have a dependable and sustainable supply of irrigation water, and be located within Stanislaus County.
 - b. An adopted ordinance or resolution has been submitted by the agency confirming that mitigation has occurred, or requires the applicant to have the mitigation measure in place before the issuance of a grading permit(s), building permit, or final map approval for the site.
 - c. The agricultural conservation entity is a city or a public or non-profit agency that: has the legal and technical ability to hold and administer agricultural preservation easements and in-lieu fees for the purposes of conserving and maintaining lands in agricultural production; and has adopted written standards, policies and practices (such as the Land Trust Alliance's "Standards and Practices") and is operating in compliance with those standards.
 - d. The agricultural mitigation land is not already effectively encumbered by a conservation easement of any nature.
 - e. Proposed in-lieu fees shall fully fund the costs associated with acquiring and managing an agricultural conservation easement, including the estimated transaction costs and the costs of administering, monitoring and enforcing the easement. Should the proposed in-lieu fees be less than 35% of the average per acre price for five (5) comparable land sales in Stanislaus County, plus a 5% endowment, the applicant shall provide evidence that the lesser amount will in fact achieve the stated agricultural mitigation goals.

C. Exceptions

The following applications are considered exempt from the requirement for a Plan for Agricultural Preservation and its implementation, unless determined otherwise by the Commission:

1. Proposals consisting solely of the inclusion of lands owned by a city or special district and currently used by that agency for public uses.
2. Proposals which have been shown to have no significant impact to agricultural lands, including, but not limited to:

- a. Proposals consisting solely of lands which are substantially developed with urban uses.
- b. Proposals brought forth for the purpose of providing irrigation water to agricultural lands.

DEFINITIONS

Agricultural Conservation Easement: An easement over agricultural land for the purpose of restricting its use to agriculture. The interest granted pursuant to an agricultural conservation easement is an interest in land which is less than fee simple. Agricultural conservation easements acquired shall be established in perpetuity (or shall be permanently protected from future development via enforceable deed restriction).

Agricultural Lands: Land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under crop rotational program, or land enrolled in an agricultural subsidy or set-aside program (Government Code Section 56016). As used in this section, "agricultural lands" also includes those lands defined in Government Code Section 56064 as "prime agricultural land" and those lands identified as "prime farmland", "farmland of statewide importance", and "unique farmland" as part of the California Department of Conservation's Farmland Mapping and Monitoring Program.

Agricultural Mitigation Land: Agricultural land encumbered by an agricultural conservation easement or other conservation mechanism acceptable to LAFCO.

Primary Area of Influence: The area around a local agency within which territory is eligible for annexation and the extension of urban services within a ten year period.

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

- (a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not the land is actually irrigated, provided that irrigation is feasible.
- (b) Land that qualifies for rating 80 through 100 Storie Index Rating.
- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years (Government Code Section 56064).

Sphere of Influence: A plan for the probable physical boundaries and service area of a local agency, as determined by the commission (Government Code Section 56076). The area around a local agency within which territory is eligible for annexation and the extension of urban services within a twenty year period.

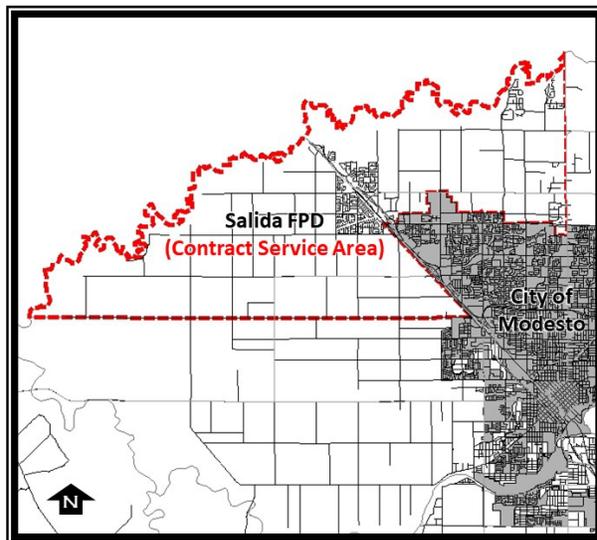
**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 28, 2022**

**LAFCO APPLICATION NO. 2022-03:
CITY OF MODESTO FIRE SERVICE CONTRACT WITH
SALIDA FIRE PROTECTION DISTRICT**

APPLICANT: City of Modesto

LOCATION: The affected area includes the entire jurisdictional boundaries of the Salida Fire Protection District. (See Map, Exhibit A.)

REQUEST: The City of Modesto submitted an application to provide extended fire protection services outside its jurisdictional boundaries to the Salida Fire Protection District area (See Application, Exhibit B.) The City of Modesto and Salida Fire Protection District recently entered into an agreement for services that requires LAFCO review pursuant to Government Code Section 56134.



BACKGROUND

Effective January 1, 2016, Government Code Section 56134 requires LAFCO review and approval of fire protection contracts or agreements for the exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries. A contract or agreement is defined as one that either transfers responsibility for more than 25% of an agency's service area or affects employment status for more than 25% of employees of an agency. Fire contracts or agreements were previously exempt from Commission review (as are other agreements between two entities providing like services). Mutual aid agreements are not generally subject to such review. However, any fire service contract meeting the above thresholds must now seek LAFCO review and approval. Government Code Section 56134 is attached in full as Exhibit C for the Commission's information.

In May of this year, the Salida Fire Protection District ("District") authorized staff to explore contract for fire service agreements. Discussions began between the District and the City of Modesto to provide the following services within the District's boundaries: fire protection, prevention, suppression services, and related services such as emergency medical services, emergency preparedness, mitigation of hazardous materials incidents, and special operations including, but not limited to, confined space rescue, technical rescue and water rescue. Ultimately, an agreement was reached between the District and City of Modesto.

The City of Modesto approved the agreement on September 13, 2022. The initial term of the agreement will be for five years through June 30, 2027, with the option of an additional two-year extension.

DISCUSSION

State law and Commission policies encourage the efficient delivery of services. While annexation or consolidation is typically the preferred method for the extension of services outside an agency's existing boundary, contracts or agreements for fire service are a common alternative that offer flexibility for the agencies involved.

Plan for Services

Government Code Section 56134 requires proposed contracts for fire service include a Plan for Services detailing how fire services will be provided and funded. The City of Modesto prepared a Plan for Services that is included with its application (attached as Exhibit B). Many of the details of the Plan are contained within the fire service agreement itself, also included in the City of Modesto's application.

Pursuant to the agreement, the City of Modesto will provide fire protection services over the entire territorial jurisdiction of the Salida Fire Protection District. This accounts for approximately 26,880 acres of additional territory for the City of Modesto's service area. With implementation of the contract, the City of Modesto will create nine positions. Of those nine, five will be transferred from the Salida Fire Protection District. Both the Modesto and Salida firefighter labor groups provided letters of support for the fire service contract.

Fiscal Analysis

As part of the application, the City of Modesto included information regarding the fiscal impacts of the proposal. It is anticipated that the agreement will generate approximately \$9,474,491 in new revenue to the City General Fund over the five-year term. The City's total anticipated expenses are approximately \$9,224,491 which includes salary and benefits, fleet maintenance, and service and supplies. The net revenue for the five-year term of the agreement is approximately \$250,000 and accounts for the City of Modesto's fire administrative support and overhead costs.

According to the Independent Fiscal Analysis prepared for the proposal, the District's projected revenues in later years of the contract will be less than the contract costs. However, subsequent to the analysis, the City and District also approved a revenue-sharing agreement for the Woodglen annexation area and future annexation areas. The revenue is expected to provide approximately \$50,000 in fiscal year 2022-2023 and \$150,000 in fiscal year 2023-2024 and beyond. Any future annexation within the District's boundaries will also be subject to the agreement. Revenues from this additional agreement will contribute to any potential shortfalls.

Commission Determinations

In order to approve an application for a fire protection contract, the Commission must make the following determinations pursuant to Government Code Section 56134(j):

- 1) *The proposed exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries is consistent with the intent of this division, including but not limited to, the policies of Sections 56001 and 56300.*

- 2) *The Commission has reviewed the fiscal analysis prepared in accordance with Section 56134(f).*
- 3) *The Commission has reviewed any testimony presented at the public hearing.*
- 4) *The proposed affected territory is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the five fiscal years following the effective date of the contract or agreement between the public agencies to provide the new or extended fire protection services.*

Following review of any testimony at the public hearing, Staff believes the Commission will be able to make all the determinations outlined above for approval of the fire protection contract.

Environmental Review

The fire service contract is considered exempt from the California Environmental Quality Act pursuant to the General Rule, Section 15061(b)(3) as it can be seen with certainty that there will not be a significant impact to the environment. Additionally, Staff has determined that there is no reasonable possibility that the contract for fire service will have a significant effect on the environment.

CONCLUSION

Although annexations to cities or special districts are generally the preferred method for the provision of services, Commission policies also recognize that contracts for services outside the boundaries of an agency can be an appropriate alternative. Staff believes the City of Modesto's proposal for extended fire services is consistent with the overall policies of LAFCO as well as the intent of Government Code Section 56134.

ALTERNATIVES FOR LAFCO 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:

- APPROVE the request, as submitted by the City of Modesto.
- DENY the request without prejudice.
- CONTINUE the proposal to a future meeting for additional information.

STAFF RECOMMENDATION

Based on the discussion in this Staff Report and following any testimony or evidence presented at the meeting, Staff recommends that the Commission approve the City of Modesto's application and adopt Resolution No. 2022-11 (Exhibit D) making the appropriate findings, consistent with Government Code Section 56134.

Respectfully submitted,

**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 28, 2022
PAGE 4**

Javier Camarena

Javier Camarena
Assistant Executive Officer

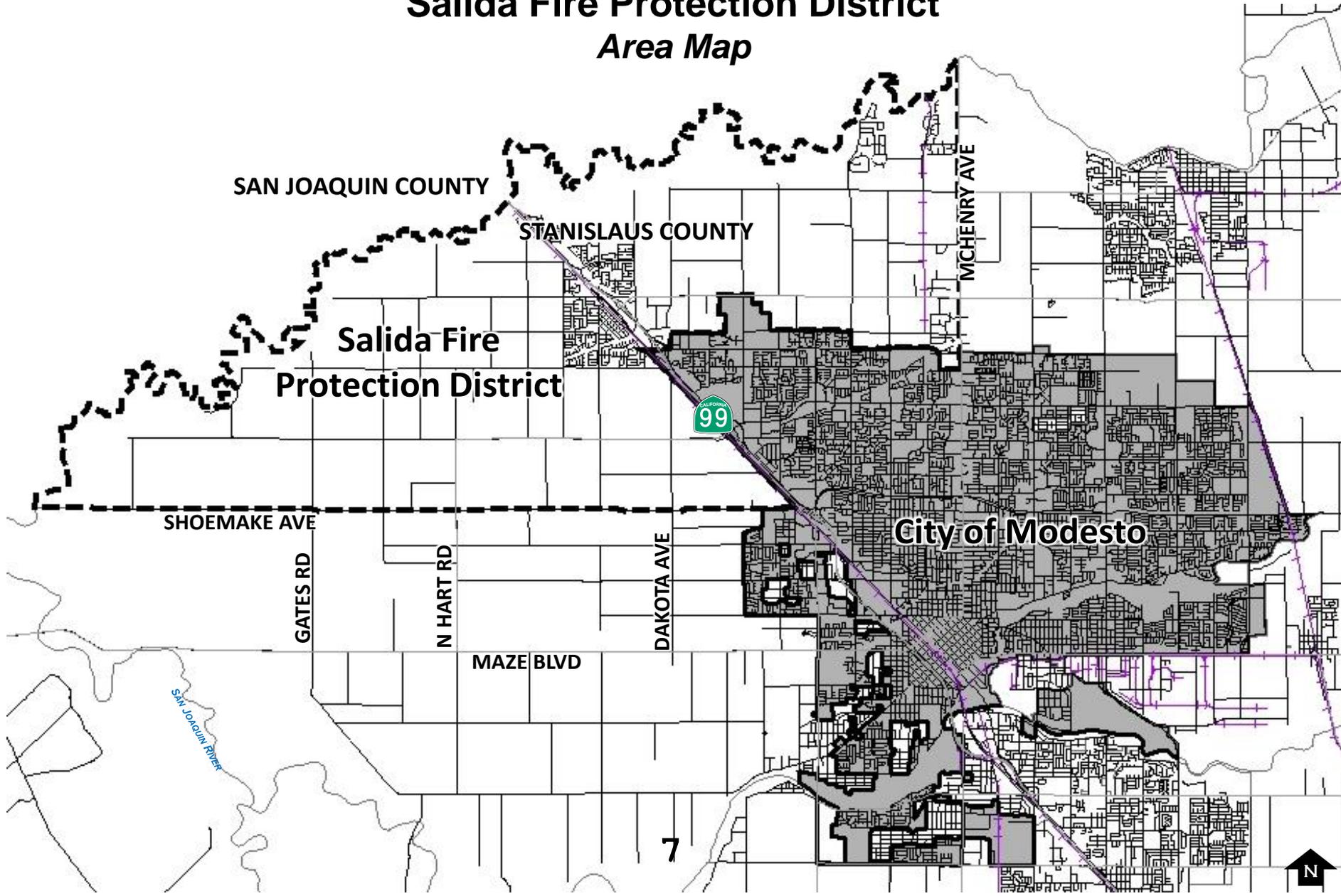
Attachments: Exhibit A - Map (*Page 5*)
 Exhibit B - City of Modesto's Application to LAFCO (*Page 9*)
 Exhibit C - Government Code Section 56134 (*Page 89*)
 Exhibit D - Draft LAFCO Resolution No. 2022-11 (*Page 95*)

EXHIBIT A

Map

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LAFCO Application No. 2022-03
**City of Modesto Fire Contract with the
Salida Fire Protection District**
Area Map



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EXHIBIT B

**City of Modesto's Application
To LAFCO**

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STANISLAUS LAFCO

Stanislaus Local Agency Formation Commission

1010 – 10th Street, 3rd Floor ♦ Modesto, CA 95354

(209) 525-7660 ♦ FAX (209) 525-7643

www.stanislauslafco.org

APPLICATION FOR FIRE SERVICE CONTRACT

NAME OF PROPOSAL: Modesto Contract for Fire Service

APPLICANT:

Name: Modesto Fire Department

Address: 409 12th Street, Modesto, CA 95354

Phone: 209-572-9590 Fax: 209-544-1652 E-Mail: aernst@modestofire.com

Contact Person: Alan Ernst Title: Fire Chief

APPLICANT'S REPRESENTATIVE:

Name: Joseph Lopez, City Manager

Address: 1010 10th Street

Phone: 209-577-5404 Fax: _____ E-Mail: joelopez@modestogov.com

Contact Person: Michelle Thomson Title: Executive Assistant

AGENCIES INVOLVED:

Agency to provide fire protection service: _____

Name: Modesto Fire Department

Address: 409 12th Street, Modesto, CA 95354

Phone: 209-572-9590 Fax: 209-544-1652 E-Mail: aernst@modestofire.com

Contact Person: Alan Ernst Title: Fire Chief

Agency to provide fire protection service:* _____

Name: Salida Fire Protection District

Address: 4820 Salida Blvd., Salida, CA 95368

Phone: 209-545-0365 Fax: _____ E-Mail: _____

Contact Person: Tom Bert Title: Salida District Board Member

Agency to receive fire protection service: _____

Name: _____

Address: _____

Phone: _____ Fax: _____ E-Mail: _____

Contact Person: _____ Title: _____

Agency to receive fire protection service:* _____

Name: _____

Address: _____

Phone: _____ Fax: _____ E-Mail: _____

Contact Person: _____ Title: _____

**If Necessary*

LAFCO Use Only:

Proposal Name: _____ LAFCO Application No. _____

Submittal Date: _____ Cert. of Filing Date: _____

LAFCO Filing Fee: \$ _____ Fees Paid? _____ Yes _____ No

100% Property Owners Consent? _____ Yes _____ No

QUESTIONNAIRE

Please answer the following questions related to the proposed fire protection contract. The information will allow the Commission and staff to adequately assess the contract. Please provide any additional information that may be applicable (Additional sheets are okay).

A. General description of proposed contract and its terms:

This is an agreement to provide fire protection and related services between Modesto and Salida
Fire Protection District for a five-year term, with a two-year extension option.

The initial term will be from 9/27/2022 to 6/30/2027. See attached agreement.

B. Describe the affected jurisdictional boundaries (acreage) and number of employees that will have a change in employment status. Will the new contract affect more than 25% of employees of any public agency or transfer responsibility for more than 25% of an agency's jurisdictional boundaries? Explain:

The services provided by Modesto Fire Department will affect approximately 26,880 additional
acres. With the implementation of the contract, nine positions will be created. Of those, five will be
transferred and assumed from Salida. Modesto will hire four additional personnel.

C. Proposed services and anticipated level of service for all agencies:

Services include, but are not limited to: fire protection, prevention, suppression and others such as
emergency medical services, emergency preparedness, mitigation of hazardous materials incidents,
and special operations including confined space rescue, technical rescue and water rescue

D. New services being provided that are not currently being provided, if any. (If any please describe):

Please see attached "Additional Sheet" for response.

E. Specify any special arrangements or terms related to the Fire Protection District:

Please see attached "Additional Sheet" for response.

Please see attached "Additional Sheet" for response.

Please see attached "Additional Sheet" for response.

F. Please provide a description of the assumption of assets, liabilities, leasing of facilities and equipment if applicable:

Please see Article III and Exhibits A and B of the Agreement (ATCH. A) in connection with
Salida maintaining ownership and title of vehicles, equipment, apparatuses and fire stations /
training annex.

“ADDITIONAL SHEET”

D. New Services being provided that are not currently being provided, if any.

The City of Modesto will increase staffing levels from two to three personnel per Engine and provide operational oversight by on-duty Chief Officer. Under the contract, the Salida Fire Protection District will become part of the MST (Modesto Stanislaus Turlock) resource-sharing agreement, which will provide automatic aid to the District.

E. Specify any special arrangements or terms related to the Fire Protection District:

The City of Modesto shall bear all actual costs of Minor Repairs of equipment, vehicles and apparatuses owned by Salida Fire Protection District as outlined in the attached agreement. Salida shall bear all actual costs of minor and major repairs of Fire Station 12. Salida shall provide for said station as well.

G. Please provide a description of the assumption of personnel and/or retirement obligation, if applicable:

The City of Modesto will assume five personnel from Salida Fire Protection District.

H. Location and Assessor's Parcel Numbers (attach additional sheets if necessary):

All parcels that are within the boundaries of the vicinity map. See Ex. C of the Agreement (ATCH. A)

I. PLAN FOR SERVICES

A resolution of application submitted shall be submitted with a plan which shall include all of the following information (pursuant to Government Code Section 56134e):

- a. The total estimated cost to provide the new or extended fire protection services in the affected territory.
- b. The estimated cost of the new or extended fire protection services to customers in the affected territory.
- c. An identification of service providers, if any, of the new or extended services proposed to be provided and the potential fiscal impact to the customers of those existing providers.
- d. A plan for financing the exercise of the new or extended fire protection services in the affected territory.
- e. Alternatives for the exercises of the new or extended fire protection services in the affected territory.
- f. An enumeration and description of the new or extended fire protection services proposed to be extended to the affected territory.
- g. The level and range of new or extended fire protection services.
- h. An indication of when the new or extended fire protection services can feasibly be extended to the affected territory.
- i. An indication of any improvements or upgrades to structures, roads, sewer or water facilities, or other conditions the public agency would impose or require within the affected territory if the fire protection contract is completed.
- j. A determination, supported by documentation that the proposed fire protection contract meets the 25% thresholds described in Section 56134(a)

Section I.

PLAN FOR SERVICES

PLAN FOR SERVICES

(City of Modesto's Responses to Section I of LAFCO Fire Service Application, Page 4)

- a. The total estimated cost to provide the new or extended fire protection services in the affected territory.**

The total anticipated expenses to the City of Modesto in order to perform the duties of the Agreement (including salary and benefits, fleet maintenance, and service and supplies) is approximately \$9,224,491 over the five-year term. The net revenue for the five-year term of the Agreement is estimated at approximately \$250,000 and accounts for COM's fire administrative support and COM central services support such as human resources, payroll, purchasing and accounts payable.

- b. The estimated cost of the new or extended fire protection services to customers in the affected territory.**

The total anticipated cost to the Salida Fire Protection District to implement this contract is \$9,474,491 over the five-year term of the contract.

- c. An identification of services provided, if any, of the new or extended services proposed to be provided and the potential fiscal impact to the customers of those existing providers.**

Modesto Fire Department will be providing all services as listed in the Agreement (ATCH.A) in exchange for an annual fee as outlined in Article VI of the agreement. Any other pay-for-services shall be paid at District's established rates as outlined in Article III, section 4.6 of the Agreement (ATCH. A).

- d. A plan for financing the exercise of the new or extended fire protection services in the affected territory.**

District agrees to pay City for all services provided pursuant to the terms and conditions of the Agreement. Please see Article VI and Exhibit D of Attachment A.

- e. Alternatives for the exercises of the new or extended fire protection services in the affected territory.**

The Salida Fire Protection District could maintain their own fire services and continue to operate under their current staffing and organizational structure.

- f. An enumeration and description of the new or extended fire protection services proposed to be extended to the affected territory.**

City will provide fire protection, prevention, suppression services, and related services such as emergency medical services, emergency preparedness, mitigation of hazardous materials incidents, and special operations including, but not limited to, confined space

rescue, technical rescue, and water rescue within the jurisdictional area of Ceres. Please See Article IV of the agreement (ATCH. A) for further details.

g. The level and range of new or extended fire protection services.

See Article IV of the agreement (ATCH. A) for further details.

h. An indication of when the new or extended fire protection services can feasibly be extended to the affected territory.

September 27, 2022.

i. An indication of any improvements or upgrades to structures, roads, sewer or water facilities, or other conditions the public agency would impose or require within the affected territory if the fire protection contract is completed.

See Article III, and Exhibit A and Exhibit B to the Agreement (ATCH.A)

j. A determination, supported by documentation that the proposed fire protection contract meets the 25% thresholds described in Section 56134(a).

Yes. The new fire protection services will encompass over 26,880 acres of new territory and serve 100% of the territorial jurisdictions of the Salida Fire Protection District, pursuant to Government Code section 56134, subdivision (a)(1)(A).

J. LAND USE

i. Area Affected by Proposal (Gross Acres): Approximately 26,880 Acres

ii. Land Uses of Area to be served:

Zoning	See Exhibit C to Attachment A	<input type="checkbox"/> City <input checked="" type="checkbox"/> County
General Plan Designation	See Exhibit C to Attachment A	<input type="checkbox"/> City <input checked="" type="checkbox"/> County
Use of Proposal Area	Fire protection services (See Attachment A)	

K. BOUNDARIES AND ASSESSMENT

i. Is the property contiguous to the existing City or District boundary?: Yes No
(Contiguous is defined by Govt. Code Section 56031)

ii. Is the project co-terminus with:

Assessor's Parcel boundaries? Yes No
 Legal lot boundaries? Yes No

L. Is the Proposal completely surrounded by the fire agency providing services?
 Yes No

Please Describe: Please refer to Exhibit C of the Agreement (ATCH. A)

M. POPULATION AND HOUSING

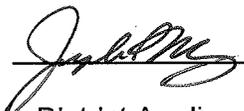
i. Estimated Population of area to be served: 19,000

ii. Estimated Number/Type of Dwelling Units within the proposed area:
 Existing: Unknown Proposed (if any): Not applicable.

CERTIFICATION

I certify, under penalty of perjury, under the laws of the State of California, that the information contained in this application is true and correct. I acknowledge and agree that the Stanislaus Local Agency Formation Commission is relying on the accuracy of the information provided and my representations in order to process this application proposal.

Print Name: Joseph P. Lopez Title: City Manager

Signature:  Date: 9/19/22

- City or District Applicant
- Property Owner Applicant
- Applicant's Representative/Agent (Proof of authority must be provided)

INTERESTED PERSONS AND/OR AGENCIES

Please complete if any persons and/or agencies are requesting to be notified of the project. If more than two interested agencies, please provide the name and information, on a separate page.

Name: _____

Address: _____

Phone: _____ Fax: _____ E-Mail: _____

Contact Person: _____ Title: _____

Name: _____

Address: _____

Phone: _____ Fax: _____ E-Mail: _____

Contact Person: _____ Title: _____

STANISLAUS LAFCO

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1010 – 10 th Street, 3rd Floor ♦ Modesto, CA 95354

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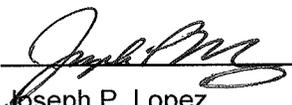
www.stanislauslafco.org

INDEMNITY AGREEMENT

As part of this application, the applicant agrees to defend, indemnify, hold harmless and release the Stanislaus Local Agency Formation Commission (LAFCO), its officers, employees, attorneys, or agents from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul, in whole or in part, LAFCO's action on a proposal or on the environmental documents submitted to support it. This indemnification obligation shall include, but not be limited to, damages, costs, expenses, attorney fees, and expert witness fees that may be asserted by any person or entity, including the applicant arising out of or in connection with the application.

Date: 9/19/22

APPLICANT OR APPLICANT'S REPRESENTATIVE:
(Proof of authority must be provided)

Signature: 
Name: Joseph P. Lopez
Title: City Manager
Agency: City of Modesto
Address: 1010 10th Street
Modesto, CA 95354

STANISLAUS LAFCO

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COMPLIANCE WITH POLITICAL EXPENDITURE AND CONTRIBUTION DISCLOSURE REQUIREMENTS

Effective January 1, 2008: Pursuant to Government Code Sections 56700.1 and 57009 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and 82015 and 82025 of the Political Reform Act, applicants for LAFCO approvals and those opposing such proposals are required to report to LAFCO all political contributions and expenditures with respect to the proposal that exceed \$1,000. By your signature to this application, you are binding the applicant to abide by these disclosure requirements. You are further agreeing that should LAFCO be required to enforce these requirements against you (or if the agency is the formal applicant, the real party in interest) that you will reimburse LAFCO for all staff cost and legal fees, and litigation expenses incurred in that enforcement process.

Date: 9/19/22

APPLICANT OR APPLICANT'S REPRESENTATIVE:
(Proof of authority must be provided)

Signature: 
Name: Joseph P. Lopez
Title: City Manager
Agency: City of Modesto
Address: 1010 10th Street
Modesto, CA 95354

STANISLAUS LAFCO

Stanislaus Local Agency Formation Commission

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FINANCIAL DISCLOSURE STATEMENT

Consistent with the requirements of the State of California Fair Political Practices Commission, each applicant or their agent must complete and submit this Statement of Disclosure form with any application that requires discretionary action by Stanislaus LAFCO (Government Code §84308 of the Political Reform Act).

Person is defined as: "Any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, receiver, syndicate, this and any other county, city and county, city, municipality, district or other political subdivision, or any other group or combination acting as a unit."

- 1. List the names of all persons having any ownership interest in the property involved or any financial interest in the application. (Use additional sheets if necessary.)**

This contract serves the Salida Fire Protection District at large, and no particular properties are

served by this contract. Therefore, no particular individual is receiving any financial benefit or has financial interest in this contract other than what is common to the general public.

- 2. If any person identified pursuant to #1 is a corporation or partnership, list the names of all individuals owning more than 10% of the shares in the corporation or owning any partnership interest in the partnership.**

Not applicable.

- 3. If any person identified pursuant to #1 is a non-profit organization or a trust, list the names of any person serving as director of the non-profit organization or as trustee or beneficiary or trustor of the trust.**

Not applicable.

4. Has any person identified pursuant to #1 had \$250 or more worth of business transacted with any Commissioner or Alternate or Commission staff person within the past 12 months? Yes / No

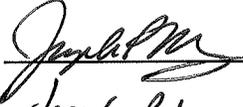
If Yes, please indicate person's name/s:

5. Has any person identified pursuant to #1, or his or her agent, contributed \$250 or more to any Commissioner or Alternate within the past 12 months? Yes / No

If Yes, please indicate person(s) or agent(s) making contribution:

Name/s of Commissioner(s)/Alternate(s) receiving contribution:

I HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

Applicant Signature: 

Printed Name: Joseph P. Lopez

Date: 8/19/22

ATTACHMENT A

AGREEMENT TO PROVIDE
FIRE PROTECTION SERVICES

AGREEMENT TO PROVIDE FIRE PROTECTION SERVICES BETWEEN THE CITY OF MODESTO AND THE SALIDA FIRE PROTECTION DISTRICT

This Agreement (“Agreement”) is made and entered into this ____ day of _____ 2022 (the “Effective Date”), by and between the City of Modesto ("City"), a California municipal corporation, and the Salida Fire Protection District (“District”), a California special district, collectively referred to as the “Parties” in this Agreement.

RECITALS

WHEREAS, both the City and District provide fire protection, prevention, suppression services, and related services such as emergency medical services, emergency preparedness, mitigation of hazardous materials incidents, and special operations including, but not limited to, confined space rescue, technical rescue, and water rescue within the territorial limits of the cities of City and District, and in unincorporated areas of the County of Stanislaus (“County”); and

WHEREAS, District desires to contract with City for the provision of fire protection services (“Fire Services”), within the District; and

WHEREAS, District is willing, able and possesses the capacity to perform the Fire Services; and

WHEREAS, the Parties desire to enter into a fruitful and long-term partnership for the provision of the Fire Services; and

WHEREAS, the Parties agree that this Agreement will ensure provision of continued Fire Services; and

WHEREAS, it is the desire of the Parties to address, by this Agreement, all matters which are related to the Fire Services to be provided to District by City; and

WHEREAS, this Agreement is entered into pursuant to Government Code sections 54981 and, Health and Safety Code section 13800 *et seq.*, including, but not limited to, sections 13861, 13862, 13863, and 13878; and

WHEREAS, the Parties acknowledge they have complied with the provisions of the Meyers-Milias-Brown Act (Government Code §§ 3500 *et seq.*) and applicable laws, rules, and ordinances with respect to its employees affected by this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants in this Agreement, it is agreed by and between the Parties hereto as follows:

ARTICLE I DEFINITIONS

1.1. Capital Improvements.

"Capital Improvements" means any planned improvements, capital upgrades, or replacements of equipment, vehicles, apparatuses, fire stations and/or other facilities or property, excluding Major Repairs and Minor Repairs.

1.2. Fire Services.

"Fire Services" means those services described in Article IV of this Agreement and listed under Health and Safety Code section 13862.

1.3. Fiscal Year.

"Fiscal Year" means the annual period commencing on July 1 and ending June 30 of any calendar year.

1.4. Major Repair.

"Major Repair" means any unplanned repair or maintenance work in excess of \$5,000.

1.5. Minor Repair.

"Minor Repair" means any repair or maintenance work of a preventive and routine nature due to normal wear and tear for \$5,000 or less.

ARTICLE II TERM OF AGREEMENT

2.1. Initial Term. The initial term of this Agreement shall be for approximately five (5) fiscal years from September 27, 2022 through June 30, 2027

2.2. Extension of Term. This Agreement may, by approval of the Parties and their governing bodies, be extended for one additional two (2) year term; provided, however, that all Parties receive final approval for such extension no later than June 30, 2026. Due to Fiscal Year appropriation and budget planning, June 30, 2026 shall be considered a firm date, unless all the Parties agree in writing to allow a later date for approval by the Parties' respective governing bodies.

2.3. Termination. Notwithstanding Sections 2.1 and 2.2 and any other provision of this Agreement, either Party may terminate this Agreement by providing twelve (12) months' written notification to the other Party, and the term of this Agreement or any extension thereof shall be shortened accordingly. Written notification of termination shall be in the form of a Resolution by the applicable Party's governing body. The twelve (12) months' written notification requirement shall not be triggered until such Resolution is tendered, delivered, or

mailed to the other Party. Notwithstanding the foregoing, the City may terminate this Agreement pursuant to Section 6.2 of this Agreement.

ARTICLE III DISTRICT STATIONS, VEHICLES, AND EQUIPMENT

3.1. **Title and Use of Equipment, Vehicles and Apparatuses.** District shall maintain ownership and title of vehicles, equipment, and apparatuses, including such property identified in Exhibit A, and shall permit, allow, and does hereby authorize City to utilize such property (and any other such property, vehicles, apparatuses, or equipment so hereafter acquired by District) to provide services to District pursuant to this Agreement, and provide any necessary, required, or reasonably requested local, state, and federal mutual and automatic mutual aid, or statewide master mutual aid and assistance by hire pursuant to the California Fire Assistance Agreement. Each apparatus shall be assigned to a station. Exceptions shall be allowed for short-term or special need apparatus use elsewhere in the City system.

3.2. **Title and Use of Stations.** District shall maintain ownership and title of Fire Station 12 (4820 Salida Blvd., Salida, CA.). District shall provide the City with full and complete access and full and complete use of Fire Station 12, as identified in Exhibit B of this Agreement, to the same extent that City would enjoy if it owned such Stations and all the fixtures, equipment and appurtenances therein. City acknowledges the current agreement between the Stanislaus County Sheriff Department and the District for their temporary use of Station 12 .

3.3. **Maintenance and Repairs.**

A. City shall only bear all actual costs of Minor Repairs of equipment, vehicles, and apparatus owned by District, including such property identified in Exhibit A. District shall bear all actual costs of minor and major repairs of Fire Stations identified in Exhibit B. City shall provide supplies for fire station 12 as listed in Exhibit E or equivalent.

B. Major Repairs shall be promptly paid by the Party with ownership or title of such property. For any third-party products or services needed to effectuate such repairs, the owning Party shall be required to procure and contract the necessary services or products and comply with all laws and rules regarding same. City shall not bear any financial responsibility or liability arising from, or related to, Major Repairs and the owning Party agrees to defend, indemnify, and hold the City harmless from any such liability. In the event that District contracts or otherwise hires a third-party contractor to perform any Major Repairs, District shall require any such third-party contractor to have general liability insurance with minimum limits of \$2,000,000 per occurrence and \$4,000,000 in the aggregate. City shall be named as an additional insured on any such coverage.

C. Notwithstanding those duties set forth in the preceding paragraph, the City shall serve as project manager for Major Repairs of assets listed in Exhibit A. As project manager, City shall provide cost estimates, plan and coordinate the work, and seek approval from District prior to the commencement of work. City shall facilitate and manage the work through completion and keep District reasonably abreast of any material changes, including without limitation, changes in scope of work, budget, and/or change orders.

D. Should an insurable event result in damage to any property owned by

District, including such property identified in Exhibit A, the Party with title or ownership of such property shall bear the portion of the actual replacement cost exceeding any insurance proceeds collected by such Party for said damage.

3.4. **Inspection of District-Owned Property.** City agrees to reasonably inspect all real property, buildings, equipment and apparatuses owned by District, including such property identified in Exhibit A and Exhibit B to ensure they meet the appropriate and applicable fire service and safety standards.

3.5. **Capital Improvements.**

A. Capital Improvements shall be paid for by the Party with ownership or title of such property. For any third-party products or services needed to effectuate such Capital Improvements, the owning Party shall be required to procure and contract the necessary services or products and comply with all laws and rules regarding same. City shall not bear any financial responsibility or liability arising from, or related to, such Capital Improvements and the owning Party agrees to defend, indemnify, and hold the City harmless from any such liability. In the event that District contracts or otherwise hires a third-party contractor to perform any Capital Improvement, District shall require any such third-party contractor to have general liability insurance with minimum limits of \$2,000,000 per occurrence and \$4,000,000 in the aggregate. City shall be named as an additional insured on any such coverage.

B. Notwithstanding those duties set forth in the preceding paragraph, the City shall serve as project manager for non-facility Capital Improvements. As project manager, City shall provide cost estimates, plan and coordinate the work, and seek approval from District prior to the commencement of work. City shall facilitate and manage the project through completion and keep District reasonably abreast of any material changes, including without limitation, changes in scope of work, budget, and/or change orders.

C. District shall maintain a Capital Improvements program for projects to ensure funds are annually appropriated for the actual costs required to replace, improve, and/or repair their respective facilities, Stations, apparatuses, equipment, and property described herein (*e.g.* roofs, HVAC systems, exterior/interior paint, etc.). If the City identifies any needed Capital Improvements it must submit them annually to District by March 15th of any contract year, with cost estimates and reasonable supporting documentation, for District annual budget development process.

3.6. **Personal Protective Equipment (“PPE”).** District agrees to transfer to City, all PPE assigned to current District personnel, all PPE on fire apparatus and all spare PPE in storage.

3.7 **Fire Station Equipment and Supplies.** District agrees to leave all equipment and supplies currently on and within property identified in Exhibit A and Exhibit B for City to use.

3.8 **Return Upon Termination.** City will return all equipment, apparatuses, property, and Stations, including such property identified in Exhibit A and Exhibit B, to District upon the termination of this Agreement, with reasonable wear and tear expected.

**ARTICLE IV
DUTIES OF CITY UNDER THIS AGREEMENT**

4.1. **Scope of Services.** City shall provide Fire Services, as more specifically described in this Article, within the jurisdictional area of District (see Exhibit C for service area map). In providing such services, City shall administer the state fire and building code, with any local amendments enacted by District. Throughout the term of the Agreement and as reasonably needed or as requested by District, City shall consult with District regarding City's implementation of the provisions of this Agreement.

4.2. **Bi-Annual Review of Services.** Unless otherwise waived by all the Parties, City agrees to, and shall cooperate in, a bi-annual review of the expectations outlined in this Article, that shall take place at a mutually agreeable time between the Parties. If areas of improvement are identified in the course of this review, then a reasonable corrective action plan shall be mutually developed and agreed upon. Such corrective action shall be memorialized in a writing signed by all the Parties.

4.3. **Advisory Committee.** An Advisory Committee, consisting of two representatives from the District, and the City's Fire Chief and Modesto City Manager, shall be formed to discuss and provide advisory input regarding the delivery of Fire Services for District. The Advisory Committee shall agree to meet no less than twice per year at a mutually agreeable time and location.

4.4. **Description of Support and Fire Prevention Services to be provided by City.** The City shall provide the following fire prevention and support services necessary to maintain Fire Services for District:

- A. Fire Services program planning and administration consistent with the terms and conditions of this Agreement.
- B. Assume all current District Fire Emergency Operation Responsibilities.
- C. Assist in the development and administration of annual District Fire Services budgets.
- D. Delivery and documentation of federal and state-mandated firefighter training as well as provision of additional training as authorized and funded within the City's budget.
- E. Assist with emergency and disaster management within the Stanislaus County Emergency Operations Center as timely requested by the Salida Fire Protection District Board.
- F. Coordination of procurement of all routine operational supplies, services, and equipment as necessary to provide the Fire Services outlined in this Agreement.
- G. City shall coordinate with the Stanislaus County Fire Warden's office to ensure they provide plan review services of all development and building plans to ensure

compliance with applicable fire and life safety codes and regulations, as well as inspection of fire protection and fire alarm systems for compliance with applicable codes and standards. District shall collect and maintain fees for fire prevention services at rates that are identified in District fire prevention rate schedule.

H. City shall coordinate with the Stanislaus County Fire Warden's office to ensure that fire safety inspections of all state-mandated occupancies and enforcement of weed abatement are performed within District. City will coordinate with the Stanislaus County Fire Wardens Office at no cost to District to provide assistance as needed; provided, that sufficient funding continues through the "Less Than Countywide Fire Tax" assessment.

I. Investigation of all fires to establish origin and cause as well as coordination with law enforcement on all criminal prosecutions resulting from such investigations. This service will be provided through the Stanislaus Regional Fire Investigation Unit and will be paid for through the "Less Than Countywide Fire Tax" assessment.

J. Maintenance of sufficient, segregated records relating to provision of Fire Services to District, including, but not limited to response time data for all incident responses. At a minimum, such records shall be sufficient to meet all federal and state reporting obligations as they relate to the provision of Fire Services, including but not limited to annual audits, mutual aid, and reimbursement for disaster response, hazardous material response, or other incident responses. Such records, reports and response data shall be provided to District at their request.

K. Coordinate the planning, development, and delivery of fire prevention and safety education programs for schools, businesses, community associations, child-care providers, and other members of the community. Fire prevention and life safety programs will be tailored to educate District residents and business community in order to help preserve life and property.

L. Participate in, plan, and inspect special events such as, Community fairs, Farmers Market, and other special events that are held within District.

M. City will work with Parties to address Hazard mitigation which may include coordinating Community forums to address and reduce the wildland fire threat. Coordination will be with partner agencies and other stakeholders.

4.5. **Incident Response Within Jurisdictions of District.** The following criteria shall apply to incident response within District jurisdictions, including fire suppression, emergency medical response, rescue services, hazardous materials response, and response to any other emergency or non-emergency request for service.

A. **Chief Officer Coverage.** City shall ensure a qualified Shift Battalion Chief Officer or other Chief Officer, to be immediately available for response and management of emergency incidents as necessary to provide incident command and coordination functions within the jurisdictional boundaries of District, including the authority to commit expenditure of District funds (e.g., request aircraft or specialized equipment or contractors) to mitigate an emergency incident.

B. **Staffing.** City shall provide, on a twenty-four (24) hour, seven-(7) day per-week basis, one (1) three (3)-member company at Station 12. Additional qualified fire

personnel may be assigned to the Station(s) as determined by the City Fire Chief or his/her designee to provide supplemental Fire Services or staffing for special events, anticipated weather events, or other situations within the City's budget as that budget may be modified from year to year, and operational capacity. Minimum staffing level for District shall be three (3) members per Engine company, and four (4) members per Quint (Truck) Company.

C. **Emergency Dispatch Services.** District shall continue to contract with the dispatch center used by the City.

D. **Major Disaster Response.** In the event of a major disaster in District, City will provide support to the Stanislaus County Emergency Operations Center (EOC). In the event of a multi-jurisdictional emergency or disaster, coordination of fire resources may be performed from the Stanislaus County Emergency Operations Center.

E. **Statewide Mutual Aid and Assistance by Hire.** City may respond to requests for mutual aid or assistance-by-hire by other agencies within the State of California pursuant to the California Statewide Master Mutual Aid Agreement or the California Fire Assistance Agreement, as approved by the Fire Chief or his or her authorized designee. District shall credit or reimburse City for any mutual aid monies it receives relating to City's use of personnel assigned to District. District shall be entitled to reimbursement for apparatuses or vehicles owned by District, and City shall not claim any entitlement thereto.

4.6. **Miscellaneous.**

A. **False Fire Alarms.** City will enforce the provisions of the District Ordinance providing for recovery of costs associated with responses to false fire alarms.

B. **Hazardous Materials Releases.** City will enforce the provisions of the District Ordinance or Modesto Municipal Code providing for recovery of costs associated with responses to releases of hazardous materials.

C. **Fire Prevention Master Fee Schedules.**

(i) City will be entitled to fee reimbursement for actual costs for services rendered under the contract for services pursuant to any and all applicable fee schedules or ordinances of District that provide and allow for such fees.

D. **Fire Recovery and EMS Billing.**

(i) The city will complete Fire Recovery Reports and submit reports to Fire Recovery USA for processing on behalf of the District. City will also monitor EMS reimbursement from American Medical Response (AMR) on behalf of the District. District will continue to receive the fee reimbursements directly from Fire Recovery and AMR.

ARTICLE V DUTIES OF DISTRICT

5.1. **Payment for Fire Services.** District shall compensate City for the provision of Fire Services as further described in Article VI of this Agreement.

5.2. **Major Repairs and Capital Improvements.** As set forth in Article III of this Agreement, District agrees to pay for the cost of Major Repairs and Capital Improvements for all property owned by the District, including such property identified in Exhibit A and Exhibit

ARTICLE VI ANNUAL FIXED FEE FOR FIRE PROTECTION SERVICES

6.1. **Annual Fixed Fee for Services.** District agrees to pay City for all services provided pursuant to the terms and conditions of this Agreement in the amounts and times as set forth in Exhibit D and this Article.

A. The Fee Payment Schedule as set forth in Exhibit D is based upon the five (5) fiscal year budget projection describing the total reasonably anticipated costs of providing Fire Services for each Fiscal Year or portion thereof. Should the City and Modesto City Firefighters Association (MCFFA) enter into a new memorandum of understanding or otherwise agree upon additional pay or benefits, the District agrees to increase their payments as set forth by Exhibit D to cover the additional cost of such pay or benefits. Notwithstanding any other provision of this Agreement, the annual fixed fee does not include those fees and costs not appropriated and reflected in this Agreement, including without limitation, District Pension Obligation Bond Payments, PERS Pension obligations and liabilities, Fire Apparatus Payment(s), Retiree Medical Payments and other liabilities or financial indebtedness.

B. On the last day of each month throughout the duration of this Agreement, District agrees to remit to City payments amounting to 1/12th of the annual fiscal obligation hereunder, pursuant to the fee schedule set forth in Exhibit D. District is responsible to pay the full monthly amounts as each are required pursuant to Exhibit D.

C. The Fee Payment Schedule and amounts due under this Agreement shall be pro-rated based upon Agreement execution date.

6.2. **Delinquent Payments.** In the event that District fails to pay the entire amount described in Section 6.1.B. above within fifteen (15) calendar days of the due date (“Delinquent Payment”), the amount due shall be subject to the City’s policy regarding delinquent payments in effect at the time of the Delinquent Payment.

A. In the event that District does not pay the required monthly payment as identified in Section 6.1.B. within thirty (30) calendar days of the due date, the City shall provide notice that all Fire Services may be terminated in thirty (30) calendar days.

B. In the event that District does not pay the required monthly payment plus any penalty amounts assessed pursuant to City policy at the end of the thirty (30) calendar day notification period given pursuant to Section 6.2.A, the City shall have the option to terminate Fire Services immediately and without further notice.

6.3. **Service Level Reductions.** If budgetary constraints require service level reductions by any Party, all Parties agree to meet and confer.

6.4. **Start-Up Cost.** District will be responsible for a “one-time” start-up cost that is agreeable to all Parties. Start-up costs include turnouts and re-branding (station and engine identifiers).

ARTICLE VII PERSONNEL

7.1. **Hiring of Employees.** All District Fire Department employees that are in “good standing” at the time this Agreement is executed, will transfer their employment status to City as new employees (each a “New Employee,” and collectively “New Employees”). This Article VII pertains to five (5) New Employees.

A. Prior to being offered positions with City, District will provide verification that all New Employees completed a background investigation and remain in “good standing” since the completion of the background process.

B. Prior to being offered new positions with the City, New Employees must provide proof they possess a valid California Driver’s license and current Emergency Medical Technician certification. Employees who fail to provide proof they possess a valid California Driver’s license and current Emergency Medical Technician certification will not be considered employees in “good standing” and will not be offered employment positions with the City.

C. Prior to being offered new positions with the City, District shall provide the date of each New Employee’s last physical and any findings associated with the physical.

7.2. **Seniority.** Seniority within New Employees will be determined by original District hire date, pursuant to MCFFA MOU and any applicable personnel rules, laws, policies or procedures of the City.

7.3. **Rank.** It is the desire of the City to offer New Employees positions with the City that closest match their Rank with District at time of this Agreement.

7.4. **Probation.** Pursuant to City personnel rules all New Employees will serve a one (1) year probationary period.

- a. New Employees not on probation at the time of Agreement execution will be entitled to all Firefighter Bill of Rights privileges if any personnel action is to be taken.
- b. New Employees that are on probation at the time of the agreement will be considered probationary employees and subject to all City rules and regulations regarding probationary personnel. New Employees on probation must pass all testing and requirements of the City Fire Department.

7.5. **Effect of Termination.** Upon the expiration or termination of this Agreement, it is District’s present intent to offer employment to City fire department personnel so affected by such termination.

7.6. **Subject to Personnel Rules and Laws.** Nothing in this Article or Agreement as it pertains to the recruitment, employment, retention, or separation of personnel shall apply to the extent it is in conflict with any applicable personnel rules, laws, policies, procedures, and bargaining agreements or MOUs, including the MCFFA MOU.

ARTICLE VIII INDEMNIFICATION AND INSURANCE

8.1. Mutual Indemnification.

A. City shall indemnify, defend and hold harmless District (including their elected or appointed officials, employees, agents, volunteers, and attorneys as the same may be constituted now and from time to time hereafter) to the extent allowed by law and in proportion to City's fault, against any and all third-party liability for claims, demands, costs, or judgments (direct, indirect, incidental, or consequential) involving bodily injury, personal injury, death, property damage, or other costs and expenses (including reasonable attorneys' fees, costs and expenses) arising or resulting from the negligent acts or omissions of its own elected or appointed officers, agents, employees, volunteers, or representatives carried out pursuant to the obligations of this Agreement.

B. District shall indemnify, defend and hold harmless the City (including its elected or appointed officials, employees, agents, volunteers, and attorneys as the same may be constituted now and from time to time hereafter) to the extent allowed by law and in proportion to District fault, against any and all third-party liability for claims, demands, costs, or judgments (direct, indirect, incidental, or consequential) involving bodily injury, personal injury, death, property damage, or other costs and expenses (including reasonable attorneys' fees, costs and expenses) arising or resulting from their negligent acts or omissions of their own elected or appointed officers, agents, employees, volunteers, or representatives carried out pursuant to the obligations of this Agreement.

8.2. **Mutual Indemnification Obligations Survive Termination.** As to activities occurring or being carried out in performance of this Agreement and during the term of this Agreement, the obligations created by Agreement Section 8.1 shall survive termination of this Agreement.

8.3. Public Liability and Property Insurance.

A. Each Party shall maintain in effect, at its own cost and expense, the following insurance coverage provided either through a bona fide program of self-insurance, commercial insurance policies, or any combination thereof:

(i) Commercial general liability or public liability with minimum limits of \$2,000,000 per occurrence and \$4,000,000 in the aggregate.

(ii) City will provide auto liability insurance including owned, leased, non-owned, and hired automobiles, with a combined single limit of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

(iii) The City shall maintain Workers' Compensation in accordance

with California Labor Code Section 3700 with a minimum of \$1,000,000 per occurrence for employer's liability, for the duration of time that such workers are employed.

(iv) All risk property insurance, excluding earthquake and flood, on all permanent property of an insurable nature in an amount sufficient to cover at least one hundred percent (100%) of the replacement costs of said property. In any event, District shall maintain property insurance coverage for all the real property and buildings identified in Exhibit B.

B. All insurance required by this Agreement shall:

(i) Be placed: (1) with companies admitted to transact insurance business in the State of California and with a current A.M. Best rating of no less than A:VI or with carriers with a current A.M. Best rating of no less than A:VII; or (2) disclosed self-insurance with limits acceptable to the other Party.

(ii) Provide that each Party's insurance is primary and non-contributing insurance to any insurance or self-insurance maintained by the other Party and that the insurance of the other Party shall not be called upon to contribute to a loss covered by a Party's insurance.

C. Each Party shall file certificates of insurance with the other Party evidencing that the required insurance is in effect.

8.4. **Workers' Compensation.**

A. City shall provide District an endorsement that its Workers' Compensation insurer waives the right of subrogation against City, its officers, officials, employees, and volunteers for all claims on or after the Effective Date of this Agreement during the tenure of said Agreement.

B. All injuries that occur prior to the execution of this Agreement and all Workers' Compensation claims that are filed prior to this Agreement shall remain the responsibility of District. District's third-party administrator for the Workers' Compensation shall provide the City's third-party administrator for Workers' Compensation, a list of all active claims of all District personnel who will become employees of the City, prior to the execution of this Agreement.

ARTICLE IX MISCELLANEOUS

9.1. **Amendments to Agreement.** No part of this Agreement shall be altered or amended without written agreement of the Parties.

9.2. **Assignment.** The rights and obligations of the Parties under this Agreement are not assignable and shall not be delegated without the prior written approval of the Parties.

9.3. **Dispute Resolution.** The Parties recognize that this Agreement cannot represent a complete expression of all issues which may arise during the performance of the Agreement. Accordingly, City and District agree to meet and confer in good faith over any issue not expressly described herein to the end that District will obtain the best Fire Services possible under the most favorable economic terms and that City will be fairly and adequately

compensated for the services it provides hereunder.

It is the Parties' intention to avoid the cost of litigation and to resolve any issues that may arise amicably if possible. To that end, the Parties agree to meet within ten (10) business days of a request made by the other Party in writing to discuss the issues and attempt to resolve the dispute. If the dispute is not resolved after that meeting, the Parties agree to mediate the dispute within thirty (30) calendar days of the meeting or as soon thereafter as possible. The mediator will be chosen by mutual agreement of the Parties. The costs of mediation will be borne by the Parties equally. No Party may initiate litigation prior to the conclusion of mediation. In any action brought under this Agreement, the prevailing Party shall be entitled to recover its actual costs and attorney fees pursuant to California Civil Code Section 1717.

9.4. **No Waiver.** The waiver of any Party of any breach or violation of any provisions of this Agreement shall not be deemed to be a waiver of any breach or violation of any other provision nor of any subsequent breach or violation of the same or any other provision. The subsequent acceptance by either Party of any monies that become due hereunder shall not be deemed to be a waiver for any preexisting or concurrent breach or violation by the other Party of any provision of this Agreement.

9.5. **Parties in Interest.** Nothing in this Agreement, whether express or implied, is intended to confer any rights on any persons other than the Parties to it and their representatives, successors, and permitted assignees.

9.6. **Interpretation.** This Agreement shall be interpreted and construed reasonably and neither for nor against any Party, regardless of the degree to which any Party participated in its drafting. Each of the Parties has received the advice of legal counsel prior to signing this Agreement. Each Party acknowledges no other party or agent, or attorney has made a promise, representation, or warranty whatsoever, express or implied, not contained herein concerning the subject matter herein to induce another party to execute this Agreement. The Parties agree no provision or provisions may be subject to any rules of construction based upon any Party being considered the Party "drafting" this Agreement.

When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural, and the masculine shall include the feminine and neuter and vice versa. Whenever a reference is made herein to a particular provision of this Agreement, it means and includes all paragraphs, subparagraphs and subparts thereof, and, whenever a reference is made herein to a particular paragraph or subparagraph, it shall include all subparagraphs and subparts thereof.

9.7. **Captions.** The captions in this Agreement are for convenience and reference only and are not intended to be used in the construction of this Agreement nor to alter or affect any of its provisions.

9.8. **References to Laws.** All references in this Agreement to laws shall be understood to include such laws as they may be subsequently amended or re-codified, unless otherwise specifically provided.

9.9. **References to Days.** All references to days herein are to calendar days, including Saturdays, Sundays and holidays, except as otherwise specifically provided. Unless otherwise

required by a specific provision of this Agreement, time hereunder is to be computed excluding the first day and including the last day.

9.10. **Time of Essence.** Time is of the essence of this Agreement and of every part of this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

9.11. **Severability.** If any non-material provision of this Agreement is for any reason deemed to be invalid and unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, and such remaining provision shall be enforced as if such invalid or unenforceable provision had not been contained herein.

9.12 **Choice of Law and Venue.** This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that state and venue shall be in Stanislaus County, California unless either party determines that venue is appropriate in another county.

9.13. **Entire Agreement.** This Agreement represents the full and entire Agreement between the Parties regarding the matters covered herein.

9.14. **Counterparts.** This Agreement may be executed in counterparts each of which shall be considered an original.

9.15. **Exhibits.** The following Exhibits are attached hereto and incorporated as if fully set forth herein:

- Exhibit A: District Apparatuses, Vehicles, and Equipment
- Exhibit B: District Station
- Exhibit C: Service Boundaries Map for District
- Exhibit D: Fee Payment Schedule (FY 2022/2023 – FY 2026/2027)
- Exhibit E: Supplies for facilities to be provided by District

9.16. **Notices.** All notices required or permitted hereunder shall be deemed sufficiently given if delivered by hand, electronic mail, or by United States mail, postage prepaid, addressed to the Parties at the addresses set forth below or to such other address as may, from time to time, be designated in writing.

To District:

Salida Fire District
Board of Directors
PO Box 1335
Salida, CA 95368

To City:

Joseph Lopez
Modesto City Manager
1010 10th Street
Modesto, CA 95354

9.17. **Joint Defense/Common Interest.** In the event of a third-party challenge of any type to this Agreement, the Parties agree to jointly defend the validity and implementation of the Agreement.

9.18. **Further Obligations.** The Parties recognize that this Agreement cannot represent a complete expression of all issues, which may arise during the performance of this Agreement. Accordingly, the Parties agree to meet and confer in good faith over any issues, challenges, prohibitions, or obligations not expressly described herein to the end that City will be fairly compensated, and District will obtain sufficient fire services.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties execute this Agreement hereto on the Effective Date.

APPROVED AS TO FORM:

CITY OF MODESTO,
a California Municipal Corporation

By: _____
Jose M. Sanchez
Modesto City Attorney

By: _____
Christina D. Alger
Modesto Human Resources Manager (Risk)

By: _____
Joseph P. Lopez
City Manager

ATTEST:

By: _____
Diane Nayares-Perez
CMC, City Clerk

SALIDA FIRE PROTECTION DISTRICT,
a California Special District

By: _____
Tom Bert
Salida District Board Member

By: _____
William Ross
Salida District Counsel

EXHIBIT A
District Apparatus, Vehicles, and Equipment

Salida Description	Make	Model	Year	VIN No.
Type 1 (E-12)	Rosenbauer	Warrior	2020	54F2BB517KWM12368
Type 3 (B-12)	IH	Max Force 9	2010	1HTWEAZR5BJ318327
Water Tender(WT-12)	IH	2674	1996	1HTGLAHT1TH343807

Salida ID	Detailed Description	Make	Model	Serial No.
10256	Chainsaw	Stihl	MS 261	N/a
10247	Defibrillator	LIFEPAK	1000	44589331
10246	Defibrillator	LIFEPAK	1000	44589336
10243	Defibrillator	LIFEPAK	1000	44589332
10244	Defibrillator	LIFEPAK	1000	44589328
10245	Defibrillator	LIFEPAK	1000	44589329
1239	Ladder, 10' attic	N/A	N/A	N/A
1254	Ladder, 10' attic	N/A	N/A	N/A
211	Ladder, 10' attic	N/A	N/A	N/A
1243	Ladder, 14' roof	N/A	N/A	N/A
1245	Ladder, 14' roof	N/A	N/A	N/A
1252	Ladder, 14' roof	N/A	N/A	N/A
1494	Ladder, 20' extension	N/A	N/A	N/A
1495	Ladder, 24' extension	N/A	N/A	N/A
570	POWER FAN	FAN	GF165	6833
340	POWER FAN	FAN	GX160	GCO2-2033897
10058	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5885
10124	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5072
10125	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5883
10126	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5605
10127	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5943
10128	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5007
10130	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4491
10132	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5676
10134	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5823
10136	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5632
10137	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5770
10138	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5731

10139	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5800
10140	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5050
10142	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4985
10144	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5847
10146	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5104
10148	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4463
10149	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5853
10150	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5621
10151	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5651
10152	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5616
10153	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5174
10154	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5861
10155	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5098
10156	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5865
10158	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5587
10160	S.C.B.A., Air Bottle	SCOTT	5.5	AGG555
10162	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4924
10164	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5154
10165	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5946
10166	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5878
10167	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5888
10168	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5942
10169	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5839
10171	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5776
10173	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5735
10174	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5718
10177	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5612
10178	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5920
10179	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4636
10180	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4664
10181	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5909
10182	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5893
10183	S.C.B.A., Air Bottle	SCOTT	5.5	AGG4904
10211	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5845
10185	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5604
10186	S.C.B.A., Air Bottle	SCOTT	5.5	AGG5894
10129	S.C.B.A., Air Pack	SCOTT	5.5	18313
10131	S.C.B.A., Air Pack	SCOTT	5.5	18317
10133	S.C.B.A., Air Pack	SCOTT	5.5	18311
10135	S.C.B.A., Air Pack	SCOTT	5.5	18314
10141	S.C.B.A., Air Pack	SCOTT	5.5	18405
10143	S.C.B.A., Air Pack	SCOTT	5.5	18315
10145	S.C.B.A., Air Pack	SCOTT	5.5	18316

10221	S.C.B.A., Air Pack	SCOTT	5.5	18336
10147	S.C.B.A., Air Pack	SCOTT	5.5	115S1329019768
10157	S.C.B.A., Air Pack	SCOTT	5.5	18319
10159	S.C.B.A., Air Pack	SCOTT	5.5	18404
10161	S.C.B.A., Air Pack	SCOTT	5.5	18406
10163	S.C.B.A., Air Pack	SCOTT	5.5	18322
10170	S.C.B.A., Air Pack	SCOTT	5.5	18310
10172	S.C.B.A., Air Pack	SCOTT	5.5	18335
10175	S.C.B.A., Air Pack	SCOTT	5.5	18338
10176	S.C.B.A., Air Pack	SCOTT	5.5	18337
10187	S.C.B.A., Air Pack	SCOTT	5.5	18321
10188	S.C.B.A., Air Pack	SCOTT	5.5	18407
10189	S.C.B.A., Air Pack	SCOTT	5.5	18320
10190	S.C.B.A., Air Pack	SCOTT	5.5	18318
10306	4 - Gas Monitor	MSA	Altair 5x	127598
10483	Rotary Saw	Husqvarna / Partner	K970 KHVXS.0945AE	2019-1400522
10484	Rotary Saw	Husqvarna / Partner	K970 KHVXS.0945AE	2019-1400485
10485	Chainsaw	Stihl	MS 462C	185908781
10486	Thermal Imaging Camera	Flair	K55	72220539
10487	Thermal Imaging Camera	Flair	K55	72220020
10488	S.C.B.A., Air Bottle	SCOTT (45 min. Bot)	5.5	AGH138032
10489	4 - Gas Monitor	MSA	Altair 5x	163102
10490	Pelican Portable Scene Light	Pelican	9480	2265
10314	Survivor Flashlight	Streamlight	Survivor	N/A
10315	Survivor Flashlight	Streamlight	Survivor	N/A
10316	Survivor Flashlight	Streamlight	Survivor	N/A
10317	Survivor Flashlight	Streamlight	Survivor	N/A
10318	Survivor Flashlight	Streamlight	Survivor	N/A
10319	Survivor Flashlight	Streamlight	Survivor	N/A
10492	Lucas 3	Lucas	Lucas 3	3518 B215
10468	Holmatro Spreaders	Pentheon	PSP40	HU00060306
10470	Holmatro Cutters	Pentheon	PCU50	HU00060270
10454	Holmatro Ram	Pentheon	PTR50	HU00060436
10312	Computer, PCR Device	PANASONIC	CF-20	9JKKC34573
10313	Computer, PCR Device	PANASONIC	CF-20	9JKKC34504
10338	Computer, Desk Top	HP	ProDesk 600 G5 Mini	MXL9522B1B
10339	Computer, Desk Top	HP	ProDesk 600 G5 Mini	MXL9522B15
10340	Computer, Laptop	Lenovo	ThinkPad T580	R90S645G
10320	David Clark Headset	David Clark	H3432	N/A

10321	David Clark Headset	David Clark	H3432	N/A
10322	David Clark Headset	David Clark	H3432	N/A
10323	David Clark Headset	David Clark	H3432	N/A
10324	David Clark Headset	David Clark	H3432	N/A
10325	David Clark Headset	David Clark	H3432	N/A
10326	David Clark Headset	David Clark	H3432	N/A
10469	Pager	Unication	G5	G5DVB90825
10417	Pager	Unication	G5	G5DVB90826
10424	Pager	Unication	G5	G5DVB90830
10410	Pager	Unication	G5	G5DVB90831
10411	Pager	Unication	G5	G5DVB90832
10425	Pager	Unication	G5	G5DVB90833
10418	Pager	Unication	G5	G5DVB90835
10420	Pager	Unication	G5	G5DVB90836
10408	Pager	Unication	G5	G5DVB90837
10414	Pager	Unication	G5	G5DVB90838
10421	Pager	Unication	G5	G5DVB90839
10406	Pager	Unication	G5	G5DVB90840
10426	Pager	Unication	G5	G5DVB90841
10419	Pager	Unication	G5	G5DVB90842
10413	Pager	Unication	G5	G5DVB90843
10412	Pager	Unication	G5	G5DVB90844
10407	Pager	Unication	G5	G5DVB90845
10405	Pager	Unication	G5	G5DVB90846
10415	Pager	Unication	G5	G5DVB90847
10422	Pager	Unication	G5	G5DVB90848
10409	Pager	Unication	G5	G5DVB90849
10430	Pager	Unication	G5	G5DVC20629
10431	Pager	Unication	G5	G5DVC20628
10432	Pager	Unication	G5	G5DVC20627
10433	Pager	Unication	G5	G5DVC20626
10434	Pager	Unication	G5	G5DVC20630
10435	Pager	Unication	G5	G5DVC20631
10436	Pager	Unication	G5	G5DVC20632
10437	Pager	Unication	G5	G5DVC20633
10438	Pager	Unication	G5	G5DVC20634
10439	Pager	Unication	G5	G5DVC20635
10440	Pager	Unication	G5	G5DVC20636
10441	Pager	Unication	G5	G5DVC20637
10442	Pager	Unication	G5	G5DVC20638
10443	Pager	Unication	G5	G5DVC20639
10444	Pager	Unication	G5	G5DVC20640
10445	Pager	Unication	G5	G5DVC20641

10446	Pager	Unication	G5	G5DVC20642
10093	4 CUBBY ROLLING GEAR RACK	GEAR GRID	N/A	N/A
10095	4 CUBBY ROLLING GEAR RACK	GEAR GRID	N/A	N/A
10100	4 CUBBY TALL LOCKERS		N/A	N/A
10092	5HP AIR COMPRESSOR	CHAMPION	N/A	N/A
598	6 CUBBY ROLLING GEAR RACK	GEAR GRID	N/A	N/A
10048	6 CUBBY SHORT LOCKERS		N/A	N/A
10112	6" BENCH GRINDER	DAYTON	N/A	N/A
10090	60 G AIR COMPRESSOR	CAMPBELL HAUSFELD	N/A	N/A
10089	7 CUBBY STATIONARY GEAR RACK	GEAR GRID	N/A	N/A
10052	9 CUBBY STATIONARY GEAR RACK	GEAR GRID	N/A	N/A
10204	DRYER	MAYTAG	N/A	N/A
10110	DRYER	G.E.	N/A	N/A
1324	ELECTRIC WELDER	LINCOLN	N/A	N/A
10038	EXTRACTOR	MILNOR	300227SCX	N/A
1216	GENERATOR	HONDA	EU2000I	N/A
1221	GENERATOR	HONDA	EM5000SX	N/A
1491	GENERATOR	HONDA	4811270100	N/A
580	RANGE	VIKING	PRO	N/A
10051	ROLLING DRILL PRESS	DELTA	N/A	N/A
10049	ROLLING TOOL CHEST	CRAFTSMAN	N/A	N/A
10363	APX8000	Motorola	H91TGD9PW6AN	581CVZ1273
10353	APX8000	Motorola	H91TGD9PW6AN	581CVZ1276
10367	APX8000	Motorola	H91TGD9PW6AN	581CVZ1266
10360	APX8000	Motorola	H91TGD9PW6AN	581CVZ1261
10389	APX8000	Motorola	H91TGD9PW6AN	581CVZ1332
10382	APX8000	Motorola	H91TGD9PW6AN	581CVZ1351
10394	APX8000	Motorola	H91TGD9PW6AN	581CVZ1335
10400	APX8000	Motorola	H91TGD9PW6AN	581CVZ1359
10395	APX8000	Motorola	H91TGD9PW6AN	581CVZ1343
10384	APX8000	Motorola	H91TGD9PW6AN	581CVZ1353
10396	APX8000	Motorola	H91TGD9PW6AN	581CVZ1476
10385	APX8000	Motorola	H91TGD9PW6AN	581CVZ1475
10358	APX8000	Motorola	H91TGD9PW6AN	581CVZ1224
10383	APX8000	Motorola	H91TGD9PW6AN	581CVZ1358
10397	APX8000	Motorola	H91TGD9PW6AN	581CVZ1356
10399	APX8000	Motorola	H91TGD9PW6AN	581CVZ1470
10391	APX8000	Motorola	H91TGD9PW6AN	581CVZ1457
10356	APX8000	Motorola	H91TGD9PW6AN	581CVZ1233
10364	APX8000	Motorola	H91TGD9PW6AN	581CVZ1232
10374	APX8000	Motorola	H91TGD9PW6AN	581CVZ1644
10362	APX8000	Motorola	H91TGD9PW6AN	581CVZ1223

10359	APX8000	Motorola	H91TGD9PW6AN	581CVZ1237
10366	APX8000	Motorola	H91TGD9PW6AN	581CVZ1230
10378	APX8000	Motorola	H91TGD9PW6AN	581CVZ1647
10386	APX8000	Motorola	H91TGD9PW6AN	581CVZ1648
10379	APX8000	Motorola	H91TGD9PW6AN	581CVZ1640
10372	APX8000	Motorola	H91TGD9PW6AN	581CVZ1637
10371	APX8000	Motorola	H91TGD9PW6AN	581CVZ1643
10370	APX8000	Motorola	H91TGD9PW6AN	581CVZ1635
10381	APX8000	Motorola	H91TGD9PW6AN	581CVZ1638
10375	APX8000	Motorola	H91TGD9PW6AN	581CVZ1383
10387	APX8000	Motorola	H91TGD9PW6AN	581CVZ1371
10390	APX8000	Motorola	H91TGD9PW6AN	581CVZ1382
10380	APX8000	Motorola	H91TGD9PW6AN	581CVZ1375
10377	APX8000	Motorola	H91TGD9PW6AN	581CVZ1384
10398	APX8000	Motorola	H91TGD9PW6AN	581CVZ1372
10376	APX8000	Motorola	H91TGD9PW6AN	581CVZ1376
10392	APX8000	Motorola	H91TGD9PW6AN	581CVZ1387
10361	APX8000	Motorola	H91TGD9PW6AN	581CVZ1259
10369	APX8000	Motorola	H91TGD9PW6AN	581CVZ1286
10365	APX8000	Motorola	H91TGD9PW6AN	581CVZ1274
10393	APX8000	Motorola	H91TGD9PW6AN	581CVZ1449
10401	APX8000	Motorola	H91TGD9PW6AN	581CVZ1467
10388	APX8000	Motorola	H91TGD9PW6AN	581CVZ1465
10402	APX8000	Motorola	H91TGD9PW6AN	581CVZ1463
10354	APX8000	Motorola	H91TGD9PW6AN	581CVZ1639
10368	APX8000	Motorola	H91TGD9PW6AN	581CVZ1254
10355	APX8000	Motorola	H91TGD9PW6AN	581CVZ1221
10373	APX8000	Motorola	H91TGD9PW6AN	581CVZ1634
10357	APX8000	Motorola	H91TGD9PW6AN	581CVZ1228
104517	APX8500	Motorola	M37TSS9PW1AN	681CVZ5820
104525	APX8500	Motorola	M37TSS9PW1AN	681CVZ5816
104520	APX8500	Motorola	M37TSS9PW1AN	681CVZ5826
104518	APX8500	Motorola	M37TSS9PW1AN	681CVZ5821
104526	APX8500	Motorola	M37TSS9PW1AN	681CVZ5829
104519	APX8500	Motorola	M37TSS9PW1AN	681CVZ5834
104536	APX8500	Motorola	M37TSS9PW1AN	681CVZ5600
104531	APX8500	Motorola	M37TSS9PW1AN	681CVZ5644
104528	APX8500	Motorola	M37TSS9PW1AN	681CVZ5835
104529	APX8500	Motorola	M37TSS9PW1AN	681CVZ5825
104527	APX8500	Motorola	M37TSS9PW1AN	681CVZ5823
104537	APX8500	Motorola	M37TSS9PW1AN	681CVZ5608
104532	APX8500	Motorola	M37TSS9PW1AN	681CVZ5661
104530	APX8500	Motorola	M37TSS9PW1AN	681CVZ5660

104533	APX8500	Motorola	M37TSS9PW1AN	681CVZ5668
104521	APX8500	Motorola	M37TSS9PW1AN	681CVZ5822
104522	APX8500	Motorola	M37TSS9PW1AN	681CVZ5817
104523	APX8500	Motorola	M37TSS9PW1AN	681CVZ8464
104535	APX8500	Motorola	M37TSS9PW1AN	681CVZ5671
10335	APX8500	Motorola	M37TSS9PW1AN	581CVZ8466
10330	APX8500	Motorola	M37TSS9PW1AN	681CVZ5647
10352	6 Bank	Motorola	N/A	192900366
10403	6 Bank	Motorola	N/A	192470389
10351	6 Bank	Motorola	N/A	192470363
10308	MagneGrip Diesel Exhaust Removal System	MagneGrip	N/A	AT4296
00-1003	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
00-1004	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
00-1005	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
00-1006	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
00-1007	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
00-1008	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
00-1025	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-0007	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-0009	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-0010	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-0012	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-0014	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-1003	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
01-1016	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
05-1005	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
05-1007	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
05-1009	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
06-1010	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
06-1011	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
08-1002	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
08-1003	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
08-1005	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
08-1006	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1002	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1003	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1004	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1006	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1007	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1008	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1010	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1011	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
09-1012	1 1/2" Single Jacket	N/A	100 Foot Length	N/A

94-1018	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
94-1019	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
94-1020	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
97-2006	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A001	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A002	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A003	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A004	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A005	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A006	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A008	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A009	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A010	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
A013	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
L-008	1 1/2" Single Jacket	N/A	100 Foot Length	N/A
89-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
89-1002	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
89-1003	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
89-1004	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
89-1005	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
97-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
97-1002	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1002	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1003	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1004	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1007	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1008	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1009	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
00-1010	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
02-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
02-1002	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
02-1003	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
03-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
03-1002	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
03-1003	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
03-1004	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
03-1005	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
03-1006	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
05-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
06-1001	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
06-1002	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A
06-1003	1 3/4" Double Jacket	NDURA	50 Foot Length	N/A

21-20025	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20026	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20027	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20028	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20029	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20030	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20031	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20032	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20033	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20034	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20035	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20036	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20037	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20038	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20039	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20040	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20041	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20042	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20043	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20044	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20045	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20046	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20047	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20048	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20049	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20050	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20051	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20052	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20053	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
21-20054	2 1/2" Double Jacket	TRU-25	50 Foot Length	N/A
00-5001	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5002	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5006	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5008	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5014	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5015	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5017	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5018	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5020	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
00-5021	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
04-5001	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
04-5002	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5001	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A

13-5002	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5003	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5004	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5005	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5006	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5007	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
13-5008	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
14-5001	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
14-5002	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
16-5001	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
16-5002	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5001	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5010	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5012	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5013	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5014	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5015	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A
17-5016	5" Supply Hose (Rubber)	N/A	100 Foot Length	N/A

EXHIBIT B
District Station

District:
Fire Station 12 – 4820 Salida Blvd., Salida, CA

EXHIBIT D
Fee Payment Schedule

Fiscal Year 2022-2023

Total Annual Fee
\$1,314,450.53

Monthly Payments:

9/30/2022	\$19,189.06
10/31/2022	\$143,917.94
11/30/2022	\$143,917.94
12/31/2022	\$143,917.94
1/31/2023	\$143,917.94
2/28/2023	\$143,917.94
3/31/2023	\$143,917.94
4/30/2023	\$143,917.94
5/31/2023	\$143,917.94
6/30/2023	\$143,917.95

Annual Payment
Total: **\$1,314,450.53**

EXHIBIT D
Fee Payment Schedule

Fiscal Year 2023-2024

Total Annual Fee
\$1,806,948.20

Monthly Payments:

7/31/2023	\$150,579.02
8/31/2023	\$150,579.02
9/30/2023	\$150,579.02
10/31/2023	\$150,579.02
11/30/2023	\$150,579.02
12/31/2023	\$150,579.02
1/31/2024	\$150,579.02
2/29/2024	\$150,579.02
3/31/2024	\$150,579.02
4/30/2024	\$150,579.02
5/31/2024	\$150,579.02
6/30/2024	\$150,578.98

Annual Payment
Total: **\$1,806,948.20**

EXHIBIT D
Fee Payment Schedule

Fiscal Year 2024-2025

Total Annual Fee
\$1,891,521.70

Monthly Payments:

7/31/2024	\$157,626.81
8/31/2024	\$157,626.81
9/30/2024	\$157,626.81
10/31/2024	\$157,626.81
11/30/2024	\$157,626.81
12/31/2024	\$157,626.81
1/31/2025	\$157,626.81
2/28/2025	\$157,626.81
3/31/2025	\$157,626.81
4/30/2025	\$157,626.81
5/31/2025	\$157,626.81
6/30/2025	\$157,626.79

Annual Payment
Total: **\$1,891,521.70**

EXHIBIT D
Fee Payment Schedule

Fiscal Year 2025-2026

Total Annual Fee
\$1,977,578.03

Monthly Payments:

7/31/2025	\$164,798.17
8/31/2025	\$164,798.17
9/30/2025	\$164,798.17
10/31/2025	\$164,798.17
11/30/2025	\$164,798.17
12/31/2025	\$164,798.17
1/31/2026	\$164,798.17
2/28/2026	\$164,798.17
3/31/2026	\$164,798.17
4/30/2026	\$164,798.17
5/31/2026	\$164,798.17
6/30/2026	\$164,798.16

Annual Payment
Total: **\$1,977,578.03**

EXHIBIT D
Fee Payment Schedule

Fiscal Year 2026-2027

Total Annual Fee
\$2,071,427.28

Monthly Payments:

7/31/2026	\$172,618.94
8/31/2026	\$172,618.94
9/30/2026	\$172,618.94
10/31/2026	\$172,618.94
11/30/2026	\$172,618.94
12/31/2026	\$172,618.94
1/31/2027	\$172,618.94
2/28/2027	\$172,618.94
3/31/2027	\$172,618.94
4/30/2027	\$172,618.94
5/31/2027	\$172,618.94
6/30/2027	\$172,618.94

Annual Payment
Total: \$2,071,427.28

EXHIBIT E
Station Supplies

District Facility Supplies	
Item	Size/Quantity
Spray Disinfectant	19 oz
Powered cleanser	21 oz
Spray air freshener	15 oz
Furniture polish	20 oz
Stainless Steel cleaner	16 oz
Carpet spotter	Gallon
Urinal screen with block	Box
Tilex	16 oz
Floor Finish	Gallon
Pink soap	Gallon
Concentrate Disinfectant	Gallon
3M scotchbrite # 74 scrub sponge	
1/2-fold seat covers	250 count
Standard Toilet paper	500 count
Hard wound roll towels	1,000 count
Acid bowl cleaner	32 oz
Purel pump bottles	8 oz
Dial Gold antimicrobial	
Purel Wipes	270 count
Genlabs Odor-B-Gone	Gallon
DEB Foaming hand soap	33.8 oz
Symmetry hand soap	1250 ml
Betco fastdraw line	
- Ph7	
- Ultra	
- AF79	
- Disf	
- FiberPro	
- Best Scrub	

ATTACHMENT B

RESOLUTION(S)

**MODESTO CITY COUNCIL
RESOLUTION NO. 2022-370**

RESOLUTION APPROVING AN AGREEMENT TO PROVIDE FIRE PROTECTION SERVICES BETWEEN THE CITY OF MODESTO AND THE SALIDA FIRE PROTECTION DISTRICT FOR A FIVE-YEAR TERM, WITH A TWO-YEAR EXTENSION OPTION AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Salida Fire Protection District (“District”) authorized staff to explore contract for fire services agreements in May 2022; and

WHEREAS, discussion began between District and the City of Modesto (“COM”) to provide the following services within District’s jurisdictional boundaries: fire protection, prevention, suppression services, and related services such as emergency medical services, emergency preparedness, mitigation of hazardous materials incidents, and special operations including, but not limited to, confined space rescue, technical rescue and water rescue; and

WHEREAS, District has been without a Fire Chief since May 2, 2022 and was in immediate need of a designated Fire Chief during the period of time of the full fire protection services agreement negotiation and approval process; and

WHEREAS, City Council subsequently approved Resolution 2022-302 on July 12, 2022 to authorize temporary Fire Chief services to District; and

WHEREAS, effective January 1, 2016, Government Code Section 56134 requires fire protection contracts or agreements for the exercise of new or extended fire protection services outside a public agency’s jurisdictional boundaries to be reviewed by the Local Agency Formation Commission; and

WHEREAS, staff has conducted an in-depth assessment of the staffing and resources required to support the request as outlined above, and it has been determined

that additional staffing, as outlined in the Agreement, will consist of one (1), three (3)-member company at Station 12; and

WHEREAS, the initial term of the Agreement will be for five years, from September 27, 2022 through June 30, 2027, with the option of an additional two-year extension; and

WHEREAS, District will compensate COM for all services provided, pursuant to the terms and conditions of the Agreement. Upon expiration or termination of the Agreement, it is the intention of District to offer employment to personnel affected by the termination; and

WHEREAS, it is anticipated that this Agreement will generate approximately \$9,474,491 in new revenue to the General Fund over the five-year term. The total anticipated expenses to the general fund in order to perform the duties of the Agreement (including salary and benefits, fleet maintenance, and service and supplies) are approximately \$9,224,491. The net revenue for the five -year term of the Agreement is estimated at approximately \$250,000 and accounts for COM's fire administrative support and overhead costs. This Agreement positively impacts the General Fund through the economies of scale from regionalization.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement to provide fire protection services between the City of Modesto and the Salida Fire Protection District for a five-year term, with a two-year extension option.

BE IT FURTHER RESOLVED that the City Manager or designee is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of September, 2022, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ricci, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Escutia-Braaton, Kenoyer, Madrigal, Ricci, Wright, Mayor Zwahlen

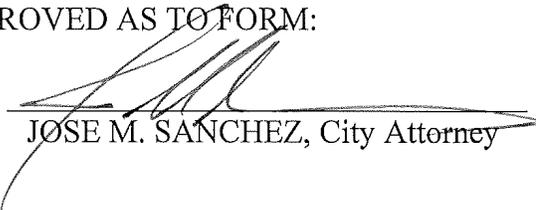
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
DIANE NAYARÉS-PÉREZ, CMC,
City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
JOSE M. SANCHEZ, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2022-371**

**RESOLUTION APPROVING THE SIDE LETTER TO THE MODESTO CITY
FIRE FIREFIGHTERS ASSOCIATION MEMORANDUM OF
UNDERSTANDING AS IT RELATES TO THE AGREEMENT TO PROVIDE
FIRE PROTECTION SERVICES BETWEEN THE CITY OF MODESTO AND
SALIDA FIRE PROTECTION DISTRICT, AND AUTHORIZING THE CITY
MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, the current Memorandum of Understanding (MOU) between the City of Modesto (CITY) and the Modesto Fire Fighters Association (MCFFA) expires on June 30, 2024; and

WHEREAS, representatives of the CITY and the MCFFA have met and conferred in good faith concerning vacation boards and minimum staffing; and

WHEREAS, the CITY and MCFFA have reached agreement on language changes for a Letter of Agreement (LOA) which, upon execution, shall be **attached** hereto and made a part hereof; and

WHEREAS, the LOA provides as follows:

ARTICLE 18, MINIMUM STAFFING, Effective September 27, 2022, Article 18 Section A shall remain in full force and effect relative to District Firefighters with the understanding that City shall provide, on a twenty-four (24) hour, seven (7) day per week basis, one (1) three (3) member company at Station 12. Additional qualified fire personnel may be assigned to the Station as determined by the City Fire Chief or his/her designee to provide supplemental Fire Services or staffing for special events, anticipated weather events, or operational capacity. Minimum staffing level for District shall be (3) members per Engine Company. Due to staffing, 9 (nine) positions will be allocated; and

ARTICLE 26, PROBATION, newly hired District employees shall serve a one

(1) year probationary period. Employees currently on probation will be considered probationary employees for all rules and regulations regarding their probationary status. Further, probationary employees shall pass all testing and requirements of the Fire Department. Employees not on probation at the time of this agreement shall be entitled to the Firefighter Bill of Rights; and

WHEREAS, this contract amendment shall become effective upon ratification by the MCFFA and adoption by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Council hereby approves the side letter to the Modesto City Fire Firefighters Association Memorandum of Understanding as it relates to the Agreement to provide fire protection services between the City of Modesto and Salida Fire Protection District.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that the City Manager or designee is hereby authorized to execute the side letter.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of September, 2022, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ricci, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Escutia-Braaton, Kenoyer, Madrigal, Ricci, Wright, Mayor Zwahlen

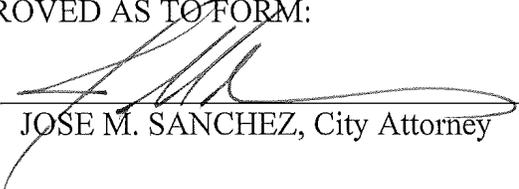
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
DIANE NAYARÉS-PÉREZ, CMC,
City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
JOSE M. SANCHEZ, City Attorney

Letter of Understanding

Between

City of Modesto

And

Modesto City Fire Fighters Association, IAFF Local 1289

The City of Modesto, hereby referred to as “City” and the Modesto City Firefighters Association, IAFF Local 1289, hereby referred to as “Union” execute this Letter of Understanding (“LOU”) on this _____ day of September 2022 regarding the Salida Fire Protection District (“District”) Contract for Services Agreement (“Agreement”) with the City.

The City and the Union agree:

Article 18. MINIMUM STAFFING POLICY

1. Effective September 27, 2022, Article 18 Section A shall remain in full force and effect relative to District Firefighters with the understanding noted in (a) below.
 - a. Staffing. City shall provide, on a twenty-four (24) hour, seven (7) day per week basis, one (1) three (3) member company at Station 12. Additional qualified fire personnel may be assigned to the Station as determined by the City Fire Chief or his/her designee to provide supplemental Fire Services or staffing for special events, anticipated weather events, or operational capacity. Minimum staffing level for District shall be (3) members per Engine Company. Due to staffing, 9 (nine) positions will be allocated.
2. The Union will not consider a reduction in the staffing model noted above.

Article 26. PROBATION

1. Newly hired District employees shall serve a one (1) year probationary period.
2. Employees currently on probation will be considered probationary employees for all rules and regulations regarding their probationary status. Further, probationary employees shall pass all testing and requirements of the Fire Department.
3. Employees not on probation at the time of this agreement shall be entitled to the Firefighter Bill of Rights.

This Letter of Understanding shall become effective upon ratification by the effective membership of the Union and by the Modesto City Council.

CITY OF MODESTO

By: _____ Dated: _____
Christina Alger
Director of Human Resources

MODESTO FIREFIGHTERS, IAFF Local 1289

By: _____ Dated: _____
Ruben Esparza
President, MCFFA Local 1289

**MODESTO CITY COUNCIL
RESOLUTION NO. 2022-372**

**RESOLUTION AMENDING THE POSITION ALLOCATION FOR FISCAL
YEAR 2022-23 AS ADOPTED IN THE OPERATING BUDGET**

WHEREAS, a Position Allocation for the City of Modesto was adopted by Modesto City Council on June 07, 2022, as part of the Annual Budget of the City of Modesto for Fiscal Year 2022-23, and

WHEREAS, classifications are being added per the contract for fire services with the Salida Fire Protection District, and

WHEREAS, position changes will be effective the first day of the pay period upon adoption, unless otherwise noted, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Position Allocation and the Fiscal Year 2022-23 Operating Budget for the Modesto Fire Department as follows:

1. Add three (3) Firefighters in the Fire Services for Salida Division (18217) of the Modesto Fire Department.
2. Add three (3) Fire Engineers in the Fire Services for Salida Division (18217) of the Modesto Fire Department.
3. Add three (3) Fire Captains in the Fire Services for Salida Division (18217) of the Modesto Fire Department.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of September, 2022, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ricci, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Escutia-Braaton, Kenoyer, Madrigal, Ricci, Wright, Mayor Zwahlen

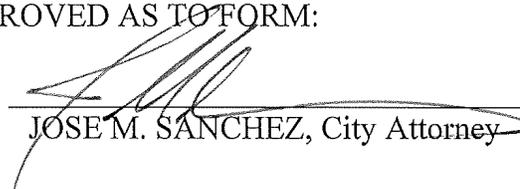
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
DIANE NAYARES-PEREZ, CMC,
City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
JOSE M. SANCHEZ, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2022-373**

**RESOLUTION APPROVING AN APPLICATION TO THE STANISLAUS
LOCAL AGENCY FORMATION COMMISSION TO CONFIRM THE CITY OF
MODESTO'S FIRE SERVICE CONTRACT WITH THE SALIDA FIRE
PROTECTION DISTRICT AND AUTHORIZING THE CITY MANAGER, OR
HIS DESIGNEE, TO EXECUTE THE APPLICATION**

WHEREAS, effective January 1, 2016, Government Code Section 56134 requires fire protection contracts or agreements for the exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries to be reviewed by the Local Agency Formation Commission, and

WHEREAS, on September 13, 2022, by Resolution 2022-XXX, the City Council approved an agreement to provide fire protection services between to the City of Modesto and the Salida Fire Protection District, and

WHEREAS, this Resolution of Application is proposed pursuant to Government Code Section 56134(c), and

WHEREAS, pursuant to Government Code Section 56134(e) and 56134(f), a plan for services and independent fiscal analysis shall be prepared and submitted with the application, and

WHEREAS, the application for review of a fire service contract is considered exempt from the California Environmental Quality Act under the General Rule, Section 15061(b)(3) as it can be seen with certainty that there will not be a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the application to the Local Agency Formation Commission to

confirm the City of Modesto's fire service contract with the Salida Fire Protection District.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that the City Manager or designee is hereby authorized to execute the application.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of September, 2022, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ricci, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Escutia-Braaton, Kenoyer, Madrigal, Ricci, Wright, Mayor Zwahlen

NOES: Councilmembers: None

ABSENT: Councilmembers: None

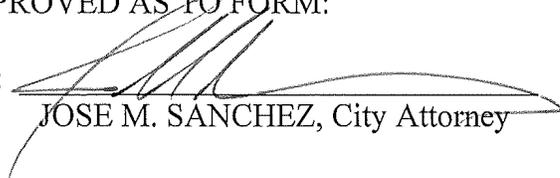
ATTEST:


DIANE NAYARES-PEREZ, CMC,
City Clerk

(SEAL)

APPROVED AS TO FORM:

BY:


JOSE M. SANCHEZ, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2022-374**

RESOLUTION AMENDING THE FISCAL YEAR 2022-23 ANNUAL OPERATING BUDGET TO INCREASE THE REVENUE BUDGET BY \$1,727,016 AND EXPENSE BUDGET BY \$1,677,016 IN THE NEW GENERAL FUND COST CENTER 18217 (MFD – FIRE SERVICES FOR SALIDA), AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the Salida Fire Protection District (District) authorized staff to explore contract fire services agreement discussions with the City of Modesto; and

WHEREAS, the following services within the District’s jurisdictional boundaries are in discussion to being added as part of the contract services: fire protection, prevention, suppression services, and related services such as emergency medical services, emergency preparedness, mitigation of hazardous materials incidents, and special operations including, but not limited to, confined space rescue, technical rescue and water rescue; and

WHEREAS, the District has requested to contract with the City of Modesto for services beyond its current jurisdictional boundaries; and

WHEREAS, in response to this request City staff has conducted an in-depth assessment of the staffing and resources required to support the request of the District and determined the required costs and supporting revenue that would be required to sustain this five-year contract with the district for said services.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2022-23 Annual Operating Budget to increase the revenue budget by \$1,727,016 and expense budget by \$1,677,016 in the new General Fund cost center 18217 (MFD – Fire Services for Salida).

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of September, 2022, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ricci, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Escutia-Braaton, Kenoyer, Madrigal, Ricci, Wright, Mayor Zwahlen

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
DIANE NAYARES-PEREZ, CMC,
City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
JOSE M. SANCHEZ, City Attorney

ATTACHMENT C

INDEPENDENT FISCAL ANALYSIS

PREPARED BY:

MICHAEL LILLIE, RETIRED DEPUTY FIRE CHIEF

MODESTO FIRE DEPARTMENT

INDEPENDENT FISCAL ANALYSIS

PREPARED BY:

Michael Lillie, (Retired) DEPUTY FIRE CHIEF

Background

The Salida Fire Protection District (Salida) and the City of Modesto (Modesto) have been working jointly over the past several years to provide fire protection services in their perspective jurisdictions. Both agencies felt the effects of the economic recession causing them to look for more efficient ways to maintain service levels by identifying budget efficiencies found in operations, common policies, and depth of resources for all parties. In 2019 Salida, Modesto, and the Stanislaus Consolidated Fire Protection District (SCFPD) entered into a three-year joint agreement for a shared Training Division. The agreement allowed the agencies to share three full-time training officers, admin support, and the use of the Ceres Fire Station 17 as a Training Center. The agreement was very successful and provided each agency with a higher level of training than they could have provided on their own, in turn providing for safer fire ground operations and a higher level of service to our citizens. Unfortunately, after the three-year agreement expired Salida was unable to continue with a new agreement due to staffing challenges and its inability to continue to contribute to the partnership.

Salida has been without a full-time Fire Chief since October of 2019 when the Fire Chief was placed on administrative leave to never return to duty. A Battalion Chief has been running the department since that time until he left to work for another agency in May of 2022. The

Salida Board of Directors approached the leadership of Modesto about exploring potential opportunities to work together and the feasibility of a partnership for fire services. A committee was formed to explore a contract from Modesto for fire protection services in Salida. In the meantime, Salida needed a Fire Chief, and an agreement was reached for the Modesto Fire Chief to serve as the Salida Fire Chief while the contract for fire protection services was explored.

A contract for fire protection services was presented to the Salida Board of Directors at their September 1, 2022, meeting which they unanimously approved. The contract for service will be presented to the Modesto City Council on September 13, 2022. With a contract for fire services, the Salida community will receive a fully staffed Administration Team. The team consists of a Fire Chief, five Deputy Chiefs, one Division Chief in charge of EMS, and three on-duty Battalion for a total of nine shift Battalion Chief Officers. The resource depth of a 174 Member Regional Team consists of 16 staffed stations, 15 Engine Companies, three 4-Member Truck Companies, 168 Firefighters (Captains, Engineers, and Firefighters), and a Training Division staff of three and three Members in the Fire Investigation Unit. The daily staffing is 61 members. The current daily staffing of Salida is two members including one Captain and one Engineer. Modesto is currently providing Chief Officer coverage and additional support as needed through mutual aid.

Summary

A thorough review of the AGREEMENT TO PROVIDE FIRE PROTECTION SERVICES BETWEEN THE CITY OF MODESTO AND THE SALIDA FIRE PROTECTION DISTRICT (Plan for Service) was conducted. The plan for service contains the necessary information related to providing fire protection services to Salida. The term of the contract is for five (5) years with the option of a two (2) year extension. Termination of the contract for service

requires a twelve (12) month written notification. The contract for service contains a five-year cost projection and a monthly fee schedule. The payment schedule is based on a flat rate for fire and administrative services provided. The flat rate for service will provide Salida with a known cost; however, it could include fluctuations based on future labor agreements. The agreement will allow the contracting agency to accurately budget for over the next five (5) years. The Modesto agreement includes three (3) additional firefighters which will provide for a three-person engine company daily as compared to the current two-person engine company.

In the agreement with the City of Modesto, Salida will be responsible for managing Salida's Capital Assets. Salida will retain ownership of its fire station along with its apparatus and equipment. The yearly budget provides for minor repairs and service for the fire apparatus, and Salida has agreed to maintain Fire Station 12. If the fire apparatus needs a significant repair Salida will provide for such expenditures. Modesto will assist in managing all Capital Improvement Projects. In the agreement, the City of Modesto agrees to hire all current Salida Fire personnel at their current rank.

An analysis of Salida revenue was analyzed to ensure it is sufficient to provide public services and facilities and a reasonable reserve during the five fiscal years following the effective date of the contract to provide fire protection services. Salida will have to utilize its reserves to cover the full cost of the contract for fire services plus ongoing expenses such as pension liabilities, station maintenance, employee costs, and legal services. Salida currently has a reserve of \$1,743,183.00. The Modesto City Council will consider an agreement for Annexation without Detachment Tax Sharing Agreement which will provide an approximate additional amount of revenue of \$150,000 to Salida annually.

Contract Cost for Salida

<u>FY 2022-2023</u>	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
\$1,314,450.53 (Prorated based on start date)	\$1,806,948.20	\$1,891,521.70	\$1,977,578.03	\$2,071,427.28

Salida Five-Year Projected Revenue

<u>FY 2022-2023</u>	<u>FY 2023-2024</u>	<u>FY 2024-2025</u>	<u>FY 2025-2026</u>	<u>FY 2026-2027</u>
\$1,820,375.00	\$1,774,355.35	\$1,784,554.65	\$1,773,118.83	\$1,802,848.96

ATTACHMENT D

LETTER(S) OF SUPPORT

SUBMITTED BY:

SALIDA PROFESSIONAL FIREFIGHTERS L#5139

&

MODESTO CITY FIREFIGHTER ASSOCIATION L#1289



SALIDA PROFESSIONAL FIREFIGHTERS LOCAL 5139



TO: Stanislaus County LAFCO
FROM: L5139 President Ray Marsh
DATE: September, 7th, 2022
SUBJECT: Contract for Services Transition

The Salida Professional Firefighters Union Local 5139 would like to inform your agency, of our support for the Salida Fire Protection District's contract for services with the City of Modesto Fire Department. We look forward to working with both Fire Administrations to implement this seamlessly and to better the services for our two communities.

Thank you for your time and consideration,

Raymond Marsh

A handwritten signature in cursive script that reads 'Ray Marsh'.

Union President

Local 5139

5601 Perlwein Court

Salida CA 95368



Modesto City Fire Fighters Association

Post Office Box 393 • Modesto, CA 95353-0393

Local 1289

To the Stanislaus County LAFCO,

The Modesto City Firefighters Association (MCFFA) would like to express our support for the City of Modesto Fire Department's contract for services to the Salida Fire Protection. We look forward to working with both the City of Modesto and the Salida Fire Protection District Board to implement this seamlessly and to better the services for our two communities.

Regards,
Ruben Esparza
President
Modesto City Firefighters Assoc
IAFF L1289

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EXHIBIT C

Government Code Section 56134

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Government Code Section 56134

- (a) (1) For the purposes of this section, “fire protection contract” means a contract or agreement for the exercise of new or extended fire protection services outside a public agency’s jurisdictional boundaries, as authorized by Chapter 4 (commencing with Section 55600) of Part 2 of Division 2 of Title 5 of this code or by Article 4 (commencing with Section 4141) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, except those contracts entered into pursuant to Sections 4143 and 4144 of the Public Resources Code, that does either of the following:
- (A) Transfers responsibility for providing services in more than 25 percent of the area within the jurisdictional boundaries of any public agency affected by the contract or agreement.
 - (B) Changes the employment status of more than 25 percent of the employees of any public agency affected by the contract or agreement.
- (2) A contract or agreement for the exercise of new or extended fire protection services outside a public agency’s jurisdictional boundaries, as authorized by Chapter 4 (commencing with Section 55600) of Part 2 of Division 2 of Title 5 of this code or Article 4 (commencing with Section 4141) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, except those contracts entered into pursuant to Sections 4143 and 4144 of the Public Resources Code, that, in combination with other contracts or agreements, would produce the results described in subparagraph (A) or (B) of paragraph (1) shall be deemed a fire protection contract for the purposes of this section.
- (3) For the purposes of this section, “jurisdictional boundaries” shall include the territory or lands protected pursuant to a fire protection contract entered into on or before December 31, 2015. An extension of a fire protection contract entered into on or before December 31, 2015, that would produce the results described in subparagraph (A) or (B) of paragraph (1) shall be deemed a fire protection contract for the purposes of this section.
- (b) Notwithstanding Section 56133, a public agency may provide new or extended services pursuant to a fire protection contract only if it first requests and receives written approval from the commission in the affected county pursuant to the requirements of this section.
- (c) A request by a public agency for commission approval of new or extended services provided pursuant to a fire protection contract shall be made by the adoption of a resolution of application as follows:
- (1) In the case of a public agency that is not a state agency, the application shall be initiated by the adoption of a resolution of application by the legislative body of the public agency proposing to provide new or extended services outside the public agency’s current jurisdictional boundaries.
 - (2) In the case of a public agency that is a state agency, the application shall be initiated by the director of the state agency proposing to provide new or extended services outside the agency’s current jurisdictional boundaries and be approved by the Director of Finance.

- (3) In the case of a public agency that is a local agency currently under contract with a state agency for the provision of fire protection services and proposing to provide new or extended services by the expansion of the existing contract or agreement, the application shall be initiated by the public agency that is a local agency and be approved by the Director of Finance.
- (d) The legislative body of a public agency or the director of a state agency shall not submit a resolution of application pursuant to this section unless both of the following occur:
 - (1) The public agency does either of the following:
 - (A) Obtains and submits with the resolution a written agreement validated and executed by each affected public agency and recognized employee organization that represents firefighters of the existing and proposed service providers consenting to the proposed fire protection contract.
 - (B) Provides, at least 30 days prior to the hearing held pursuant to paragraph (2), written notice to each affected public agency and recognized employee organization that represents firefighters of the existing and proposed service providers of the proposed fire protection contract and submits a copy of each written notice with the resolution of application. The notice shall, at minimum, include a full copy of the proposed contract.
 - (2) The public agency conducts an open and public hearing on the resolution, conducted pursuant to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5) or the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2), as applicable.
- (e) A resolution of application submitted pursuant to this section shall be submitted with a plan which shall include all of the following information:
 - (1) The total estimated cost to provide the new or extended fire protection services in the affected territory.
 - (2) The estimated cost of the new or extended fire protection services to customers in the affected territory.
 - (3) An identification of existing service providers, if any, of the new or extended services proposed to be provided and the potential fiscal impact to the customers of those existing providers.
 - (4) A plan for financing the exercise of the new or extended fire protection services in the affected territory.
 - (5) Alternatives for the exercise of the new or extended fire protection services in the affected territory.
 - (6) An enumeration and description of the new or extended fire protection services proposed to be extended to the affected territory.
 - (7) The level and range of new or extended fire protection services.

- (8) An indication of when the new or extended fire protection services can feasibly be extended to the affected territory.
 - (9) An indication of any improvements or upgrades to structures, roads, sewer or water facilities, or other conditions the public agency would impose or require within the affected territory if the fire protection contract is completed.
 - (10) A determination, supported by documentation, that the proposed fire protection contract meets the criteria established pursuant to subparagraph (A) or (B) of paragraph (1) or paragraph (2), as applicable, of subdivision (a).
- (f) The applicant shall cause to be prepared by contract an independent fiscal analysis to be submitted with the application pursuant to this section. The analysis shall review and document all of the following:
- (1) A thorough review of the plan for services submitted by the public agency pursuant to subdivision (e).
 - (2) How the costs of the existing service provider compare to the costs of services provided in service areas with similar populations and of similar geographic size that provide a similar level and range of services and make a reasonable determination of the costs expected to be borne by the public agency providing new or extended fire protection services.
 - (3) Any other information and analysis needed to support the findings required by subdivision (j).
- (g) The clerk of the legislative body of a public agency or the director of a state agency adopting a resolution of application pursuant to this section shall file a certified copy of the resolution with the executive officer.
- (h) (1) The executive officer, within 30 days of receipt of a public agency's request for approval of a fire protection contract, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request does not comply with the requirements of subdivision (d), the executive officer shall determine that the request is incomplete. If a request is determined incomplete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete.
- (2) The commission shall approve, disapprove, or approve with conditions the contract for new or extended services following the hearing at the commission meeting, as provided in paragraph (1). If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
- (i) (1) The commission shall not approve an application for approval of a fire protection contract unless the commission determines that the public agency will have sufficient revenues to

carry out the exercise of the new or extended fire protection services outside its jurisdictional boundaries, except as specified in paragraph (2).

- (2) The commission may approve an application for approval of a fire protection contract where the commission has determined that the public agency will not have sufficient revenue to provide the proposed new or different functions or class of services, if the commission conditions its approval on the concurrent approval of sufficient revenue sources pursuant to Section 56886. In approving a proposal, the commission shall provide that, if the revenue sources pursuant to Section 56886 are not approved, the authority of the public agency to provide new or extended fire protection services shall not be exercised.
- (j) The commission shall not approve an application for approval of a fire protection contract unless the commission determines, based on the entire record, all of the following:
- (1) The proposed exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries is consistent with the intent of this division, including, but not limited to, the policies of Sections 56001 and 56300.
 - (2) The commission has reviewed the fiscal analysis prepared pursuant to subdivision (f).
 - (3) The commission has reviewed any testimony presented at the public hearing.
 - (4) The proposed affected territory is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following the effective date of the contract or agreement between the public agencies to provide the new or extended fire protection services.
- (k) At least 21 days prior to the date of the hearing, the executive officer shall give mailed notice of that hearing to each affected local agency or affected county, and to any interested party who has filed a written request for notice with the executive officer. In addition, at least 21 days prior to the date of that hearing, the executive officer shall cause notice of the hearing to be published in accordance with Section 56153 in a newspaper of general circulation that is circulated within the territory affected by the proposal proposed to be adopted and shall post the notice of the hearing on the commission's Internet Web site.
- (l) The commission may continue from time to time any hearing called pursuant to this section. The commission shall hear and consider oral or written testimony presented by any affected local agency, affected county, or any interested person who appears at any hearing called and held pursuant to this section.
- (m) This section shall not be construed to abrogate a public agency's obligations under the Meyers-Milias-Brown Act (Chapter 10 (commencing with Section 3500) of Division 4 of Title 1).

(Amended by Stats. 2016, Ch. 165, Sec. 1. (AB 2910) Effective January 1, 2017.)

EXHIBIT D

Draft LAFCO Resolution No. 2022-11

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 28, 2022

NO. 2022-11

**SUBJECT: LAFCO APPLICATION NO. 2022-03 - CITY OF MODESTO FIRE SERVICE
CONTRACT WITH THE SALIDA FIRE PROTECTION DISTRICT**

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, the City of Modesto, by resolution of application, has submitted a request for approval of a contract for the provision of fire services outside the City's jurisdictional boundaries to the Salida Fire Protection District;

WHEREAS, pursuant to Government Code Section 56134(e) and 56134(f), the City of Modesto also prepared and submitted a plan for services and independent fiscal analysis with its application;

WHEREAS, the area to be served is located outside the current city limits and sphere of influence of the City of Modesto;

WHEREAS, the application for review of a fire service contract is considered exempt from the California Environmental Quality Act pursuant to the General Rule, Section 15061(b)(3) as it can be seen with certainty that there will be no significant effect on the environment;

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, the plan for services and fiscal analysis prepared by the City of Modesto, consistency with California Government Code Section 56134, and the Commission's adopted policies, and all testimony and evidence presented at the meeting held on September 28, 2022.

NOW, THEREFORE, BE IT RESOLVED that this Commission:

1. Finds that the fire protection service contract is consistent with the Commission's adopted policies, the overall intent of LAFCO, and California Government Code Section 56134.
2. Finds that the fire protection service contract is exempt pursuant to the California Environmental Quality Act.
3. Approves the City of Modesto's proposed contract to provide fire services to the Salida Fire Protection District, as requested.

4. Directs the Executive Officer to forward a copy of this resolution to the City of Modesto.

ATTEST: _____
Sara Lytle-Pinhey, Executive Officer