



**STANISLAUS LAFCO  
LOCAL AGENCY FORMATION COMMISSION**

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

**Chair Terry Withrow, County Member**  
**Vice Chair 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

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**AGENDA  
Wednesday, October 26, 2022  
6:00 P.M.  
Joint Chambers—Basement Level  
1010 10<sup>th</sup> 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 SEPTEMBER 28, 2022, LAFCO MEETING**  
(Staff Recommendation: Accept the Minutes.)

B. **YEAR-END FINANCIAL REPORT FOR FY 2021-2022**  
(Staff Recommendation: Accept and file the report.)

C. **OUT-OF-BOUNDARY SERVICE APPLICATION: 6942 ST. JOHNS ROAD (CITY OF MODESTO – WATER SERVICE)**. A request to provide water service outside the City of Modesto's boundaries to serve a property at 6942 St. Johns Road, in the Del Rio area. The extension is considered categorically exempt from the California Environmental Quality Act (CEQA) pursuant Section 15303(d). (Staff Recommendation: Approve the request and adopt Resolution No. 2022-13.)

**6. PUBLIC HEARINGS**

A. **MUNICIPAL SERVICE REVIEW NO. 2022-05 AND SPHERE OF INFLUENCE UPDATE NO. 2022-05 – FOR THE RIVERDALE PARK TRACT COMMUNITY SERVICES DISTRICT**: The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Riverdale Park Tract Community Services District. This item is exempt from the California Environmental Quality Act (CEQA) pursuant to sections 15306 and 15061(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2022-12.)

**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 December 7, 2022.

B. Adjournment.

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**LAFCO Disclosure Requirements**

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

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

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

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

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

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

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

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## **IN THE NEWS**

### **Newspaper Articles**

- The Modesto Bee, September 29, 2022, “Riverbank sewer rates could reach \$109 a month by 2027. It might have been worse.”
- The Ceres Courier, October 5, 2022, “Copper Trails master plan ordered.”
- Turlock Journal, October 18, 2022, “City of Turlock to manage surface water project.”

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IN THE NEWS – The Modesto Bee, September 29, 2022

## **Riverbank sewer rates could reach \$109 a month by 2027. It might have been worse**

BY John Holland

Sewer rates in Riverbank would go as high as \$109 a month by 2027 under a plan that got initial approval Tuesday night.

The City Council voted 5-0 to launch a public-input process that will end with a Dec. 13 hearing. Under state law, protests from a majority of customers would block the increases.

Riverbank plans to use the money for about \$90 million in upgrades to its sewage treatment system. The city is seeking state and federal funding that could reduce the rate hikes. And it hopes to recoup part of the cost by selling the highly treated water to nearby farmers

Residents now pay \$49.48 a month for sewer service. The charge would rise to \$58.39 in 2023, \$68.90 in 2024, \$81.30 in 2025, \$95.12 in 2026 and \$109.39 in 2027.

The council rejected an option that would have topped out at \$123.13 a month. The chosen rate schedule means deferring about \$22 million worth of treatment improvements while still meeting standards for recycled water.

### **SEVEN DECADES OF OPERATION**

The plant has operated for about 70 years just north of the Stanislaus River and west of Santa Fe Avenue. It uses screens, settling ponds and other methods to make the water clean enough to seep into the aquifer.

The project would add steps that make the water safe for crops. This would be a tiny addition to the region's irrigation but could be welcome to farmers facing short supplies.

Riverbank has researched the project under a \$150,000 grant from the State Water Resources Control Board. The council heard a presentation Tuesday by consulting engineer Neal Colwell from the firm of Kjeldsen, Sinnock and Neudeck, based in Stockton and West Sacramento.

Colwell said the \$109.39 monthly rate in 2027 could be reduced to \$100.98 if grants provide \$15 million toward the project. The charge would be \$86.70 if grants totaled \$40 million. The city also is seeking a low-interest loan.

### **THREE NEARBY CITIES RECYCLE WATER**

Stanislaus County is among the pioneers in water recycling. The effluent from Modesto, Ceres and Turlock goes to farmland in the Del Puerto Water District on the West Side. The district covered the \$82 million cost because it often has scant allotments from the federal Delta-Mendota Canal.

Riverbank plans to send its recycled water to an area just outside the South San Joaquin Irrigation District. It would be costlier than the district's canal supply but it could allow the farmers to do less pumping from wells.

"It's not water that just goes away," Mayor Richard O'Brien said before the vote. "It's water that's reused again and again."

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

City officials said the new rates have to be approved before the grant applications can be filed. The council also plans a Dec. 13 vote on the environmental impact report for the treatment upgrades. They could be completed in 2026 under the current schedule.

Riverbank must follow the rate-setting process under state Proposition 218. Customers will receive notices by mail in October and will have 45 days to file protests. They can do so by mail or at the Dec. 13 hearing.

## Copper Trails master plan ordered

Documents necessary before southwest are of Ceres can develop

BY Jeff Benziger

After years of being shelved, a master plan has been ordered to develop approximately 534.6 acres of Copper Trails in southwest Ceres.

On Sept. 26 Ceres City Council approved the hiring of a professional firm to develop a specific plan, environmental impact report (EIR) and potential annexation of the Copper Trails Master Plan area to the city.

The proponents of the project, landowners Stewart S. Fahmy and Nav Athwal, contacted the city about initiating the Specific Plan. The proposed project is bordered by Service Road to the north, the Union Pacific Railroad tracks, Highway 99 and Mitchell Road to the east, the TID Lower Lateral No. 2 canal to the south, and Blaker Road to the west. The project area encompasses Central Valley High School, Hanline Elementary School, and Hidahl Elementary School, along with rural homes and farmland.

To perform the essential documents— a process that will take about 16 months – the city sought out a professional firm and picked Wood Rodgers, Inc. The contract calls for the city to pay \$497,620, which the proponents will reimburse the city. To start the process, Fahmy and Athwal are depositing \$100,000 with the city and will contribute more as work progresses. Should the money run out, the process would stop.

The firm of Wood Rodgers, Inc. completed the West Landing Specific Plan and EIR, which were adopted by the City Council in 2011. The West Landing Specific Plan area of 960 acres was annexed into the city in June, 2012.

If and when the city adopts the EIR and approves the Copper Trails Master Plan, then the next step would be to process an annexation within the Master Plan area and an area north of Service Road to avoid creating an unincorporated county pocket. The annexation process would begin approximately two years from the start of the proposed contract.

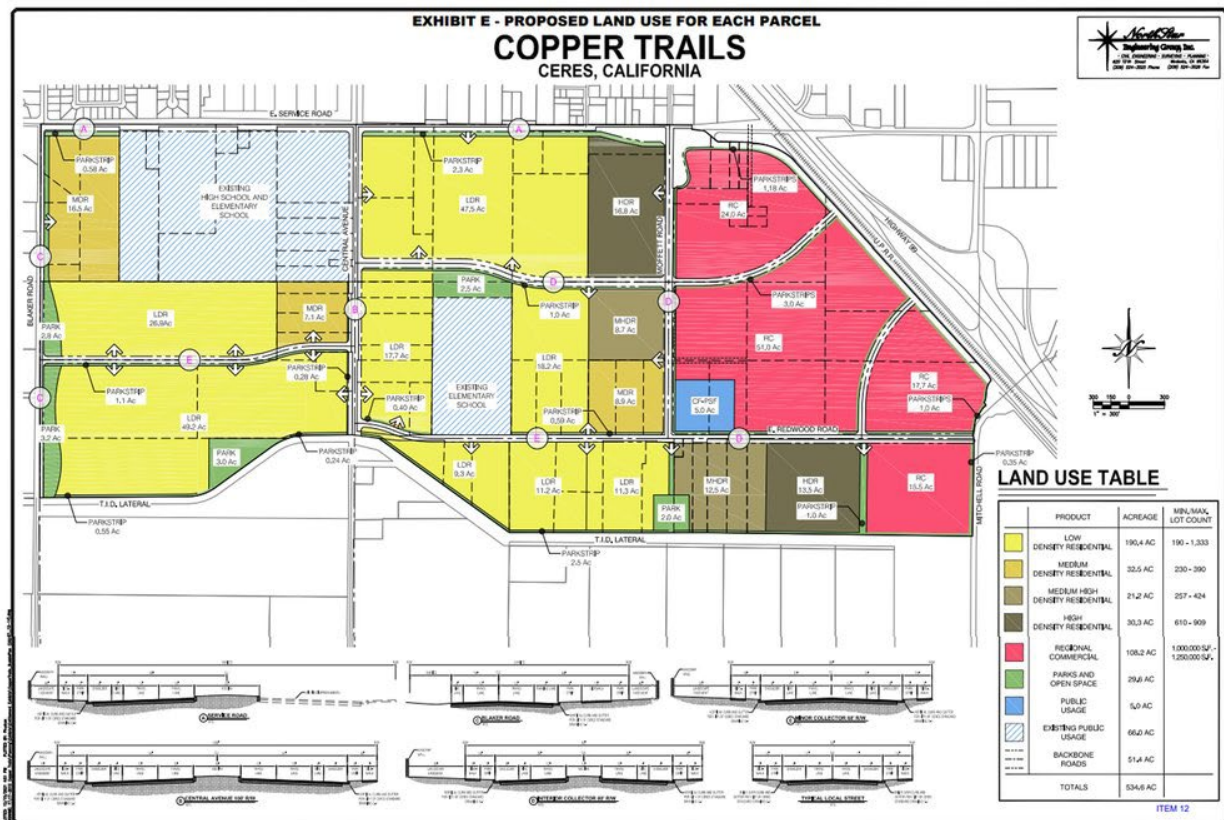
Annexing land to the city must be approved by the Local Area Formation Commission (LAFCO).

It's estimated that West Landing could result in the addition of 12,000 new residents in Ceres as well as beef up commercial, office and industrial space as far west to Ustick Road. The master plan calls includes

- A housing mix of 293 acres, or 1,310 multi-family units and 2,325 single-family houses;
- 34 acres of regional commercial acres;
- 884,200 square feet of retail commercial;
- 383,910 square feet of office uses;
- 802,100 square feet of light industrial;

## IN THE NEWS – The Ceres Courier, October 5, 2022 (Continued)

- 174 acres of county facilities that already exist at the corner of Crows Landing and Service roads.
- 47 acres of parkland;
- 16 acres for schools.



**IN THE NEWS – Turlock Journal, October 18, 2022**

## **City of Turlock to manage surface water project**

The Turlock City Council voted at their Oct. 11 meeting to accept a proposal on the management of the Stanislaus Regional Water Authority's Regional Surface Water Supply Project that will see the City take an active role in oversight and provide significant cost savings.

This proposal — which will put the SRWA management under the Turlock Municipal Services Director in the City's organizational chart — was first brought to the SRWA Board of Directors by Turlock City Manager Reagan Wilson at their Sept. 22 meeting and received unanimous support. The board will vote on the contract later this year.

"I am proud of the collaboration between the cities of Turlock and Ceres to ensure we will realize further savings for our ratepayers," said Wilson. "We have created a plan to save \$850,000 in operating costs, translating into lower rates for taxpayers than originally projected. I am honored to have the unanimous support of council as we move forward in this process."

This project will divert, treat and deliver drinking water to both Turlock and Ceres. Further, it creates a diversified regional water supply, allows for drought water management, improves water quality, and helps to replenish groundwater supplies. The construction activities and status updates of the project are updated regularly on the Stanislaus Regional Water Authority website.

"This vote represents a historic moment in Turlock's history," said Mayor Amy Bublak, who serves on the SRWA Board of Directors, representing Turlock with Vice Mayor Pam Franco. "Our steadfast commitment to ratepayers while providing a long-term, reliable drinking water supply for both cities is reflected in this decision. The City Manager has created an outstanding plan to move forward, allowing Turlock greater oversight and control."

Construction of this project is slated for completion in early 2023 and is expected to be operational (delivering water to both cities) by the middle of the year.



# **STANISLAUS LOCAL AGENCY FORMATION COMMISSION MINUTES**

**September 28, 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  
Amy Bublak, City Member  
Vito Chiesa, County Member  
Ken Lane, Public Member  
Javier Lopez, Alternate City Member

Commissioners Absent: Mani Grewal, Alternate County 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**

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

## **3. CORRESPONDENCE**

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

**4. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS**

None.

**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.)

*Motion by Commissioner Chiesa, seconded by Commissioner O'Brien, and carried with a 5-0 vote to approve the consent items, by the following vote:*

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

**6. PUBLIC HEARING**

- 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.)

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

Chair Withrow opened the item up for Public Comment at 6:16 p.m.

There was none.

Chair Withrow closed the Public Hearing at 6:16 p.m.

*Motion by Commissioner Bublak, seconded by Commissioner O'Brien, and carried with a 5-0 vote to approve the contract and adopt Resolution No. 2022-11, by the following vote:*

*Ayes: Commissioners: Bublak, Chiesa, Lane, O'Brien and Withrow*

*Noes: Commissioners: None*

*Ineligible: Commissioners: Lopez*

*Absent: Commissioners: Berryhill and Grewal*

*Abstention: Commissioners: None*

**7. OTHER BUSINESS**

None.

**8. COMMISSIONER COMMENTS**

Commissioner Chiesa introduced Marie Assali, a former Planning Commissioner, who was in attendance.

**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:

- Staff is working on a Year-End Financial Report and a Municipal Service Review for the Riverdale Park Tract Community Services District.

**11. ADJOURNMENT**

A. Chair Withrow adjourned the meeting at 6:18 p.m.

**DRAFT**

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Sara Lytle-Pinhey, Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT  
OCTOBER 26, 2022**

TO: LAFCO Commissioners

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

**SUBJECT: Year-End Financial Report for Fiscal Year 2021-2022**

**RECOMMENDATION**

Staff recommends that the Commission accept this informational report comparing budgeted and actual revenue and expenditures for Fiscal Year 2021-2022.

**DISCUSSION**

At the close of Fiscal Year 2021-2022, the Commission's expenditures exceeded revenue by \$13,490. This was less than the Commission's anticipated drawdown of fund balance. Overall, the Commission expended 96% of the amount budgeted for the year. A summary of the expenditures and revenue is shown in Table 1, below.

*Table 1: Fiscal Year 2021-2022 Summary*  
(Totals have been rounded)

<i>Expenditures</i>	<b>Adopted Budget FY 21-22</b>	<b>Actuals (Year-End)</b>	<b>Difference</b>	<b>% of Budget</b>
Salaries & Benefits	467,380	466,927	453	100%
Services & Supplies	86,980	65,388	21,592	75%
Other Charges	1,200	381	819	32%
<b>Total Expenditures</b>	<b>555,560</b>	<b>532,697</b>	<b>22,863</b>	<b>96%</b>
<i>Revenues</i>				
Agency Contributions	493,158	493,158	0	100%
Applications	20,000	15,332	4,668	77%
County Match (Covid One-time Payment)	-	4,875	(4,875)	-
Other (Interest & Rebates)	-	5,843	(5,843)	-
<b>Total Revenue</b>	<b>513,158</b>	<b>519,207</b>	<b>(6,049)</b>	<b>101%</b>
<i>Anticipated Use of Fund Balance</i>	<i>42,402</i>			
<b>Revenue Less Expenditures</b>		<b>(13,490)</b>		

**Expenditures**

The Commission uses three expense categories: Salaries and Benefits, Services and Supplies, and Other Charges. Overall, expenses trended lower than budgeted. Details of the individual accounts are attached to this report. The following are highlights within each of these categories:

**EXECUTIVE OFFICER'S AGENDA REPORT**  
**OCTOBER 26, 2022**  
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Salaries and Benefits

At the end of the fiscal year, the Salaries and Benefits category had expenditures of \$466,927, representing 100% of the amount budgeted in this category. Shortly after the Commission's adoption of the budget, the County approved a one-time COVID bonus for employees, including LAFCO employees, that totaled \$4,875. While this was an unanticipated expense, it was offset by savings in health insurance and professional development during the year and a budget adjustment was not needed. Prior to the end of the fiscal year, the County provided match funds to reimburse the expense to the Commission.

Services and Supplies

Expenditures in the Services and Supplies category accounted for 75% of the amount budgeted. The Commission had savings in both the Legal Services and Commission Expense accounts due to the reduced number of meetings during the year. Savings were also seen in the Education & Training accounts, due to a credit for a cancelled CALAFCO workshop and use of free, online trainings.

Indirect costs, reflected in Account #62450, are a true-up of the County's CAP charges to LAFCO from the prior year. These charges can fluctuate from year to year and represent actual costs of various County-provided services to LAFCO. In Fiscal Year 2021-2022, charges totaled \$2,807. Staff had previously expected a credit in the account based on the County's budget instructions for a two-year budget cycle. Staff will be cautious in future years to more conservatively budget for this item.

Other Charges

The Other Charges category consists of one account: "Planning Department Services" for shared use of a copier. These costs have been trending lower as Staff strives to make less paper copies of items.

Revenue

Overall, the Commission received \$519,207 in revenue, or \$6,049 above what was anticipated. While application revenue trended slightly lower than estimated, the Commission's interest earnings and reimbursement of the COVID one-time payment contributed additional unanticipated revenue.

CONCLUSION

At the close of Fiscal Year 2021-2022, less fund balance was needed to offset expenditures than what was originally estimated. A fund balance analysis including assignment of reserves and use of undesignated fund balance continue to be factored in during preparation of the next year's budget.

*Attachments:* Fiscal Year 2021-2022 Expenditures and Revenues Detail

*Stanislaus LAFCO*  
**Fiscal Year 2021-2022 Expenditures and Revenues**

(Totals have been rounded)

**EXPENDITURES**

Account		FY 21-22 ADOPTED BUDGET	ACTUALS (YEAR-END)	DIFFERENCE	% EXPENDED
<b>Salaries and Benefits</b>					
50000+	Salaries and wages	285,000	284,335	665	100%
50250	COVID One-Time Payment	-	4,875	(4,875)	nb
52000	Retirement	89,990	89,814	176	100%
52010	FICA	22,500	21,954	546	98%
53000	Group health insurance	59,300	57,006	2,294	96%
53020	Unemployment insurance	360	450	(90)	125%
53051	Benefits admin fee	190	-	190	0%
53081	Long term disability	425	389	36	91%
54000	Workers compensation insurance	1,035	1,116	(81)	108%
55000	Auto allowance	2,400	2,409	(9)	100%
55080	Professional development	2,200	553	1,647	25%
55130	Deferred comp mgmt/conf	3,980	4,026	(46)	101%
<b>Total</b>	<b>Salaries and Benefits</b>	<b>467,380</b>	<b>466,927</b>	<b>453</b>	<b>100%</b>
<b>Services and Supplies</b>					
60400	Communications (ITC - Telecom)	1,290	1,008	282	78%
61000	Insurance (SDRMA)	4,800	4,688	112	98%
61030	Fiduciary liability insurance	70	38	32	54%
62200	Memberships (CSDA, CALAFCO)	10,560	10,002	558	95%
62400	Miscellaneous expense	3,000	-	3,000	0%
62450	Indirect costs (A87 roll forward)	(460)	2,807	(3,267)	-610%
62600	Office supplies	1,500	736	764	49%
62730	Postage	1,200	509	691	42%
62750	Other mail room expense	470	222	248	47%
63000	Professional & special serv	12,515	13,295	(780)	106%
	Building maint & supplies	3,540	3,496	44	99%
	Office lease	4,000	4,064	(64)	102%
	Utilities	1,560	1,305	255	84%
	Janitorial	855	1,034	(179)	121%
	Purchasing	295	265	30	90%
	HR/Risk Mgt overhead	2,265	3,130	(865)	138%
63090	Auditing & accounting	2,505	1,760	745	70%
63400	Engineering services	2,000	136	1,865	7%
63640	Legal services	12,000	3,185	8,815	27%
63990+	Outside data proc services (IT & GIS Lic)	12,950	12,106	844	93%
	IT Services (ITC)	9,250	10,156	(906)	110%
	Video Streaming (ITC)	1,000	-	1,000	0%
	Mtg Recording (Final Cut Media)	1,500	750	750	50%
	GIS License (ITC)	1,200	1,200	-	100%
65000	Publications & legal notices	1,000	518	482	52%
65660	Special Dept. Expense (3yr audit)	12,000	12,000	-	100%
65780	Education & training	2,500	(420)	2,920	-17%
65810	Other supportive services (messenger)	350	192	158	55%
65890	Commission expense (stipends, training)	6,100	2,475	3,625	41%
67040	Other travel expenses (mileage)	500	-	500	0%
67201	Salvage disposal	130	131	(1)	101%
<b>Total</b>	<b>Services and Supplies</b>	<b>86,980</b>	<b>65,388</b>	<b>21,592</b>	<b>75%</b>

**Other Charges**

73024	Planning dept services	1,200	381	819	32%
<b>Total Other Charges</b>		<b>1,200</b>	<b>381</b>	<b>819</b>	<b>32%</b>

<b>TOTAL EXPENDITURES</b>		<b>555,560</b>	<b>532,697</b>	<b>22,863</b>	<b>96%</b>
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**REVENUES**

<b>Account</b>	<b>FY 21-22 ADOPTED BUDGET</b>	<b>ACTUALS (YEAR-END)</b>	<b>DIFFERENCE</b>	<b>% REALIZED</b>
40680+ Agency Contributions	493,158	493,158	-	100%
40445 Rebates & Refunds	-	2	(2)	-
36414 Application & Other Revenues	20,000	15,332	4,668	77%
17000+ Interest Earnings	-	5,841	(5,841)	-
46620 County Match (COVID One-time Payment)	-	4,875	(4,875)	
<b>TOTAL REVENUE</b>	<b>513,158</b>	<b>519,207</b>	<b>(6,049)</b>	<b>101%</b>
<i>Anticipated Drawdown of Fund Balance</i>	<i>42,402</i>			
<b>Revenues Less Expenditures</b>		<b>(13,490)</b>		

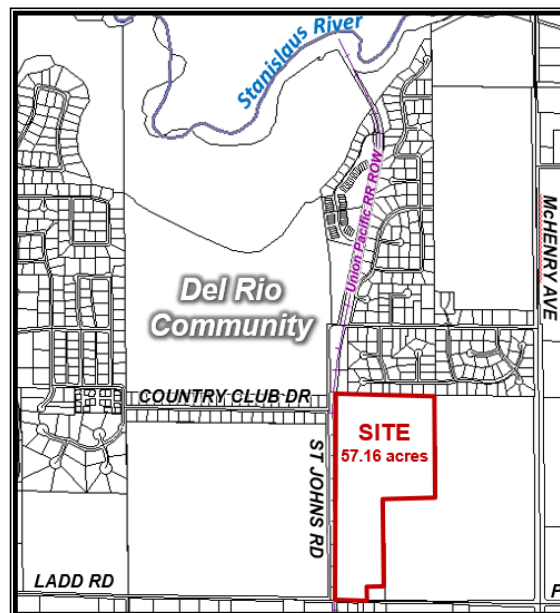
**EXECUTIVE OFFICER'S AGENDA REPORT  
OCTOBER 26, 2022**

**STANISLAUS LOCAL AGENCY FORMATION COMMISSION  
OUT-OF-BOUNDARY SERVICE APPLICATION:  
6942 ST. JOHNS ROAD (CITY OF MODESTO - WATER SERVICE)**

**APPLICANT:** City of Modesto

**LOCATION:** The property is located at 6942 St. Johns Road, north of Ladd Road, in the Del Rio Community Plan area (APN: 004-076-003). It is outside the City's limits and Sphere of Influence. (See Maps, Exhibit A.)

**REQUEST:** The City of Modesto is requesting to provide water service outside its boundaries to accommodate a property owner's request to serve a new residential dwelling near the City's existing service area. The City's Application is attached as Exhibit B to this report.



**BACKGROUND**

Government Code Section 56133 (attached in full as Exhibit C) specifies that a city or special district must apply for and obtain LAFCO approval prior to providing new or extended services outside its jurisdictional boundaries. The section describes two situations where the Commission may authorize service extensions outside a city or district's jurisdictional boundaries:

- (1) For proposals *within* a city or district sphere of influence: in anticipation of a later change of organization.
- (2) For proposals *outside* a city or district sphere of influence: to respond to an existing or impending threat to the public health or safety of the residents of the affected territory.

Stanislaus LAFCO has adopted its own policy to assist in the Commission's review of out-of-boundary service requests, known as Policy 15 (see Exhibit D). Policy 15 reiterates the requirements of Government Code Section 56133 and also allows the Executive Officer, on behalf of the Commission, to approve service extensions in limited circumstances to respond to health and safety concerns for existing development. As the current request would serve new development, it is being forwarded to the Commission for review.

**DISCUSSION**

State law and Commission policies generally prefer annexation in order to accommodate the extension of services. However, the Commission has recognized that there are situations when out-of-boundary service extensions may be an appropriate alternative, consistent with Government Code Section 56133 and Commission Policy 15, as discussed below.

#### Consistency with Commission Policy 15

The Commission's Policy 15(C) describes a variety of scenarios where the Commission may favorably consider service extensions. These include the following:

1. *Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors.*
2. *Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on adopted land use plans or other entitlements for use.*
3. *Where public agencies have a formal agreement defining service areas provided LAFCO has formally recognized the boundaries of the area.*
4. *Emergency or health related conditions mitigate against waiting for annexation.*
5. *Other circumstances which are consistent with the statutory purposes and the policies and standards of the Stanislaus LAFCO.*

The subject property is not located in the City's Sphere of Influence and is not currently contiguous to the City limits. Therefore, consistent with consideration #2 above, annexation is considered infeasible.

The City has an existing 10-inch in line in St. Johns Road that serves the Del Rio Community and has indicated its ability to serve the proposed residence. The City has historically provided service to Del Rio following its acquisition of the Del Este Water Company in 1995. The City's acquisition of the water company and its service areas pre-dated the requirements of Government Code Section 56133 and the City's continued ability to serve water in these outlying service areas is considered exempt. However, properties outside the Del Este service area, like the current proposal, still require LAFCO review and approval.

#### Consistency with Applicable State Law

The Commission must also consider Government Code Section 56133, the applicable state law, which states "the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory. The City's application provides support for a health and safety finding citing a need for fire flow and a preference for the City's water for reliability.

#### Environmental Review

Staff has determined that the proposed connection to water service is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to California Code of Regulations Section 15303(d), as it will serve a residence allowed under current zoning. Additionally, there is no reasonable possibility that the connection to water 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 out-of-boundary service extensions can be an appropriate alternative. Staff believes the City's proposal to provide water service to the property is consistent with Government Code Section 56133 and the Commission's Policy 15.

### **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.
- 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 proposal as submitted by the City of Modesto and adopt Resolution No. 2022-13, which finds the request to be consistent with Government Code Section 56133 and Commission Policy 15 and includes the following standard terms and conditions:

- A. This approval allows for the extension of water service to accommodate a residential use at 6942 St. Johns Road only.
- B. The City shall not allow additional water service connections outside the City limits and beyond the current request without first requesting and securing approval from LAFCO.

Respectfully submitted,



Sara Lytle-Pinhey  
Executive Officer

Attachments:   Draft LAFCO Resolution 2022-13  
                      Exhibit A - Maps (pg. 7)  
                      Exhibit B - City's Out-of-Boundary Application (pg. 13)  
                      Exhibit C - Government Code Section 56133 (pg. 37)  
                      Exhibit D - LAFCO Policy 15 (pg. 41)

## **Draft LAFCO Resolution 2022-13**

**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** October 26, 2022

**NO.** 2022-13

**SUBJECT: Out-of-Boundary Service Application for 6942 St. Johns Road  
(City of Modesto - Water Service)**

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

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, the City of Modesto has submitted an out-of-boundary service application requesting to provide water service to a property located at 6942 St. Johns Road;

**WHEREAS**, the site is otherwise identified as Assessor's Parcel Number 004-076-003;

**WHEREAS**, the property is located outside the current city limits of Modesto and outside the City's Sphere of Influence;

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

**WHEREAS**, Government Code Section 56133 further states that the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and sphere of influence to respond to an existing or impending threat to the health and safety of the public or residents in the affected territory;

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

**WHEREAS**, in accordance with adopted Commission Policy 15, the current proposal has been forwarded to the Commission as it would serve new development;

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

**WHEREAS**, the connection to water service is considered categorically exempt from the California Environmental Quality Act (CEQA), pursuant to California Code of Regulations Section 15303(d), as

it will serve a residence allowed under current zoning and there is no reasonable possibility that the connection to water service will have a significant effect on the environment; and,

**WHEREAS**, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, consistency with California Government Code Section 56133 and the Commission's adopted policies, and all testimony and evidence presented at the meeting held on October 26, 2022.

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

1. Finds that the proposed extension of water service is consistent with the Commission's adopted policies and California Government Code Section 56133.
2. Certifies that the proposal is categorically exempt from CEQA.
3. Authorizes the City of Modesto to provide the requested water service, subject to the following terms and conditions:
  - A. This approval allows for the extension of water service to accommodate a residential use at 6942 St. Johns Road only.
  - B. The City shall not allow additional water service connections outside the City limits and beyond the corporation yard without first requesting and securing approval from LAFCO.
4. Directs the Executive Officer to forward a copy of this resolution to the City of Modesto.

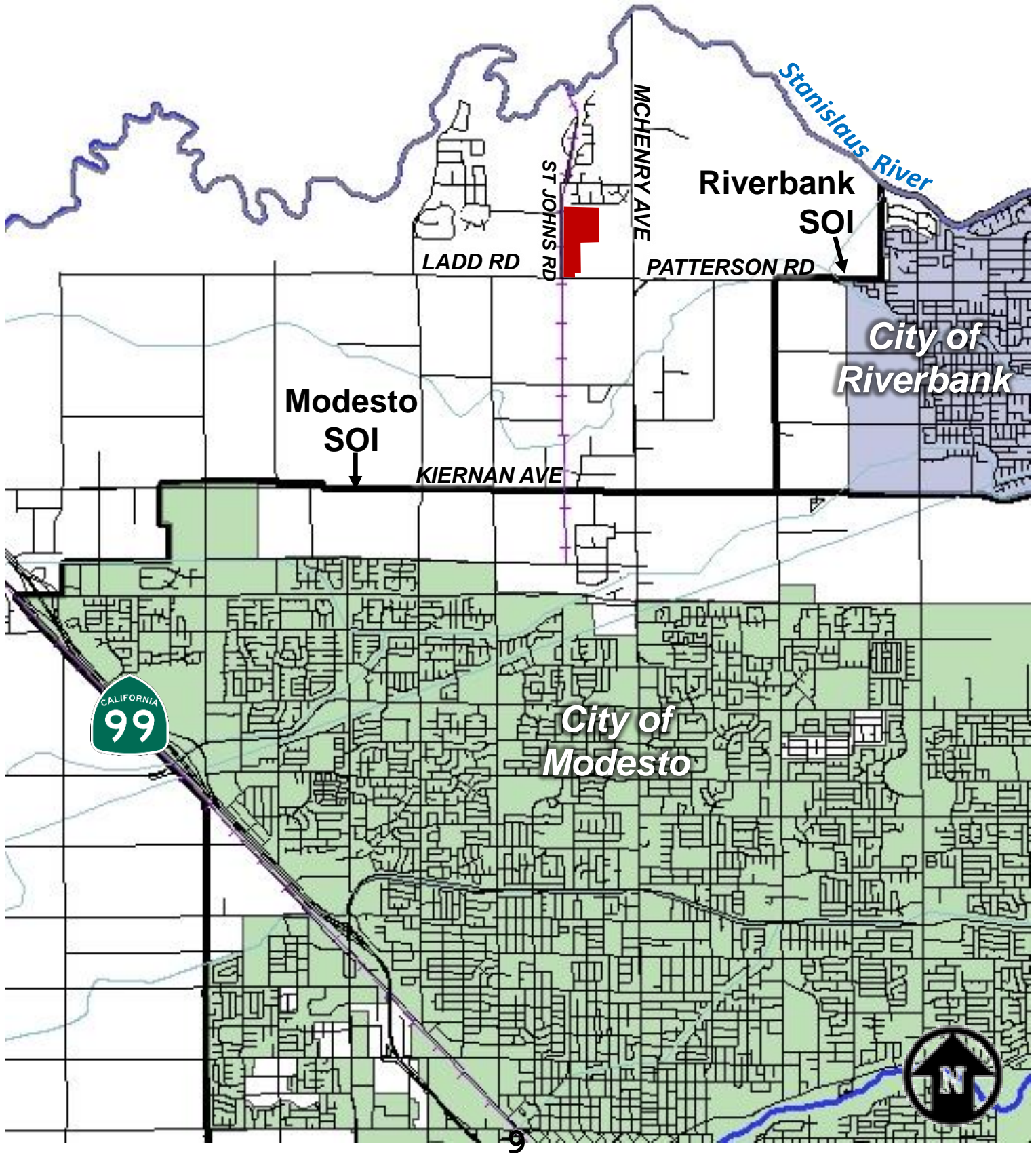
**ATTEST:** \_\_\_\_\_  
Sara Lytle-Pinhey, Executive Officer

## **EXHIBIT A**

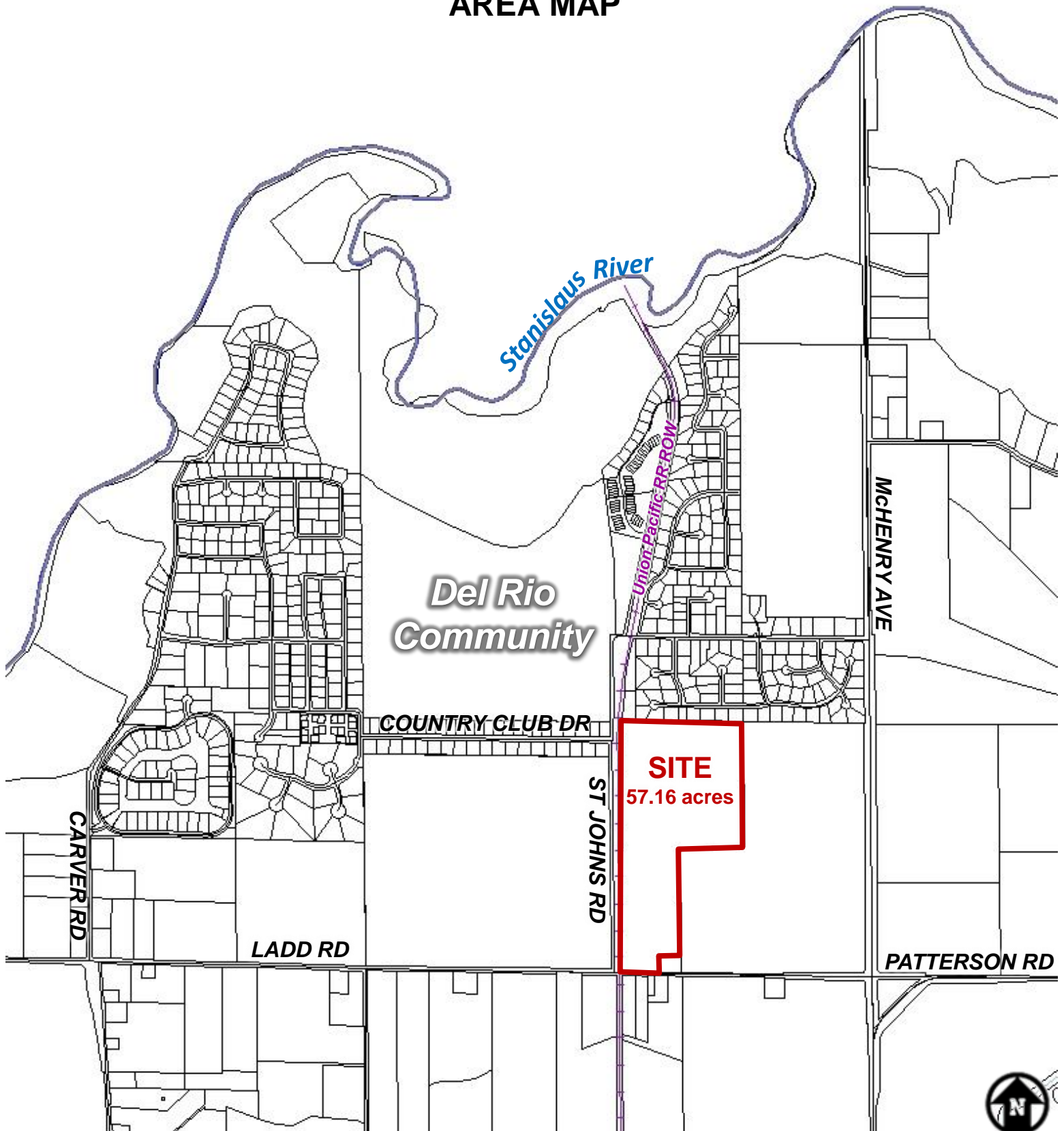
### **Map**

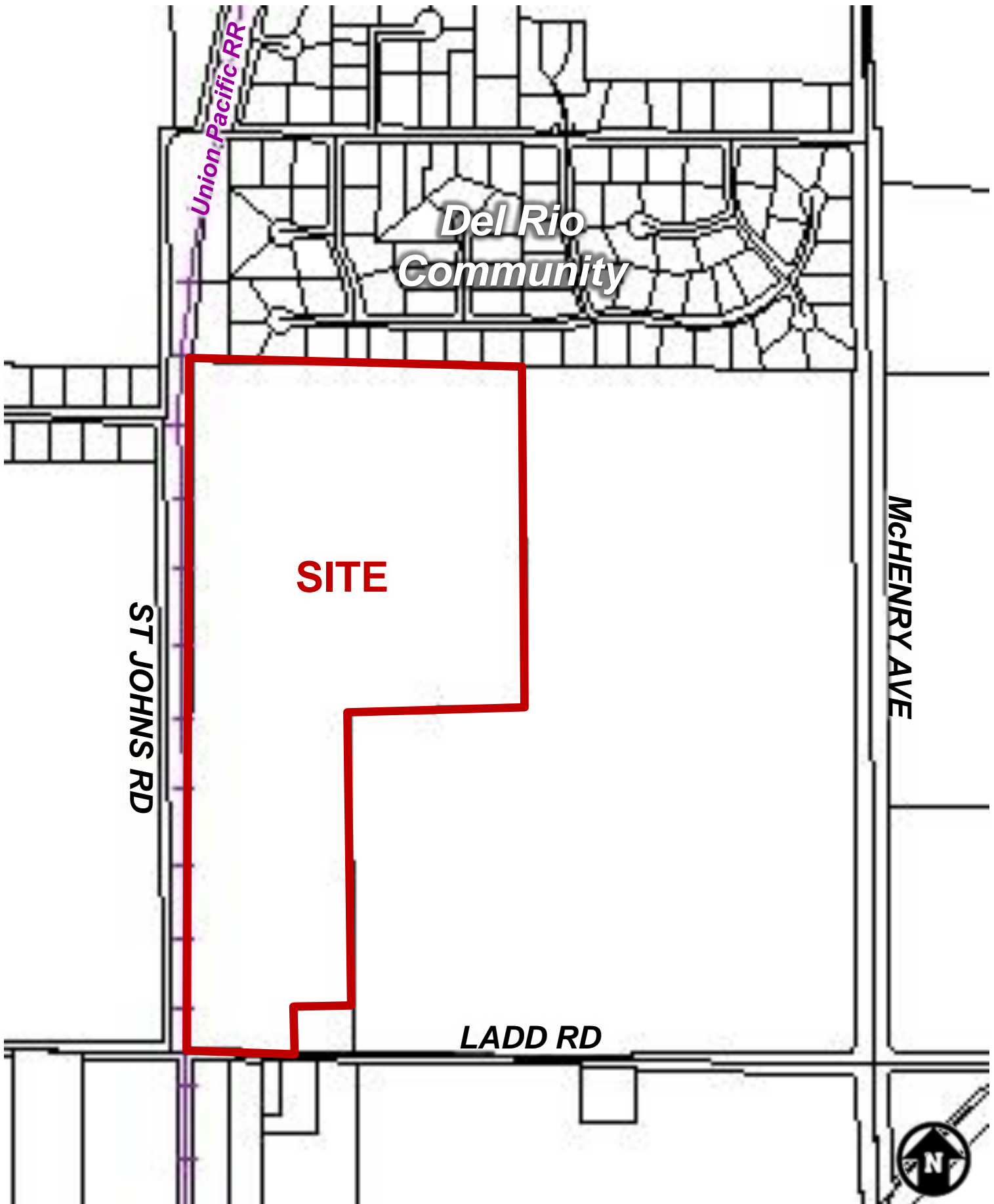
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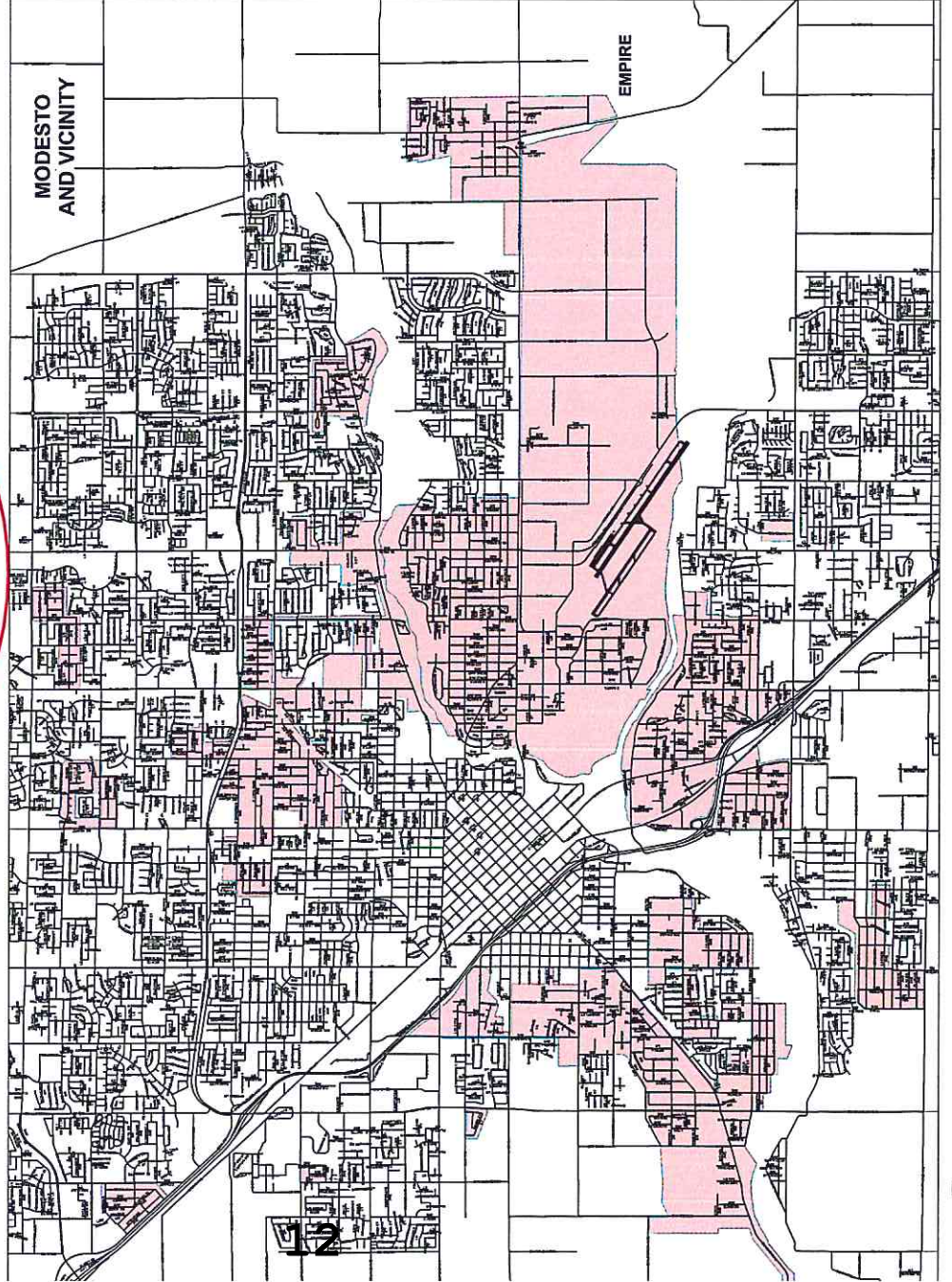
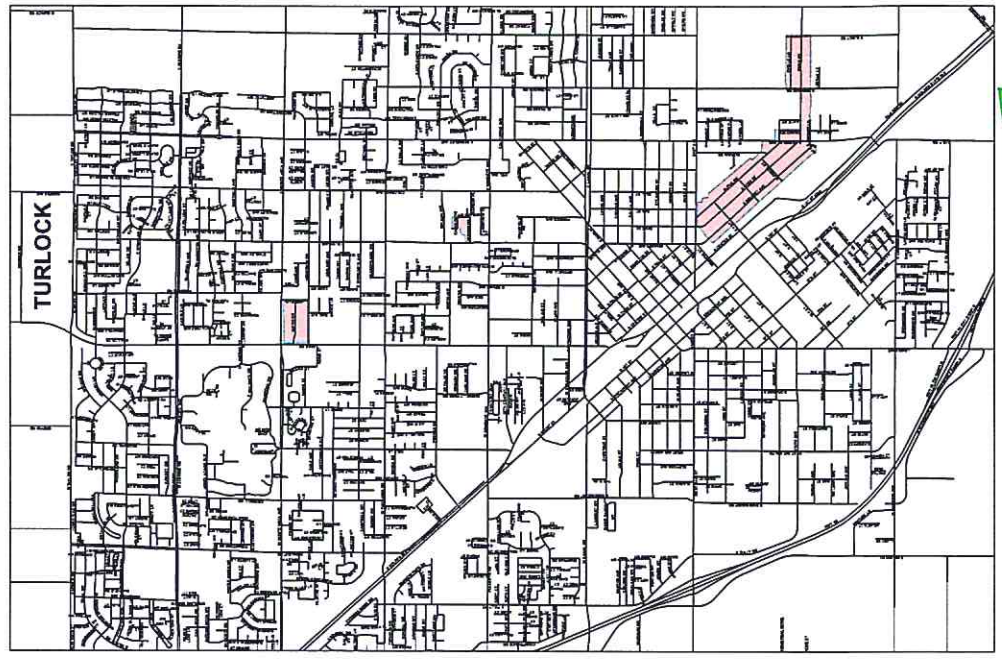
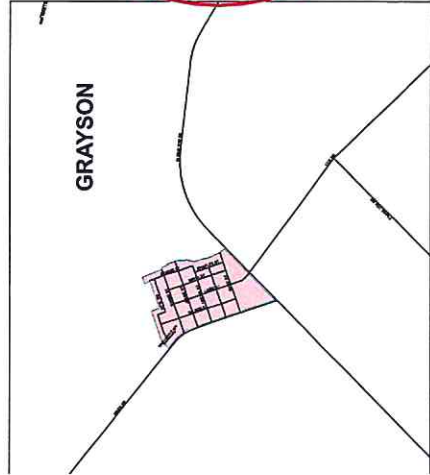
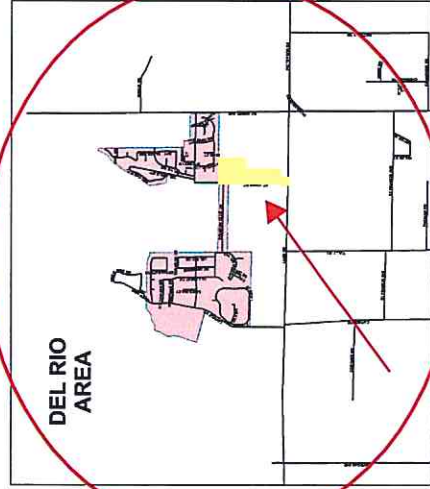
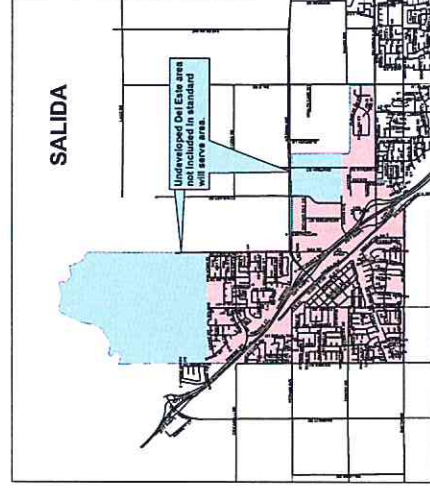
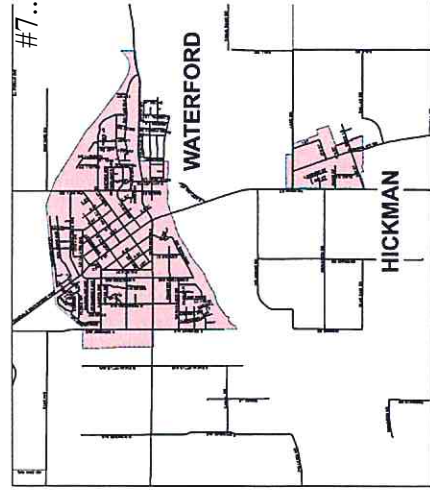
OUT OF BOUNDARY SERVICE APPLICATION  
CITY OF MODESTO – WATER SERVICE  
6942 ST. JOHNS RD (APN 004-076-003)  
VICINITY MAP



OUT OF BOUNDARY SERVICE APPLICATION  
CITY OF MODESTO – WATER SERVICE  
6942 ST. JOHNS RD (APN 004-076-003)  
AREA MAP







# DEL ESTE WATER SERVICE AREAS



## **EXHIBIT B**

### **City's Out-of-Boundary Application**

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# STANISLAUS LAFCO

Stanislaus Local Agency Formation Commission

1010 – 10 th Street, 3<sup>rd</sup> Floor ♦ Modesto, CA 95354

(209) 525-7660 ♦ FAX (209) 525-7643

www.stanislauslafco.org

## OUT OF BOUNDARY SERVICE APPLICATION

### AGENCY TO EXTEND SERVICE:

AGENCY NAME: City of Modesto

CONTACT PERSON: Eva Dankha-Kelly-Associate Engineer

ADDRESS: 1010 10th Street, suite 3001 Modesto Ca 95353

PHONE: 209-571-5120 FAX: \_\_\_\_\_ E-MAIL: edkelly@modestogov.com

### CONTRACTING PARTY:

NAME OF PROPERTY OWNER: Mr. Mani Grewal

SITE ADDRESS: 6942 St. John Road Modesto, Ca 95356

PHONE: 209-404-7795 FAX: \_\_\_\_\_ E-MAIL: \_\_\_\_\_

CONTRACT NUMBER/IDENTIFICATION: N/A

ASSESSOR PARCEL NUMBER(S): 004-076-003

ACREAGE: N/A

The following application questions are intended to obtain enough data about the proposal to allow the Commission and staff to adequately assess the service extension. By taking the time to fully respond to the questions below, you can reduce the processing time for this application. You may include any additional information that you believe is pertinent. Use additional sheets where necessary.

1. (a) List type of service(s) to be provided by this application:

Water service connection.

- (b) Are any of the services identified in 1-a “new” services to be offered by the agency? If yes, please provide explanation.

Yes, the new single family house wants to connect to City water.

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2. Please provide a description of the service agreement/contract. (Included in this description should be an explanation as to why a jurisdictional change is not possible at this time and if this extension is an emergency health and safety situation.)

See attached description.

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3. Is annexation of the territory by your agency anticipated at some future time? Please provide an explanation.

N/A

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4. Is the property to be served within the Agency’s sphere of influence?

No

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5. If the service extension is for development purposes, please provide a complete description of the project to be served.

A new single family house.

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6. Has an environmental determination been made for this proposal? If yes, provide a copy. If no, please provide an explanation.

N/A

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7. Are there any land use entitlements involved in the project or contract? If yes, please provide a copy of the documentation for this entitlement. Please check those documents attached:

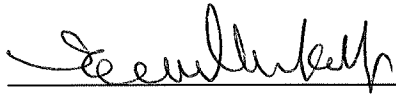
\_\_\_\_\_ Tentative Map and Conditions  
\_\_\_\_\_ Subdivision Map or Parcel Map  
\_\_\_\_\_ Specific Plan  
\_\_\_\_\_ General Plan Amendment  
\_\_\_\_\_ Rezoning  
\_\_\_\_\_ Other - (provide explanation) \_\_\_\_\_

8. Please provide a map showing existing facilities and proposed extensions and a detailed description of how services are to be extended to the property. Your response should include, but not be limited to, an explanation of distance for connection to existing infrastructure to the site; and cost of improvements, how financing is to occur, and any special financing arrangement for later repayment.  
See attached.

### CERTIFICATION

I hereby certify that the statement furnished above and in the attached exhibits present the data and information required for this evaluation of service extension to the best of my ability, and that the facts, statement, and information presented herein are true and correct to the best of my knowledge and belief.

SIGNED:



PRINTED NAME:

Eva Dankha-Kelly

DATED:

10/14/2022

### REQUIRED EXHIBITS:

1. Copy of the proposed agreement.
2. Map showing the property to be served, existing agency boundary, and the location of infrastructure to be extended.
3. Plan for providing service.

Please forward the completed form and related information to:

Stanislaus Local Agency Formation Commission  
Attn: Executive Officer  
1010 10<sup>th</sup> Street, 3<sup>rd</sup> Floor  
Modesto, CA 95354

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# STANISLAUS LAFCO

## Stanislaus Local Agency Formation Commission

1010 – 10 th Street, 3<sup>rd</sup> Floor ♦ Modesto, CA 95354

(209) 525-7660 ♦ FAX (209) 525-7643

[www.stanislauslafco.org](http://www.stanislauslafco.org)

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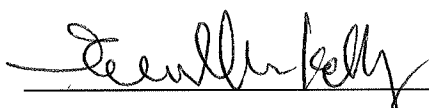
## INDEMNITY AGREEMENT

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: 10/14/2022

### APPLICANT OR APPLICANT'S REPRESENTATIVE:

(Proof of authority must be provided)

Signature: 

Name: Eva Dankha-Kelly

Title: Associate Engineer

Agency: City of Modesto

Address: 3010 10<sup>th</sup> st. suite 3100  
Modesto, ca 95353

## Attachment:

2. A 10- inch City water main is available for connection in Saint John Road with adequate pressure to serve this property located at 6942 Saint John Road . A fire flow test was conducted on the 10-inch main, and the results show a 2,178 GPM at 20 PSI on the water supply graph that proves the flow exceeds the minimum requirement for a residential property usage of 1,500 GPM for a residential house, per the California Fire Code and California Residential Code for water flow pressure and volume.

The property owner requested to connect to the City water main for health and safety reasons. The proposed residence is adjacent to the former Del Este water system and contiguous on two sides to the water system boundary with existing infrastructure on the project frontage.

Although a private water well could serve the property, private wells have proven to be unpredictable source of water for domestic usage, especially for fire suppression. Private wells could have water quality issues and it could run dry and are not subject to the same rigorous testing requirements that public water systems are required to. A private well will always need a source of electricity, it will go down if the electricity goes out. City wells have generators to ensure functionality during power outages. The maintenance of a private well is also a consideration and an added expense to the property owner to repair.



**City of Modesto**  
**Community and Economic Development Department**  
**Land Development Engineering Division**  
**Transportation, Engineering and Design Division**  
**Engineering Design Division**  
*1010 Tenth Street, Third Floor, Suite 3100*  
*Modesto, CA 95354*

November 22, 2021

Mr. Mani Grewal  
625 Ladd Road  
Modesto, Ca 95356

Subject: Water Will Serve Letter for 6942 St. John Road, (APN:004-076-003)

Dear Mr. Grewal:

As requested in your application dated October 22, 2021, the proposed single-family residential house (APN: 004-076-003), located at 8942 St. John Road in Del Rio, Modesto, will be allowed to make a single domestic water service connection to City's existing water system as described below.

Water Service:

Pursuant to Modesto City Council Resolution No. 98-306 and City Council Policy No. 5.001, both addressing the extension of water service into unincorporated areas, it has been determined that a sufficient quantity of potable water is available for normal usage by the proposed development.

In general, Council Policy No. 5.001 provides that water service extensions may be approved by the City Manager on a case-by-case basis to properties outside the Modesto City Limits, outside of the Modesto Municipal Sewer District Number 1 and Inside of the City's Sphere of Influence when all of the following conditions are met:

1. The development has been authorized by the appropriate land use agency.
2. The property is inside, contiguous to, or near the former service area of the Del Este Water Company.
3. City staff has completed an analysis and determined that it is reasonable for the City of Modesto to extend water service based on a plan to pay for the service extension costs, the quantity of water used, the type of water use and the overall impact on the water system.

In addition to the above requirements, the following items are specific conditions on the proposed project:

4. That the water demand requirements for the proposed development will not change significantly from the information contained in the above referenced application.
5. That the proposed single-family residential house meets all of the applicable Fire District's fire code requirements, and current edition of the California Fire Code,

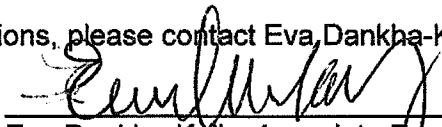
California Building Code and California Residential Code for water fire flow pressure and volume.

6. The water service connection for the proposed single-family residential house shall be made from the 10-inch water main in St. John Road . The water service connection shall be designed per City Standards and by a registered engineer authorized to perform such work. Improvement plans shall be submitted to the City for review and approval. All costs associated with its design, installation, and permits shall be borne by the property owner.
7. That the smallest water service lines and associated meter sizes needed to serve the proposed project be installed.
8. That all applicable water connection fees are paid and associated permits be obtained prior to beginning any on-site construction.
9. That the property owner enters into a standard water service agreement with the City, as required for water service outside the City limits, by contacting Land Development Engineering, Deborah Vilmur at (209) 577- 5281 for more information.

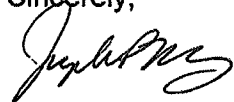
Construction of the water connection identified to serve the above referenced project shall be completed prior to twelve (12) months from the date of this letter, and if after such time the service connections have not been made, the City's approval of said connections will be revoked.

If you have any questions, please contact Eva Dankha-Kelly at (209) 571-5120.

Recommended By:

  
Eva Dankha-Kelly, Associate Engineer

Sincerely,



Joseph P. Lopez  
City Manager

cc: William S. Wong - Director of Utilities  
Jim Alves – Utilities  
Jeff Daniels – Utilities  
Kerrie Freeman – Stanislaus County – PW



Recording Requested By  
City of Modesto  
Return to / Mail to  
City of Modesto City Clerk  
P.O. Box 642  
Modesto, CA 95353

Stanislaus County Recorder  
Donna Linder, County Clerk-Recorder  
DOC - 2022-0031667  
Monday, May 2, 2022 09:32:26  
Customer: Public  
Total Paid: \$0.00

Receipt #: 2022081464

SRA/CHKQZV2/2-14

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### OUTSIDE SERVICE AGREEMENT FOR WATER SERVICE AND AGREEMENT TO WAIVE PROTEST TO ANNEXATION PROCEEDINGS

This Agreement is made and entered into in the City of Modesto, County of Stanislaus, State of California, by and between the City of Modesto, a municipal corporation of the State of California, (hereinafter "City"), and GREWAL RE HOLDINGS LLC a California Limited Liability Company, (hereinafter "Owner") and entered into on the date the last party executes said agreement.

This Agreement is made with reference to the following recitals:

- A. Owner desires to have water service from City to its property located outside the city limits of City and more fully described in paragraph 1 below, ("Property"), and
- B. In order to provide said water service, City must extend its system, and
- C. City is agreeable to providing said water service subject to certain terms and conditions.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto mutually agree as follows:

1. Contemporaneous with the signing of this Agreement, Owner shall also sign that certain "Agreement To Waive Protest To Annexation Proceedings" which is

attached hereto. In addition, Owner shall do any and all other acts necessary to annex the following described property to City when requested to do so by City:

Address: 6942 ST. JOHN ROAD

APN: 004-076-003

See "Exhibit A" for complete parcel description.

2. Owner agrees to pay to City at the time a building permit is issued for any new development on the Property prior to its annexation to City, the transportation component of City's Capital Facilities Fees (CFF) then in effect, that would otherwise be due to City in the event said property was located entirely within the Modesto city limits. Owner shall notify City when Owner has been issued a building permit for any new development on the Property within three (3) days after the issuance of said permit. Owner shall pay said fees upon ten (10) days written notice by City. After the aforesaid annexation, Owner agrees to pay City's full CFF at the time a building permit for any new development on the Property is issued.

3. Owner agrees to pay all fixed fees for all system operations and management services for water service. These include, but are not limited to, the following: deposit, disconnect fee, reconnect fee, late payment penalty fee, return check fee, collection agency fee, water disconnection notice, unauthorized reconnect, lock breakage fee/lock replacement fee, disconnect water line at main for nonpayment fee.

4. In the event Owner, for any reason, fails to take whatever other action is necessary to annex said property when requested to do so by City or in the event Owner fails to provide any of the information or make any of the payments provided for in Paragraphs 2 and 3 in a timely manner, City may, at its option, terminate this Agreement by giving written notice thereof to Owner by First class mail. City may

thereafter, at any time upon fifteen (15) calendar days written notice by First class mail to Owner, refuse to provide water service, or City may disconnect the water service connection to said property, at the City's discretion.

In the event of Owners' breach of this Agreement, the remedy provided in this Paragraph to City is cumulative and is in addition to any other remedies in law or equity that may be available to City. The election of one or more remedies shall not bar the use of other remedies unless the circumstances make the remedies incompatible. The waiver or failure to enforce any breach hereof shall not be construed as a waiver of or bar to enforcement of subsequent breaches.

5. To the extent permitted by law, Owner agrees to and does hereby waive any and all rights it may have under law to challenge the payment of the City taxes and fees as provided for in Paragraphs 2 and 3 above. In the event, for whatever reason, Owner at any time contests, protests, or files any action in state or Federal court to invalidate the applicability of said fees and taxes to Owner, then, this Agreement shall immediately terminate and shall be of no further force and effect.

6. Owner shall comply with all water use rules and regulations as set forth in the Modesto Municipal Code.

7. Owner shall pay water service charges and water main connection charges as set forth in the Modesto Municipal Code.

8. If the necessary water mains or services or appurtenances do not exist to provide water service to the property, City and Owner shall comply with the requirements of the Modesto Municipal Code and the City of Modesto Engineering Standard Specifications for the installation of necessary water mains and

appurtenances thereto. The necessary water mains, services and appurtenances shall be installed by either City or Owner, as set forth in said requirements, to provide water service to the above property. In no event, will City be obligated to pay the initial cost of any such water mains, services or appurtenances at the direction of Owner. Rather, City agrees to use the procedures, methods, timing and other criteria set forth in its written authorities to provide water service to Owner at the good faith convenience of the City. Owner may accelerate the process of receiving water service from City by agreeing in a subsequent agreement to pay the facilities installation costs of such services in advance of their installation, subject to reimbursement pursuant to the aforementioned written authorities.


9. It is distinctly covenanted and agreed by the parties hereto that this Agreement shall be recorded and that all the covenants and agreements expressed above shall be held to run with the and bind the above described land and all subsequent owners and occupants thereof.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has caused this Agreement to be executed in duplicate by its City Manager and attested by its City Clerk pursuant to Modesto Municipal Code 11-1.05 (b) and City Ordinance No. 3611-C.S., adopted on the 9<sup>th</sup> day of December, 2014, and OWNER has caused this agreement to be duly executed.

**CITY:**

CITY OF MODESTO,  
a California municipal corporation

By: \_\_\_\_\_

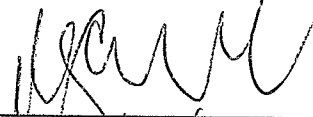
  
JOSEPH P. LOPEZ  
City Manager

**OWNER:**

GREWAL RE HOLDINGS LLC a California  
Limited Liability Company

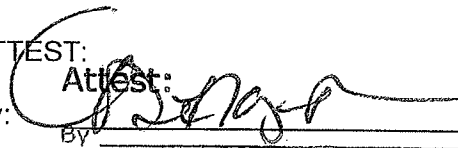
By: \_\_\_\_\_

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

  
Mani Grewal  
Owner


ATTEST:

By: \_\_\_\_\_

  
Diane Nayares-Perez, CMC, City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_

  
JOSE M. SANCHEZ  
City Attorney

APPROVED AS TO SUFFICIENCY:

By: \_\_\_\_\_

  
JAYLEN FRENCH  
Director, Community & Economic  
Development Department

## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Stanislaus )

On 4/27/2022 before me, Heather Rayne Jones Notary Public  
(insert name and title of the officer)

personally appeared Joseph P. Lopez  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Heather Rayne Jones (Seal)



## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Stanislaus

On January 20, 2022 before me, Albina Rojas (Notary Public)  
(insert name and title of the officer)

personally appeared Manmeet S. Grewal  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

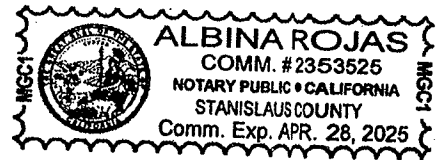
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Albina Rojas

(Seal)



## AGREEMENT TO WAIVE PROTEST TO ANNEXATION PROCEEDINGS

This Agreement, made and entered into in the City of Modesto, County of Stanislaus, State of California, this 6<sup>th</sup> day of April, 2022, by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter called "CITY", and GREWAL RE HOLDINGS LLC a California Limited Liability Company, hereinafter called "OWNER".

This Agreement is made with reference to the following recitals:

1. CITY and OWNER entered into an Outside Service Agreement on April 6<sup>th</sup>, 2022 (hereinafter "OSA"). That OSA required OWNER to do any and all acts necessary to annex the following described property to CITY when requested to do so by CITY:

Address: 6942 ST. JOHN ROAD

APN: 004-076-003

See "Exhibit A" for complete parcel description.

2. In reliance on the promise related in the next preceding paragraph, the CITY retained the right to terminate its OSA and disconnect water service to the above-described property, refuse to provide water service to it, and/or seek other remedies against Owner, in the event that OWNER did not take all actions necessary to annex its property to CITY.

3. Pursuant to Government Code Section 57051, OWNER has the legal right to file a written protest either as an owner of land or as a registered voter within inhabited territory proposed to be annexed to CITY against annexation of that territory.

4. CITY and OWNER agree that the right described in the next preceding paragraph is an advantage of law intended solely for Owner's benefit, and not a law established for a public reason which cannot be waived or circumvented by agreement.

5. OWNER agrees and represents that if the right described in paragraph 3 is jointly held, it has the sole authority to exercise that right, and that OWNER will maintain such sole authority throughout the life of this agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto mutually agree as follows:

A. OWNER agrees that all of the foregoing recitals are factually true.

B. OWNER agrees to and does hereby, waive any and all rights, whether jointly or severally held, to do any act authorized by Government Code Section 57051 to the full extent allowed by Civil Code Section 3513.

C. OWNER understands and agrees that this Agreement to waive protest rights does not in any manner amend or alter the OSA.

D. In consideration of OWNER'S agreements contained herein, CITY agrees to accept this waiver as a partial discharge of OWNER'S duties and obligations under the OSA, with respect to OWNER'S duty thereunder to do all things necessary to annex its property to the CITY when requested to do so by CITY.

IN WITNESS WHEREOF, the CITY OF MODESTO, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attested by its City Clerk on the 6<sup>th</sup> day of April, 2022 and OWNER has executed the Agreement the day and year first above written.

**CITY:**

CITY OF MODESTO,  
a California municipal corporation

By: \_\_\_\_\_

JOSEPH P. LOPEZ  
City Manager

**OWNER:**

GREWAL RE HOLDINGS LLC a California  
Limited Liability Company

By: \_\_\_\_\_

Date 01/20/22

ATTEST:

Attest: \_\_\_\_\_

By: \_\_\_\_\_

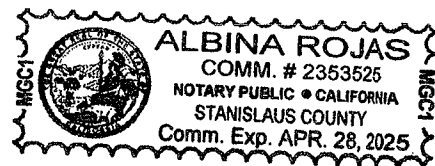
Diane Mayares-Perez, CMC, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: \_\_\_\_\_

JOSE M. SANCHEZ  
City Attorney



## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Stanislaus )

On 4/27/2022 before me, Heather Rayne Jones, Notary Public  
(insert name and title of the officer)

personally appeared Joseph P. Lopez,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Heather Rayne Jones (Seal)



## ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Stanislaus )

On January 10, 2022 before me, Albina Rojas (Notary Public)  
(Insert name and title of the officer)

personally appeared Manmeet S Grewal  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (s) are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
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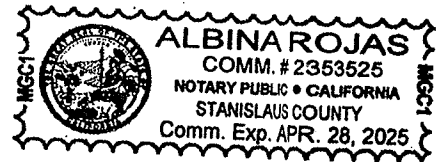
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Al Rojas

(Seal)



**EXHIBIT "A"**

**PARCEL ONE**

**ALL THAT REAL PROPERTY SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:**

**THE SOUTH 200 FEET OF THE EAST 225 FEET OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN.**

**ALL THAT REAL PROPERTY SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:**

**PARCEL TWO**

**THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29; AND THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29; ALL IN TOWNSHIP 2 SOUTH, RANGE 9 EAST, M. D. B. & M.**

**EXCEPTING THEREFROM THE RIGHT OF WAY OF THE TIDEWATER AND SOUTHERN RAILWAY COMPANY AS NOW LOCATED ALONG WEST LINE OF ABOVE DESCRIBED LAND.**

**ALSO EXCEPTING THEREFROM THAT CERTAIN PIECE OR PARCEL OF LAND SITUATE LYING AND BEING IN THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 9 EAST, M. D. B. & M., DESCRIBED AS FOLLOWS:**

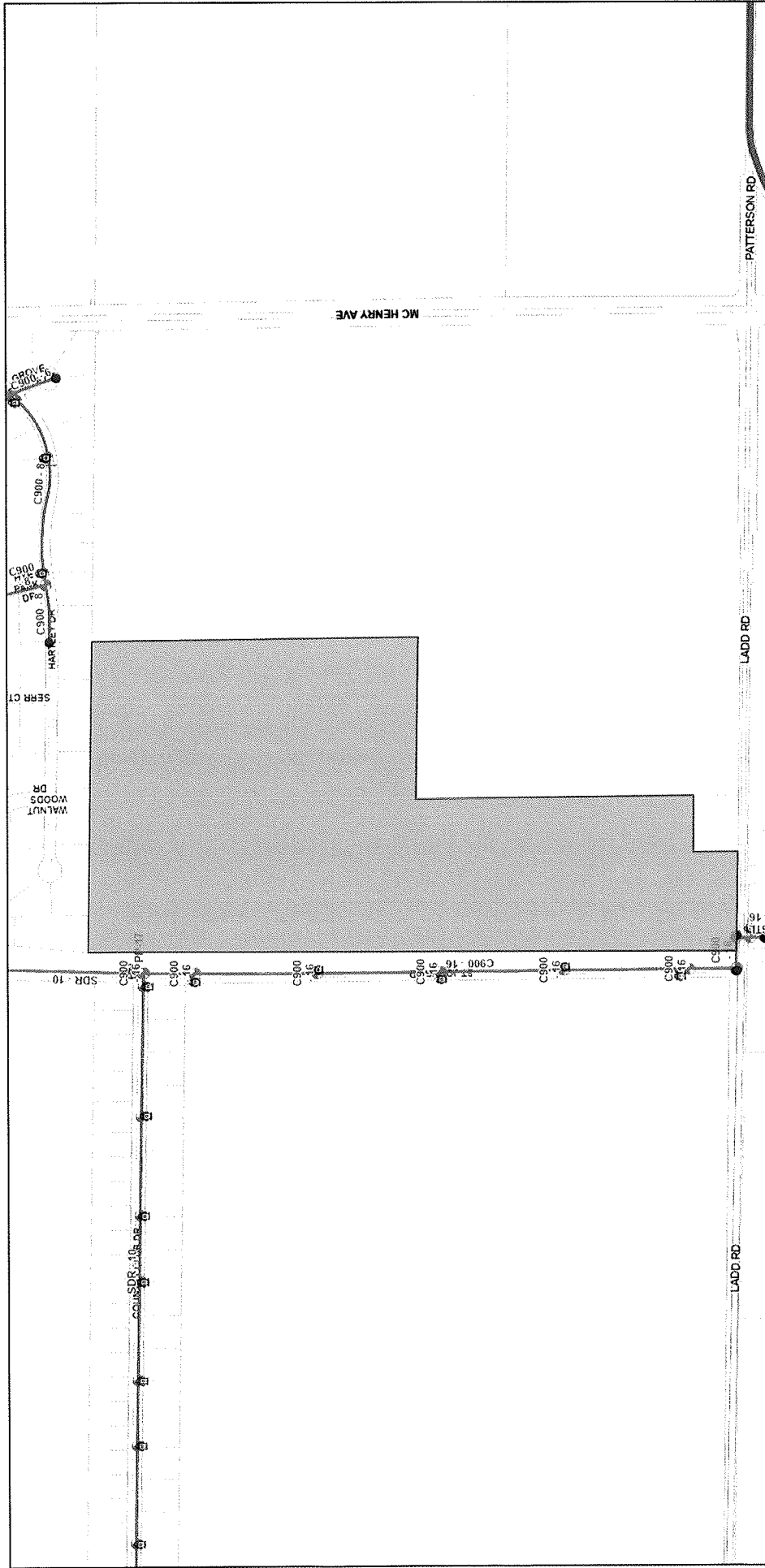
**COMMENCING AT THE QUARTER CORNER OF THE NORTH LINE OF SAID SECTION 29 AND RUNNING THENCE ALONG THE NORTH LINE SOUTH 87° 22' EAST, A DISTANCE OF 30.01 FEET TO THE POINT OF BEGINNING, CROSSING THE MAIN TRACK OF TIDEWATER AND SOUTHERN RAILWAY COMPANY AS NOW CONSTRUCTED, A DISTANCE OF 21.06 FEET; THEREONFROM THE QUARTER CORNER AND SAID POINT OF BEGINNING, BEING ALSO THE EASTERLY LINE OF THAT CERTAIN TRACT OF LAND CONVEYED TO JOHN A. MEHLING AND JOHN A. MEHLING, TRUSTEE BY DEED FROM EMMA PARKER DATED MARCH 12, 1909 AND RECORDED DECEMBER 8, 1911, IN VOLUME 163 OF DEEDS, PAGE 230, STANISLAUS COUNTY RECORDS, RUNNING THENCE ALONG SAID NORTH LINE OF SAID SECTION 29, SOUTH 87° 22' EAST A DISTANCE OF 16.05 FEET TO A POINT; THENCE SOUTHWESTERLY IN A STRAIGHT LINE A DISTANCE OF 210.61 FEET TO A POINT IN SAID EAST LINE OF TRACT CONVEYED TO JOHN MEHLING, THENCE NORTH ALONG SAID LINE 1° 17' 45" WEST, A DISTANCE OF 210 FEET TO THE POINT OF BEGINNING.**

**ALSO EXCEPTING THEREFROM THE SOUTH 200 FEET OF THE EAST 225 FEET OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 2 SOUTH, RANGE 9 EAST, M. D. B. & M.**

**APN: 004-076-002 AND 004-076-003**

**\*\*\*END OF LEGAL DESCRIPTION\*\*\***

# ArcGIS Web Map



September 14, 2022

GPS Main Lines

MAIN LINE

FLUSH LINE

ABANDONED

GPS Leaks

GPS PressurePt

GPS Well

GPS Valves

BlowOff

JURISDICTION

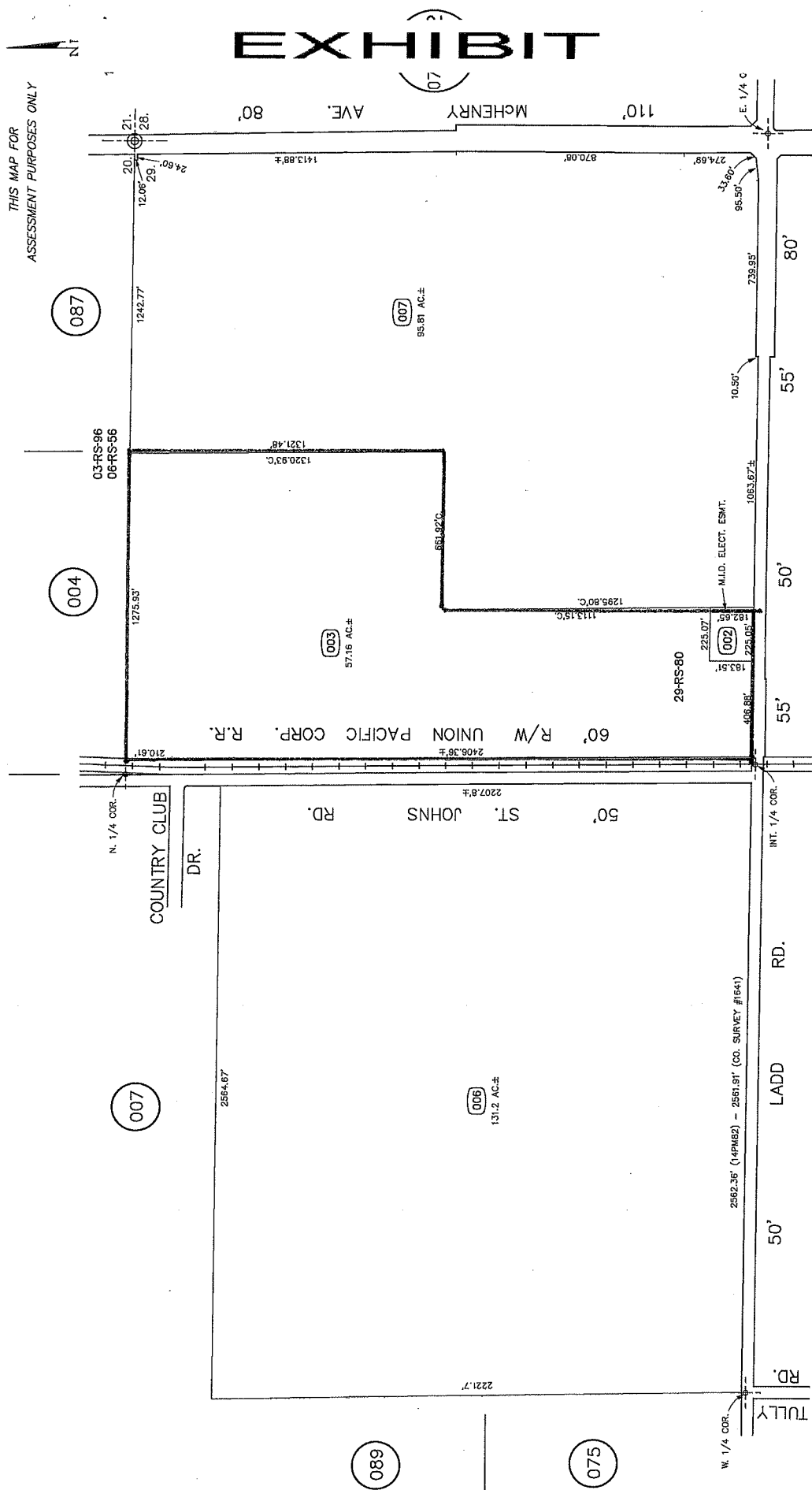
COUNTY

DO NOT TURN

GPS Fire Hydrants

098 001 004 - 076

004 - 076



**Stanislaus County Assessor**

FROM: 004--006  
DRAWN: 1-02-75  
REVISED: 11-14-88, 2-4-09 MF, 6-24-09 DH, 1-31-11 (V)MB, 1-15-20 MF, 9-11-20 MF

Copyright 2001 Stanislaus County-All rights reserved

## **EXHIBIT C**

### **Government Code Section 56133**

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## **Government Code Section §56133**

- (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.
- (b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.
- (c) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:
  - (1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
  - (2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.
- (d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, 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, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
- (e) This section does not apply to any of the following:
  - (1) Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.
  - (2) This section does not apply to the transfer of nonpotable or nontreated water.
  - (3) The provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.

- (4) An extended service that a city or district was providing on or before January 1, 2001.
- (5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.
- (6) A fire protection contract, as defined in subdivision (a) of Section 56134.
- (f) This section applies only to the commission of the county in which the extension of service is proposed. **(Amended by Stats. 2019, Ch. 20)**

## **EXHIBIT D**

### **LAFCO Policy 15**

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## **POLICY 15 - OUT-OF-BOUNDARY SERVICE CONTRACTS OR AGREEMENTS**

*(Amended January 24, 2018)*

Government Code Section 56133 (Cortese-Knox-Hertzberg Act) specifies that a city or special district must apply for and obtain LAFCO approval before providing new or extended services outside its jurisdictional boundaries. The Commission will consider this policy in addition to the provisions of Government Code Section 56133 when reviewing out-of-boundary service extension requests.

- A. Pursuant to Government Code Section 56133(b), the Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries, but within its sphere of influence, in anticipation of a later change of organization. The Commission may authorize a city or district to provide new or extended services outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory in accordance with Government Code Section 56133(c).
- B. The Commission has determined that the Executive Officer shall have the authority to approve, or conditionally approve, proposals to extend services outside jurisdictional boundaries in cases where the service extension is proposed to remedy a clear health and safety concern for existing development.

In cases where the Executive Officer recommends denial of such a proposed service extension or where the proposal will facilitate new development, that proposal shall be placed on the next agenda for which notice can be provided so that it may be considered by the Commission. After the public hearing, the Commission may approve, conditionally approve, or deny the proposal.

- C. Considerations for Approving Agreements: Annexations to cities and special districts are generally preferred for providing public services; however, out-of-boundary service extensions can be an appropriate alternative. While each proposal must be decided on its own merits, the Commission may favorably consider such service extensions in the following situations:
  - 1. Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors.
  - 2. Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on adopted land use plans or other entitlements for use.
  - 3. Where public agencies have a formal agreement defining service areas provided LAFCO has formally recognized the boundaries of the area.
  - 4. Emergency or health related conditions mitigate against waiting for annexation.
  - 5. Other circumstances which are consistent with the statutory purposes and the policies and standards of the Stanislaus LAFCO.

- D. **Health or Safety Concerns:** The requirements contained in Section 56133(c) of the Government Code will be followed in the review of proposals to serve territory with municipal services outside the local agency's sphere of influence. Service extensions outside a local agency's sphere of influence will not be approved unless there is a documented existing or impending threat to public health and safety, and the request meets one or more of the following criteria as outlined below:
1. The lack of the service being requested constitutes an existing or impending health and safety concern.
  2. The property is currently developed.
  3. No future expansion of service will be permitted without approval from the LAFCO.
- E. **Agreements Consenting to Annex:** Whenever the affected property may ultimately be annexed to the service agency, a standard condition for approval of an out-of-boundary service extension is recordation of an agreement by the landowner consenting to annex the territory, which agreement shall inure to future owners of the property.
1. The Commission may waive this requirement on a case-by-case basis upon concurrence of the agency proposing to provide out-of-boundary services.
  2. The Commission has determined, pursuant to Government Code Section 56133(b) that the Beard Industrial Area shall not be subject to the requirement for consent-to-annex agreements, based on the historical land use of the area and its location within the Sphere of Influence of the City of Modesto.
- F. **Area-wide Approvals:** The Commission has recognized and approved extensions of sewer and/or water services to specific unincorporated areas, including the Bret Harte Neighborhood, Robertson Road Neighborhood, and the Beard Industrial Area. New development in these delineated unincorporated areas is considered infill and does not require further Commission review for the provision of extended sewer and/or water services. The Commission may consider similar approvals for area-wide service extensions on a case-by-case basis when it determines each of the following exists:
1. There is substantial existing development in the area, consistent with adopted land use plans or entitlements.
  2. The area is currently located within the agency's sphere of influence.
  3. The agency is capable of providing extended services to the area without negatively impacting existing users.
  4. The proposal meets one of the situations outlined in Section C of this Policy where extension of services is an appropriate alternative to annexation.

- G. In the case where a city or district has acquired the system of a private or mutual water company prior to January 1, 2001, those agencies shall be authorized to continue such service and provide additional connections within the certificated service area of the private or mutual water company, as defined by the Public Utilities Commission or other appropriate agency at the time of acquisition, without LAFCO review or approval as outlined in Government Code Section 56133. The continuation of service connections under this policy shall not be constrained by the sphere of influence of that local agency at that time. Proposals to extend service outside this previously defined certificated area would come under the provisions of Government Code Section 56133 for the review and approval by the Commission prior to the signing of a contract/agreement for the provision of the service.
- H. Exemptions: Consistent with Government Code Section 56133, this policy does not apply to:
1. Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.
  2. The transfer of non-potable or non-treated water;
  3. The provision of surplus water to agricultural lands and facilities, including but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.
  4. An extended service that a city or district was providing on or before January 1, 2001.
  5. A local publicly owned electrical utility, as defined by Section 9604 of the Public Utilities Code, providing electrical services that do not involve the acquisition, construction, or installation of electrical distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.
  6. A fire protection contract, as defined in Section 56134 and Policy 15a.

**EXECUTIVE OFFICER'S AGENDA REPORT  
OCTOBER 26, 2022**

**TO:** LAFCO Commissioners

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

**SUBJECT: MSR NO. 2022-05, SOI UPDATE 2022-05: MUNICIPAL SERVICE REVIEW AND  
SPHERE OF INFLUENCE UPDATE FOR THE RIVERDALE PARK TRACT  
COMMUNITY SERVICES 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 Riverdale Park Tract Community Services District in Stanislaus County. The previous update for the District was adopted May 24, 2017.

**DISCUSSION**

The Riverdale Park Tract Community Services District (RPTCSD) was organized in 1984 under §61000 et. seq. of the Government Code to provide domestic water service to the residents in the Riverdale Park Tract, an unincorporated area of approximately 58 acres. The District is considered a "registered voter district," as board members are elected by the registered voters residing in the District's boundaries.

The Municipal Service Review and Sphere of Influence Update process provides an opportunity for districts to share current data, status of projects, and information regarding the services they provide. LAFCO requested information from Stanislaus County, Self-Help Enterprises (on behalf of the District), and the City of Modesto as part of the research for this update. Once this data was collected, a revised Municipal Service Review and Sphere of Influence Update document was drafted.

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

Since the previous update, the District has encountered a number of challenges related to governance, financial resources, and water quality. These are discussed in the MSR/SOI Update and summarized below.

**Governance**

The District's Board of Directors has historically struggled with issues related to governance of the District. The District has struggled with utilizing parliamentary procedures, lack of bylaws on how to conduct meetings, maintaining order at meetings, providing agendas and minutes, Brown Act violations and other administrative issues.

The District has taken steps to address some of these items. The Board has received assistance and training from various Stanislaus County departments and Self-Help Enterprises relating to governance of the District.

### Financial Resources

In 2019, the District increased its rates to \$30/month for all water connections and an emergency rate of \$74/month. The rates are intended to sustain the water system until a permanent connection with the City of Modesto's water system is complete. Currently, the District's expenses are greater than its revenue. The financial shortfall may be a result of COVID-19 impacts, customers failing to pay, and the need for an additional rate increase to cover all costs. The District is currently seeking financial aid from the State for an emergency repair and may need to institute its emergency rate.

### Water Quality

Historically, Well 03 has exceeded the State's Maximum Contamination Level (MCL) for uranium. In 2016, the Stanislaus County Department of Environmental Resources (DER) issued a compliance order (No. DER-16CO-002), requiring that the District provide a Corrective Action Plan to bring the system into compliance.

In September of 2022, the RPTCSD notified Stanislaus County that the District's water supply had exceeded allowable levels of perfluorooctanesulfonic (PFOS) and perfluorooctanoic acid (PFOA). Health and Safety Code §116455 requires that the District inform the governing body of any local agency whose jurisdiction includes the areas supplied with drinking water by the District.

The District has partnered with Self-Help Enterprises for assistance on bringing the District into compliance with its compliance order through a Corrective Action Plan.

### Consolidation<sup>1</sup>

California Health and Safety Code §116682 grants the State Water Resources Control Board (SWRCB) authority to mandate consolidations of water systems where one system has consistently failed to provide drinking water meeting State standards. Following completion of a feasibility study, the consolidation process begins with the SWRCB first requesting that the two water systems voluntarily consolidate and, if not completed, SWRCB can mandate consolidation.

A consolidation agreement has been approved by the City of Modesto and RPTCSD and both agencies are currently in the process of voluntarily consolidating water services. Consolidation will include the replacement of water mains, valves, fittings, and fire hydrants, where required. It is expected that the project will replace an existing 8-inch water main with approximately 1,500 linear feet of 12-inch water main along Hatch Road to provide additional supply to the community and replace approximately 8,000 linear feet of existing 6-inch with 8-inch mains along additional streets. Water main replacements would occur within approximately 9,400 linear feet of the pipeline and would extend through most public streets within the community. The project also includes destruction of the RPTCSD's two existing wells.

Once the project is completed and accepted, residents will then become City of Modesto water customers. As part of the consolidation process, dissolution of the District is contemplated and

---

<sup>1</sup> "Consolidation" as used in the Health and Safety Code and referenced in the Municipal Service Review means the combining of a failing public water system (a subsumed system) by a receiving public water system that has a reliable supply of drinking water and improved managerial and technical ability. This differs from the LAFCO definition of "consolidations" which refers to the joining of two agencies into a new agency.

recommended as it will no longer be a provider of services to the area.

#### Municipal Service Review Determinations

Staff has completed a Municipal Service Review (MSR) for the RPTCSD (attached as Exhibit A). The document contains multiple factors for the Commission's review and describes the District and City's current consolidation efforts. Determinations have been included in the document in anticipation of the District's dissolution, as the action must be consistent with an adopted Municipal Service Review. Dissolution will occur as a separate public hearing of the Commission, in coordination with the City of Modesto, as the water system consolidation project progresses.

#### 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, because no changes are being made to the existing sphere of influence, the review 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 Riverdale Park Tract Community Services 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 Riverdale Park Tract Community Services District. Therefore, Staff recommends that the Commission adopt Resolution No. 2022-12 (Exhibit B), which:

1. Determines that the Municipal Service Review and Sphere of Influence Update qualifies for

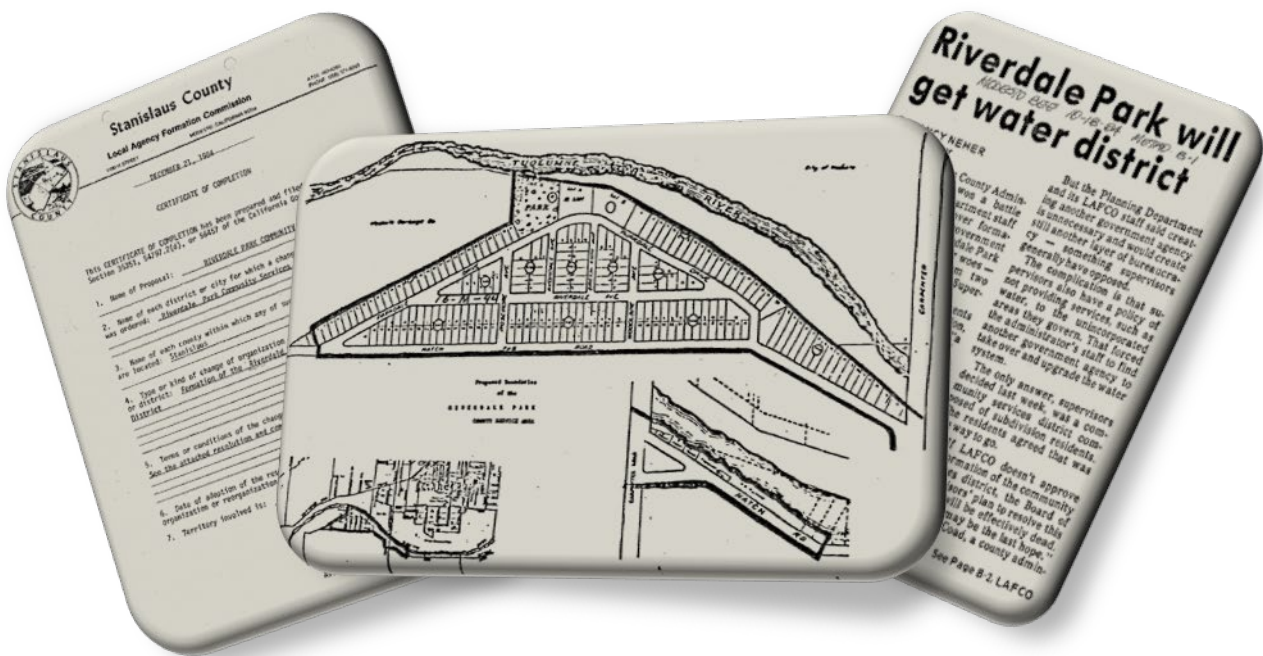
- a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulations Sections 15306 and 15061(b)(3).
2. Makes determinations related to the Municipal Service Review and Sphere of Influence Update as required by Government Code Sections 56425 and 56430.
  3. Determines that no changes of the Sphere of Influence for Riverdale Park Tract Community Services District are being proposed.
  4. Directs Staff to circulate the subject resolution depicting the District's adopted Sphere of Influence to all affected agencies.

*Attachments:*

Exhibit A - Draft Municipal Service Review and Sphere of Influence Update for the Riverdale Park Tract Community Services District

Exhibit B - Draft Resolution No. 2022-12 (Riverdale Park Tract Community Services District)

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



## **RIVERDALE PARK TRACT COMMUNITY SERVICES DISTRICT**

**Prepared By:**

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

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

---

# **STANISLAUS**

## **LOCAL AGENCY FORMATION COMMISSION**

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### **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 Riverdale Park Tract Community Services District**

## **Introduction**

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

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

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

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

This Service Review will analyze the Riverdale Park Tract Community Services District. The most recent Sphere of Influence (SOI) update for the 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 also proposes no changes to 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 – Riverdale Park Tract Community Services District**

## **Authority**

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

## **Background**

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

## **Purpose**

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

## **Governance**

Five Board members, elected by the registered voters within the District boundaries, govern the District. Meetings are held on the first Thursday of each month at 4:00 p.m. at the Veterans of Foreign Wars (VFW) Hall located at 2801 W. Hatch Rd.

## **Formation**

The Riverdale Park Tract Community Services District was formed on December 18, 1984. The District was formed to replace County Service Area (CSA) No. 3. The CSA had been inactive since its inception in 1982. LAFCO dissolved CSA No. 3 on April 27, 2016, under Resolution No. 2016-07.

## **Location and Size**

The District is located in rural Stanislaus County, southwest of the City of Modesto and is defined by the Tuolumne River on the north, Parkdale Drive on the west, Hatch Road on the south and Carpenter Road on the east. The District encompasses an area of approximately 58 acres.

## **Sphere of Influence**

The District's Sphere of Influence is coterminous with its current boundaries. The entire District's boundaries are within the City of Modesto's Sphere of Influence. This overlap ultimately contemplates that the entirety of the Riverdale Park Tract will be annexed into Modesto at some point in the future. In the interim, if City annexations of District territory are piecemeal, operational problems could result for both the District and the City.

The City of Modesto's General Plan includes the Riverdale Park Tract Community Services District (RPTCSD), and designates the area for residential land uses, which is consistent with the County's General Plan designations.

## **Personnel**

The District does not have any direct employees. It utilizes independent contractors for its secretarial, accounting and water operator services.

## **Classification of Services**

The District is authorized to provide the functions or classes of services (e.g. 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 not currently provided

## **Services**

The District was formed for the purpose of providing domestic water services to the residents of the unincorporated Riverdale Park Tract community. The District operates one groundwater well and storage tanks, with emergency back-up provisions from the City of Modesto.

## **Support Agencies**

Self-Help Enterprises, a non-profit entity, has been assisting the District with a plan to bring the water system into compliance with State and local regulations. The District is currently in the process of a water system consolidation project with the City of Modesto.

## **Funding Sources**

The District's main source of revenue is derived from monthly service charges and connection fees. In 2019, the District approved a rate increase from \$25 to \$30 in compliance with Proposition 218. An emergency rate of \$74 was also approved should the community well fail or be out of compliance. The emergency rate is intended to cover the cost to use the City of Modesto emergency connection if needed.

## **Service Review Determinations:**

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

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

The District serves a small, rural residential subdivision known as the Riverdale Park Tract. The area is designated as Rural Residential in the Stanislaus County General Plan. No significant population growth is expected within the District in the near future. The District currently serves approximately 178 water service connections with a population of approximately 500.

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

Based on annual median household income, the area within Riverdale Park Tract Community Services District (RPTCSD) is considered a Disadvantaged Unincorporated Community (DUC) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000. Directly north of and across the Tuolumne River from the RPTCSD is the West Modesto DUC. No additional DUCs have been identified within or contiguous to the District's sphere of influence.

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

The Riverdale Park Tract Community Services District (RPTCSD) provides potable water to approximately 500 residents through 178 residential connections. The water system is classified as a Small Community Water System (SCWS) and has one active groundwater well referred to as Well 03, constructed in 1981. The RPTCSD water supply system also includes a second well that is inactive and inoperable. Parcels within the District currently utilize private septic tanks for sewer systems and fire protection service is provided by the Burbank Paradise Fire Protection District.

The District's water source is from one groundwater well that must be continually monitored in order to meet state water quality regulations. The RPTCSD has an alternative source of water supply that consists of an emergency connection to the City's water system. The emergency connection was installed in 1993 and delivered water during the 1997 floods. At this time, the emergency connection to the City needs backflow repairs and is not functioning properly.

The District's Well 03 has periodically exceeded the State Maximum Contamination Level (MCL) for uranium, as specified in the Domestic Water Quality and Monitoring Regulation, Chapter 15, Title 22, California Code of Regulations. In 2016, DER issued a Compliance Order (No. DER-16CO-002), requiring that the District provide a Corrective Action Plan to bring the system into compliance.

The State provided technical assistance funding to conduct a Feasibility Study for the District, administered by Self-Help Enterprises. The Feasibility Study was completed in 2018 and evaluated four alternatives to mitigate the water quality issues: 1) construct a new well, 2) construct a treatment system, 3) blend with a new water source, or 4) connect to the City of Modesto's water system (on a permanent basis). Due to cost concerns, a uranium treatment system was ruled out and the State did not see long-term reliability in a water system with a new single-well as a viable solution, even if a new well could produce potable water. As a result, the City of Modesto was approached with the solution to consolidate the District's water system and become the sole water provider for Riverdale.

Uranium concentrations in the groundwater have remained below the Maximum Contaminant Level since August 2016; however, the DER and the State Water Resources Control Board (SWRCB) are requiring the RPTCSD address the uranium violations in the long term. More recently, the water has exceeded allowable levels of perfluorooctanesulfonic (PFOS) and perfluorooctanoic acid (PFOA). Monitoring of these chemicals is mandated by the State Water Resources Control Board, Division of Drinking Water.

Health and Safety Code §116682 authorizes the State Water Resources Control Board (SWRCB) to mandate consolidations<sup>1</sup> of water systems where one system has consistently failed to provide drinking water meeting State standards. The consolidation process begins with the SWRCB first requesting that the two water systems voluntarily consolidate. The SWRCB provides specific timelines for this to occur and, if not completed, can mandate the consolidation. The SWRCB's mandate also extends to LAFCO actions, requiring LAFCO to process and approve an application to effectuate the consolidation (e.g., an out-of-boundary application or annexation). A consolidation agreement has been approved by the City of Modesto and RPTCSD.

In 2019, the City conducted additional water system hydraulic analysis to identify specific capital improvement program projects (CIPs) necessary to serve the Riverdale Park Tract. The analysis identifies the need for a new 12-inch water main in W. Hatch Road to replace the existing 8 inch pipe and upsize all existing 6 inch mains within the Community 8 inch. In total, approximately 9,500 feet of existing pipe (approximately 80% of the water system) will need to be replaced.

The RPTCSD is currently in the process of consolidating its water services with the City of Modesto and is working with the City on a grant application with the State for the required improvements. The State has indicated that it expects to award this project. Pending State approval, construction of improvements will begin. Once the project is completed and accepted, residents will then become City of Modesto water customers.

The District has received Technical Assistance grants through the Prop 1 and Safer TA programs and is currently applying for emergency funding to continue District repairs and maintenance until consolidation with the City of Modesto is complete. In addition, the RPTCSD has increased usage rates to strengthen the stability of the water system until

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<sup>1</sup> "Consolidation" as used in the Health and Safety Code and referenced in this Municipal Service Review means the combining of a failing public water system (a subsumed system) by a receiving public water system that has a reliable supply of drinking water and improved managerial and technical ability. This differs from the LAFCO definition of "consolidations" which refers to the joining of two agencies into a new agency.

consolidation has been finalized. The RPTCSD continues to maintain the water system and will assist the community in transitioning to the City's water system.

Consolidation of District's water services with the City of Modesto will result in the District no longer providing water services. The City of Modesto is a full-service provider which has the capacity to provide water, sewer, fire, police, roads and maintenance, and additional services associated with an incorporated city. Once consolidation occurs and the District is no longer providing its sole service (water), LAFCO policies support dissolution of the District. Likewise, the RPTCSD, Self-Help, and City of Modesto have each recognized dissolution of the RPTCSD as part of the consolidation process.

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

According to 2017-2018 Stanislaus County Civil Grand Jury Case #18-25C the Riverdale Park Tract Community Services District's (RPTCSD) operating reserves have significantly decreased in recent years. Monthly water rates, which were \$25 for residential uses and \$50 for business uses, had not increased since the District was established in 1984.

In 2019, the District increased its rates to \$30 for all connections. An emergency rate of \$74 was also approved should the District need to use the City of Modesto emergency connection. The rate is intended to sustain the water system until the consolidation project is completed and the community residents become City of Modesto water service customers. Currently, the District's expenses are greater than its revenue. The financial shortfall may be a result of COVID-19 impacts, customers failing to pay, and the need for an additional rate increase to cover all costs.

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

As mentioned previously, the District has a connection to the City of Modesto for water to be used in emergency situations only. However, at this time the emergency connection to the City needs backflow repairs and is not functioning properly.

Currently, consolidation of water services with the City of Modesto is in the design phase. The project will replace and upgrade the Riverdale Park Tract Community Services District (RPTCSD) water system and tie into the City's water system near the intersection of Hatch and Carpenter Roads. The project includes the replacement of water mains, valves, fittings, and fire hydrants, where required. The project also includes destruction of the RPTCSD's two existing wells.

Upon completion of these improvements, the City will install meters in the service connection boxes throughout the neighborhood. As part of the water system consolidation, dissolution of the District will be proposed.

The District does not share any facilities with other districts or agencies.

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

A five-member Board of Directors, elected by the registered voters, governs the District.

The Riverdale Park Tract Community Services District was included as part of the 2017-2018 Stanislaus County Civil Grand Jury Report (Case #18-25C). The Grand Jury Report noted a number of findings related to governance including the Board of Directors not having any bylaws on how to conduct meetings, failure to properly post monthly meetings to the public, chairman having no control of meetings, agendas and minutes not being provided to the general audience, other Brown Act violations and other findings related to conduct at meetings. The Grand Jury report also mentioned that operating expenses are outpacing revenues and significantly reducing operating reserves.

The Grand Jury Report recommended training and support for the District related to operating an effective board, the Brown Act, parliamentary procedures, team building and conducting effective meetings. The Report also recommended the adoption of bylaws for conducting business and creating a website for transparency. Last, the Report recommended residential and business water rates be increased to maintain a positive cash flow position.

The District's Board of Directors has since taken steps to address the items mentioned in the Grand Jury Report. The Board has received assistance and training from both Stanislaus County and Self Help Enterprises on accounting processes, running meetings, project management, and agency management. The District has also raised its water rates to increase cash flow.

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

The District is receiving assistance from Self Help Enterprises, a non-profit community development organization, on its Corrective Action Plan. Self Help Enterprises, the Riverdale Park Tract Community Services District and the City of Modesto all support consolidation of the District with the City for water services.

## **Sphere of Influence Update for the Riverdale Park Tract Community Services District**

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

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

This document proposes no changes to the District's existing Sphere of Influence. A map of the current District boundary and Sphere of Influence is attached.

Currently, the RPTCSD is in the process of consolidating water services with the City of Modesto. As part of consolidation, dissolution of the District will be proposed and the Sphere of Influence will be removed. Until staff processes an application for dissolution of the District, the sphere of influence will remain.

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

### **Determinations:**

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

The District's Sphere of Influence (SOI) encompasses a land area of approximately 58 acres and is coterminous with its boundaries. Territory within the District consists of rural residential land uses, which are not expected to change. In addition, the District does not have the authority to make land use decisions, nor does it have the authority over present and planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by the County, which consults with the City of Modesto, as the area lies within the boundary of the City's Sphere of Influence.

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

The present and probable need for this service is not expected to change, as the District was formed to provide water service within its boundary.

The District's water has periodically exceeded the Maximum Contamination Level (MCL). In order to remedy this, the District and City of Modesto are currently in the process of consolidating water services. Consolidation will provide the District with an efficient, dependable and compliant water source.

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

The District's water has periodically exceeded the Maximum Contaminant Level for uranium produced by Well 03. As mentioned previously, the District and City of Modesto are currently working on consolidation of water services to allow the City of Modesto to provide water to the District. Dissolution of the district will be part of the consolidation process.

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

The Riverdale Park Tract was created by a County-approved subdivision map in 1947 and is the only community within the boundaries of the District. The District's boundaries are also fully within the City of Modesto's Sphere of Influence.

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

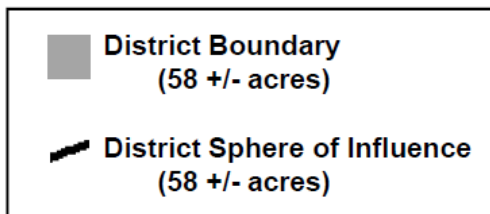
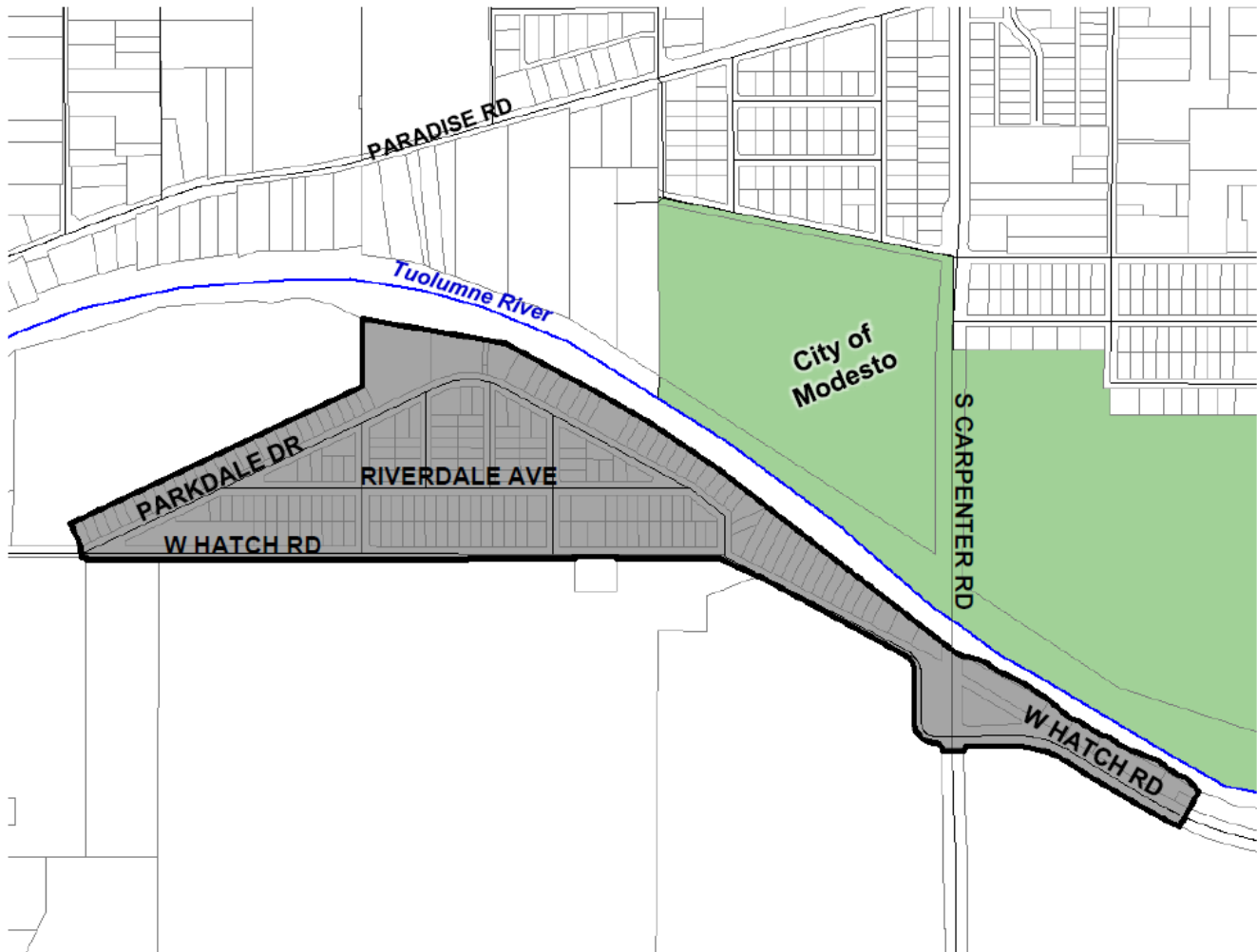
The Riverdale Park Tract is identified as a Disadvantaged Unincorporated Community (DUC) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000.

The Riverdale Park Tract Community Services District provides municipal water service for the District. Additional services, such as sewer and structural fire protection, are provided through other special districts or by way of private systems.

## **DISTRICT SUMMARY PROFILE**

District:	<b>RIVERDALE PARK TRACT COMMUNITY SERVICES DISTRICT</b>
Location:	Southwest of the City of Modesto, south of the Tuolumne River
Service Area:	Approximately 58 acres
Population:	500 persons (estimate)
Land Use:	Rural Residential
Date of Formation:	December 18, 1984
Enabling Act:	California Government Code, Section 61000, et. seq.
Governing Body:	Five Member Board of Directors, elected by the registered voters within the District
District Services:	Domestic Water
Total Income:	\$67,195 (2021-2022)
Revenue Sources:	Monthly service fees and connection fees

# RIVERDALE PARK TRACT COMMUNITY SERVICES DISTRICT BOUNDARIES AND SPHERE OF INFLUENCE



Source -- LAFCO files  
Date: April 2009



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## REFERENCES

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1. Previous MSR/SOI Update for the Riverdale Park Tract Community Services District, Adopted by LAFCO on May 24, 2017.
2. California State Controller's Office, "Special Districts Annual Report", April 26, 2011.
3. City of Modesto – Initial Study / Mitigated Negative Declaration for the Riverdale Park Tract Community Services District Water System Consolidation Project, Modesto, Stanislaus County, California, Prepared by SWCA Environmental Consultants, January 2022.
4. 2017-2018 Stanislaus County Civil Grand Jury Report – "Is Modesto City Water in Riverdale's Future?", Case #18-25C.
5. "Central Valley continues marathon fight for clean water", Sacramento Bee article, August 19, 2009.
6. Riverdale Park Tract Community Services District – Profit and Loss Budget vs. Actual July 2021 through June 2022.
7. "Isolated Stanislaus County enclave struggles with search for clean water", Modesto Bee article, January 18, 2010.
8. Stanislaus County adopted 2015-2023 Housing Element.
9. Stanislaus County Civil Grand Jury Special District Audit Requirement, Case #11-32GJ.
10. U.S. Environmental Protection Agency website ([www.epa.gov/safewater](http://www.epa.gov/safewater)).

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**STANISLAUS COUNTY LOCAL AGENCY  
FORMATION COMMISSION**

**RESOLUTION**

**DATE:** October 26, 2022

**NO.** 2022-12

**SUBJECT:** MSR No. 2022-05 and SOI Update No. 2022-05 – Making Written Determinations and Approving the Municipal Service Review and Sphere of Influence Update for the Riverdale Park Tract Community Services District

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

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

**THE FOLLOWING RESOLUTION WAS ADOPTED:**

**WHEREAS**, 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 Riverdale Park Tract Community Services 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 October 26, 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 Sections 15306 and 15061(b)(3) of the State CEQA Guidelines;

**WHEREAS**, Staff has reviewed all existing and available information from the District and has prepared a report including recommendations 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 Riverdale Park Tract Community Services District and the determinations contained therein;

**WHEREAS**, the Riverdale Park Tract Community Services District was established to provide domestic water services within its boundaries;

**WHEREAS**, pursuant to Government Code Section 56425(h), the range of services provided by the Riverdale Park Tract Community Services 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 Sections 15306 and 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 Riverdale Park Tract Community Services District Sphere of Influence, and written determinations prepared by the Staff and contained herein.
3. Determines that except as otherwise stated, no new or different function or class of services shall be provided by the District, unless approved by the Commission.
4. Determines, based on presently existing evidence, facts, and circumstances filed and considered by the Commission, that no changes for the Sphere of Influence for the Riverdale Park Tract Community Services District, 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 Riverdale Park Tract Community Services District.

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