



**STANISLAUS LAFCO
LOCAL AGENCY FORMATION COMMISSION**

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

**AGENDA
Wednesday, September 27, 2023
6:00 P.M.
Joint Chambers—Basement Level
1010 10th Street, Modesto, California 95354**

- Members of the public may attend this meeting in person.
- You can also observe the live stream of the LAFCO meeting at:
<http://www.stancounty.com/sclive/>
- In addition, LAFCO meetings are broadcast live on local cable television. A list of cable channels is available at the following website:
<http://www.stancounty.com/planning/broadcasting.shtm>

1. CALL TO ORDER

- A. Pledge of Allegiance to the Flag.
- B. Introduction of Commissioners and Staff.

2. PUBLIC COMMENT PERIOD

This is the period in which persons may comment on items that are not listed on the regular agenda. All persons wishing to speak during this public comment portion of the meeting are asked to fill out a "Speaker Card" and provide it to the Commission Clerk. Each speaker will be limited to a three-minute presentation. No action will be taken by the Commission as a result of any item presented during the public comment period.

3. 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

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

A. **MINUTES OF THE JULY 26, 2023, LAFCO MEETING**
(Staff Recommendation: Accept the Minutes.)

B. **PROPOSED LAFCO MEETING CALENDAR 2024**
(Staff Recommendation: Accept the 2024 Meeting Calendar.)

C. **SELECTION OF AN INDEPENDENT AUDITOR FOR THE BIENNIAL AUDIT.**
(Staff Recommendation: Authorize the Executive Office to Execute a Professional Services Agreement with an independent auditor for completion of a biennial audit for fiscal years ending 2022 to 2023.)

D. **MUNICIPAL SERVICE REVIEW NO. 2023-03 AND SPHERE OF INFLUENCE UPDATE NO. 2023-03 – FOR THE NEWMAN DRAINAGE DISTRICT:** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Newman Drainage 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. 2023-09.)

E. **MUNICIPAL SERVICE REVIEW NO. 2023-04 AND SPHERE OF INFLUENCE UPDATE NO. 2023-04 – FOR THE OAKDALE IRRIGATION DISTRICT:** The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Oakdale 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. 2023-10.)

F. **LAFCO APPLICATION NO. 2023-03 & SPHERE OF INFLUENCE UPDATE NO. 2023-07 – CALIFORNIA TRUCK CENTER CHANGE OF ORGANIZATION TO COUNTY SERVICE AREA NO. 26 (KEYES):** The proposed project is a request to annex a commercial property totaling approximately 17.3 acres to County Service Area (CSA) 26 for the maintenance of curb, gutter, sidewalk, manholes and storm drains. The annexation to CSA 26 will also include a sphere of influence amendment. Stanislaus County, through its planning process, assumed the role of Lead Agency under the California Environmental Quality Act (CEQA) for the project. The County approved a Mitigated Negative Declaration. LAFCO, as a Responsible Agency, must consider the environmental documentation prepared by Stanislaus County. (Staff Recommendation: Approve the proposal and adopt Resolution No. 2023-12.)

6. PUBLIC HEARING

Any member of the public may address the Commission with respect to a scheduled public hearing item. Comments should be limited to no more than three (3) minutes unless additional time is permitted by the Chair. All persons wishing to speak are asked to fill out a "Speaker Card" and provide it to the Commission Clerk.

- A. **LAFCO APPLICATION NO. 2023-02 – HOFFMAN RANCH CHANGE OF ORGANIZATION TO THE DENAIR COMMUNITY SERVICES DISTRICT:** The proposed project is a request to annex approximately 15.9 acres to the Denair Community Services District in order to provide sewer and water services to a residential subdivision. Stanislaus County, through its planning process, assumed the role of Lead Agency, pursuant to the California Environmental Quality Act (CEQA), for the project. The County approved a Mitigated Negative Declaration for the project. LAFCO, as a Responsible Agency, will consider the environmental documentation prepared by the County as part of its action. (Staff Recommendation: Approve the proposal and adopt Resolution No. 2023-11.)

7. OTHER BUSINESS

None.

8. COMMISSIONER COMMENTS

Commission Members may provide comments regarding LAFCO matters.

9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

The Commission Chair may announce additional matters regarding LAFCO matters.

10. EXECUTIVE OFFICER'S REPORT

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

- A. On the Horizon.

11. ADJOURNMENT

- A. Set the next meeting date of the Commission for October 25, 2023.
B. Adjournment.

LAFCO Disclosure Requirements

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

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

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

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

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

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

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

IN THE NEWS

Newspaper Articles

- The Modesto Bee, August 9, 2023, “Ballot measure seeks to stop 2,400-home project that would expand Riverbank to McHenry.”
- The Modesto Bee, August 14, 2023, “District takes possession of tax-delinquent parcels at Diablo resort in Stanislaus County.”
- The Modesto Bee, August 24, 2023, “New TID reservoir near Keyes is tiny compared with Don Pedro. Here’s why it’s important.”
- Riverbank News, September 20, 2023, “Two Fire Protection District Meetings on the Schedule.”

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IN THE NEWS – The Modesto Bee, August 9, 2023

MID will sell excess river water to farmers who rely on wells. Price is more than expected.

By John Holland

The Modesto Irrigation District has approved a plan to sell excess Tuolumne River water to farmers just outside its boundaries who rely on wells.

The board voted 5-0 on Tuesday to charge \$200 per acre-foot for this water, more than double the staff proposal.

The supply will allow these farmers to reduce groundwater pumping as part of a state mandate for sustainable aquifers. It is expected to be available in seven out of the 20 years in the contracts.

MID has been selling excess water via board votes based on a single year's conditions. It happened this year as well as in 2019 and 2017.

Tuesday's vote allows farmers to make long-term investments in pipes and other devices for tapping MID canals.

"Groundwater is one of our treasures in this community," Director Robert Frobose said, "and we need to protect it for our next generations."

The staff estimated that up to 15,000 acres could get the water each year. MID's core service area is about 58,000 acres.

The Main Canal diverts the Tuolumne near La Grange, but most of the district lies well to the west. This bypassed zone has an aquifer long stressed by farm pumps.

The program allows out-of-district sales in years defined as wet or above normal. They will not happen when conditions are average or worse.

INITIALLY PROPOSED PRICE DREW CRITICISM

The staff had proposed charging \$80 for the first acre-foot and \$60 for each of the next three. An acre-foot is enough water to cover one acre a foot deep. Typical crops need three to four acre-feet over a growing season.

Critics said the price was too low. Many cited the adjacent Oakdale Irrigation District, which charges \$200 for an acre-foot of excess water from the Stanislaus River. It has been available in nine out of 10 years, much more often than MID's plan.

Frobose made the motion to bump the price to \$200 and got unanimous support.

The vote was 3-2 to approve the overall program. Directors Nick Blom and Janice Keating favored postponing the matter to the next meeting so other details could be fleshed out. Those details include the contract duration and whether some excess water should be held back to later in each irrigation season.

CALIFORNIA CONTENTS WITH MASSIVE FLOWS

Groundwater recharge has been much discussed as California deals with this year's massive runoff. It also is being done in restored river floodplains and in artificial percolation ponds.

IN THE NEWS – The Modesto Bee, August 9, 2023, Continued

Even with all of that, the Tuolumne and other rivers carried plenty of water out to the Pacific Ocean. This was noted at the MID meeting by Julia Stornetta, general manager of the much smaller Stanislaus Mutual Water Co.

“This is water that is not being used right now,” she said. “... It is going out toward the Golden Gate Bridge and into the ocean right now.”

IN THE NEWS – The Modesto Bee, August 14, 2023

District takes possession of tax-delinquent parcels at Diablo resort in Stanislaus County

By Ken Carlson

The Western Hills Water District is taking possession of more than 75 mostly undeveloped properties at Diablo Grande after developers did not pay the Mello-Roos taxes.

The Aug. 3 property auction was held in downtown Modesto after the district prevailed in foreclosure lawsuits in Stanislaus Superior Court in January. The sale was a step in cleaning up a mess with tax-delinquent parcels at the resort development in western Stanislaus County.

Diablo Grande developer Angels Crossing LLC owed \$12.6 million in taxes on 13 parcels and \$668,910 on 63 other properties, while former developer World International owed \$219,200 on another parcel.

The civil division of the Stanislaus County Sheriff's Office accepted Western Hills' "credit bid" at the Aug. 3 auction, giving the district authority to take ownership of the property on behalf of Mello-Roos bond holders.

No one else made formal bids during the auction at the courthouse steps.

"We have been in a long, hard fight for the past three years," said Mark Kovich, Western Hills board president. "They owed the tax money and they didn't pay it, and we had to go through these court actions to foreclose on the properties."

Kovich said leaders at Diablo Grande, a resort development in the hills southwest of Patterson, hope to find a developer with "real assets," knowledge and experience to take over the project.

He said a committee of residents will discuss ideas for reviving the Diablo Grande resort and come up with recommendations in the event there is no buyer for the development. The Western Hills district provides water, sewer and storm drain services for what's now a 600-home community and also is custodian of the Mello-Roos bonds.

Angels Crossing acquired the financially troubled development from World International in 2020 but fell behind on financial obligations.

The tax-delinquent property placed on the auction block mostly included undeveloped land, pieces of the two golf courses, the clubhouse and bare residential lots. Both of the dried-up golf courses at Diablo Grande are closed.

The foothills resort is part of a larger development project that fizzled when previous developers sought bankruptcy protection in 2008. World International acquired the development in a bankruptcy court sale. A county-approved amendment to the development plan six years ago would allow for 2,354 additional homes at Diablo Grande.

"We have a lot of work cut out for us," Kovich said.

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IN THE NEWS – The Modesto Bee, August 24, 2023

New TID reservoir near Keyes is tiny compared with Don Pedro. Here's why it's important.

By John Holland

The Turlock Irrigation District has completed a small reservoir that conserves water on part of its canal system.

District leaders gathered at the site Tuesday to celebrate the \$10 million project. It can handle excess Tuolumne River water on the Ceres Main Canal and a branch known as Lower Lateral 3.

The reservoir is expected to save up to 10,000 acre-feet of water per year, which is only 1.5 % of TID's typical deliveries. Officials said it is worthwhile nonetheless amid increasing droughts and state efforts to devote more river water to fish.

"This shows that TID is always at the cutting edge of trying to do the best we can," board President Ron Macedo said.

This is the district's second such project, known as a regulating reservoir. The first was built in the Hilmar area in 2016. The Modesto Irrigation District, which also diverts the Tuolumne, completed a similar project near Empire.

OLD CANALS HAVE OPEN ENDS

Both districts built their canals in the early 1900s. The water flows by gravity to the end of each branch, then spills into downstream river stretches. The volume must be high enough to reach the last farmer on each branch, so water is sometimes wasted.

TID's new reservoir can hold up to 220 acre-feet, released downstream as needed. That's about 0.01% of the capacity of Don Pedro Reservoir, the main storage for TID and MID. An acre-foot is enough water to cover one acre a foot deep.

The project got a \$2 million grant from the U.S. Bureau of Reclamation, which is involved in irrigation around the West. TID covered the other \$8 million.

The reservoir started taking in canal water Aug. 2 and was full nine days later, said Matt Hazen, the senior civil engineer who oversaw the project. It includes pumps that put water back into the canals.

TID purchased the 36-acre site from an almond grower whose trees were near the end of their productive lives. It is about a quarter-mile south of Keyes Road between Moffett and Esmar roads.

The Ceres Main Canal starts at Turlock Lake and runs past Hickman and the city of Ceres on its way to farmland in the northwest part of TID's water service area.

The district's other regulating reservoir is along the Highline Canal and Lateral 8 in the Hilmar area. It is in early planning for a third project on a lateral southwest of the city of Turlock.

Board member Michael Frantz said these projects are especially helpful when drought forces TID to reduce deliveries. Farmers along the most distant stretches got nothing at times, he said.

SITE ALSO WILL TEST SOLAR PANEL IDEA

IN THE NEWS – The Modesto Bee, August 24, 2023, Continued

The Ceres Main project site will also host a demonstration of the idea of placing solar panels atop canals. TID got a \$20 million state grant last year in a partnership with UC Merced and other entities.

They will examine whether the panels can efficiently supply the district's electrical customers while also reducing evaporation. A canal stretch east of Hickman also is involved.

Panel installation could start in November and take about a year, said Tou Her, assistant general manager for water resources at TID.

Two Fire Protection District Meeting on the Schedule

By Marg Jackson

After having to put a hold on capital improvement projects for the past few years, officials with the Stanislaus Consolidated Fire Protection District are eager to finally move forward with some much-needed work.

Fire Chief Tim Tietjen said capital projects were shelved as a result of a lawsuit and the uncertainty surrounding the possible financial ramifications of that suit.

The lawsuit dealt with the assessments the district levies and while originally losing the suit, Tietjen said they won it on appeal.

“We haven’t really invested in the infrastructure, we were holding off,” he said, but now that the appeal of the suit by Foster Farms has come back in favor of the district, the chief noted that officials feel certain they can move forward and spend some money.

“We’re convening the committee for capital improvement,” he said. “They will look at the list.”

That list has been in existence for the last few years, though no action has been taken on it. And as time has passed, more items have been added that need to be addressed.

“Should we replace the roof at Station 22? Should we do the kitchen remodel at Station 21?” Tietjen asked rhetorically. “There’s a whole list of things that need to be done.”

The Capital Improvement Committee Meeting is scheduled for 4:30 p.m., Wednesday, Sept. 20 at the Riverbank Police Services sheriff’s department substation on Third Street.

Thursday, the regular Stanislaus Consolidated Fire Protection District Board Meeting is scheduled, and Tietjen said he anticipates the committee will send some recommendations to the full board.

The Thursday, Sept. 21 meeting will be hosted in the Station 26 Meeting Room, 3318 Topeka St., Riverbank starting at 6 p.m.

“Our first thing will be to get with the committee and say here’s the list of what we have held for the last few years,” Tietjen added.

He said the committee could decide to put together a recommendation for doing several small projects or one or two larger ones, but all will have the goal of improving the district’s facilities.

The Wednesday meeting will also include a public comment period, prior to discussion and development of the districts Capital Improvement Plan.

Members of the Fire Protection District Board, who will ultimately decide on the projects to be done, include President Jonathan Goulding, Vice President Brandon Rivers, and Directors Greg Bernardi, Charles E. Neal and Steven Stanfield.


DRAFT

STANISLAUS LOCAL AGENCY FORMATION COMMISSION MINUTES July 26, 2023

1. CALL TO ORDER

Chair O'Brien called the meeting to order at 6:00 p.m.

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

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

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

Milt Trieweler, spoke regarding his concerns regarding land-use planning. Barney Aggers spoke regarding his concern about the City of Riverbank's River Walk Specific Plan proposal.

3. CORRESPONDENCE

- A. Specific Correspondence.

The following correspondence was provided to the Commission regarding item 6-A and made available for public review:

- 1. Letter from Del Puerto Water District dated July 24, 2023.
- 2. Email from Jennifer Gonzalez dated July 25, 2023.
- 3. Email from Joel Andrews, City of Patterson, dated July 26, 2023.

4. Letter from Channce Condit, Stanislaus County Supervisor, dated July 26, 2023.
5. Letter from Juan Alanis, Assemblymember, dated July 26, 2023.
6. Letter from Dave White, Opportunity Stanislaus, dated July 26, 2023.
7. Letter from Keith Schneider, Keystone Corporation, dated July 26, 2023.
8. Email from Phil Sarasqueta dated July 26, 2023.

Chair O'Brien acknowledged receipt of the correspondence and allowed time for the Commission to review.

B. Informational Correspondence.

None.

C. In the News.

4. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

5. CONSENT ITEM

- A. **MINUTES OF THE APRIL 26, 2023 LAFCO MEETING**
(Staff Recommendation: Accept the Minutes.)

Motion by Commissioner Bublak, seconded by Commissioner Withrow, and carried with a 5-0 vote to approve the consent items, by the following vote:

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

6. PUBLIC HEARING

- A. **MUNICIPAL SERVICE REVIEW NO. 2023-02, SPHERE OF INFLUENCE MODIFICATION NO. 2023-02, & LAFCO APPLICATION NO. 2023-01 – ZACHARIAS-BALDWIN MASTER PLAN REORGANIZATION TO THE CITY OF PATTERSON:** The Commission considered the City of Patterson's request to annex approximately 1,375 acres to the City and simultaneously detach the area from the West Stanislaus Fire Protection District, West Stanislaus Irrigation District, Patterson Irrigation District and Del Puerto Water District. The project is comprised of three areas. Area "A" is 1,279 acres generally located north of the City limits and south of Zacharias Road, west of Ward Avenue, and east of Rogers Road. Area "B" consists of 30 acres located south of Del Puerto Creek, west of Rogers Road, north of Zacharias Road and east of the Delta Mendota Canal. Area "C" includes 66 acres

located south of the City limits, west of Ward Avenue, contiguous to the Delta Mendota Canal. The proposal includes a corresponding request for a Sphere of Influence expansion and a Municipal Service Review Update. The Commission, as a Responsible Agency, also considered the Environmental Impact Report and determinations made by the City of Patterson, as Lead Agency, pursuant to the California Environmental Quality Act. (Staff Recommendation: Deny the request without prejudice and adopt Resolution No. 2023-08 – Option 1.)

Javier Camarena, Assistant Executive Officer, presented the item with a recommendation to deny without prejudice.

Chair O'Brien opened the Public Hearing at 6:27 p.m.

Ken Irwin, Patterson City Manager; Joel Andrews, Patterson City Planner; Joe Hollowell, representing property owners; Lilliana Selke, Herum-Crabtree-Suntag on behalf of Patterson Irrigation District and West Stanislaus Irrigation District; Ron West, Patterson Planning Commissioner; Milt Trieweller, Stanislaus County resident; Leslie Dumas, Woodard & Curran; Mark Stone, Salida Fire Protection District Board Member; William Ross, counsel for West Stanislaus Fire Protection District; Jon Maring, Chairman of West Stanislaus Fire Protection District; Dave Romano, representing property owners; Larry Buehner, property owner; Grant Gruber, consultant; and Michael Clauzel, Mayor of Patterson, all spoke regarding the proposal.

Chair O'Brien closed the Public Hearing at 7:41 p.m.

Motion by Commissioner Withrow, seconded by Commissioner Chiesa to deny the proposal without prejudice failed by the following 2-3 vote:

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

Motion by Commissioner Berryhill, seconded by Commissioner Bublak and carried with a 3-2 vote to approve the proposal and adopt Resolution No. 2023-08, Option-2, by the following vote:

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

7. OTHER BUSINESS

None.

8. COMMISSIONER COMMENTS

None.

9. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

None.

10. EXECUTIVE OFFICER'S REPORT

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

- The meeting for August 23, 2023 is tentative. Staff will be scheduling a Protest Hearing for the Patterson proposal.

11. ADJOURNMENT

A. Chair O'Brien adjourned the meeting at 8:06 p.m.

Not Yet Apporved

Sara Lytle-Pinhey, Executive Officer

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MEMORANDUM

DATE: September 27, 2023
TO: LAFCO Commissioners
FROM: Jennifer Vieira, Commission Clerk
SUBJECT: **Proposed LAFCO Meeting Calendar for 2024**

RECOMMENDATION

Staff recommends that the Commission accept the proposed 2024 LAFCO Meeting Calendar

BACKGROUND

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

Attachment: Proposed LAFCO 2024 Meeting Calendar

LAFCO CALENDAR FOR 2024

REGULAR MEETING TIME: 6:00 P.M.

JANUARY							FEBRUARY							MARCH							APRIL						
Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa
	1	2	3	4	5	6					1	2	3						1	2		1	2	3	4	5	6
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														31													

MAY							JUNE							JULY							AUGUST						
Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa
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26	27	28	29	30	31		23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30	31
							30																				

SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER						
Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa	Su	M	Tu	W	Th	Fr	Sa
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22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				



LAFCO MEETINGS – REGULAR TIME: 6:00 P.M.

(4TH WEDNESDAY OF EVERY MONTH, WITH THE EXCEPTION OF NOVEMBER & DECEMBER, WHICH ARE COMBINED AND HELD ON THE 1ST WEDNESDAY IN DECEMBER)



HOLIDAYS



CALAFCO STAFF WORKSHOP – PLEASANTON (April 24-26, 2024)

CALAFCO ANNUAL CONFERENCE – YOSEMITE (October 16-18, 2024)

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

**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 27, 2023**

TO: LAFCO Commissioners

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

SUBJECT: Selection of an Independent Auditor for the Biennial Audit

RECOMMENDATION

Authorize the Executive Officer to execute a Professional Services Agreement with Cropper Accountancy Corporation for completion of the Commission's biennial audit covering fiscal years ending 2022 and 2023.

DISCUSSION

In anticipation of the Commission's audit, Staff circulated a Request for Quotes to several financial audit companies. Two quotes were received as outlined below. Each of these firms is qualified and has experience auditing local governments and special districts.

Firm	Quote
Hawks & Associates CPAs, Inc	\$10,000 - 12,000
Hillberg & Company	\$15,000

Budget Appropriation & Selection

The current year's budget included approval of funding for auditing services in the amount of \$12,000. This estimate was determined based on the previous audit costs as well as a survey of other LAFCOs. Hawks & Associates CPAs provided a quote within the budgeted amount.

Although two quotes were received for this year's audit, Staff did receive an additional response from a firm that may be interested in future audits. Staff will retain the interested firm, as well as those listed above, for use in future requests for quotes.

CONCLUSION

LAFCO audits are not required by law; however, an independent financial review provides accountability and transparency for LAFCO's operations. Upon approval by the Commission, Staff will begin working immediately with Hawks & Associates CPAs to provide needed financial documents for completion of the biennial audit.

*Attachments: Proposal for Independent Audit Services – Hawks & Associates CPAs, Inc
Draft Professional Services Agreement*

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Hawks & Associates CPAs, Inc

• *think BOLDLY* • *plan CAREFULLY* • *execute PRECISELY* •

PROPOSAL FOR INDEPENDENT AUDIT SERVICES

Wednesday, August 30, 2023

Governing Board and Management
Local Agency Formation Commission
1010 10th Street, Suite 3600
Modesto, CA 95354

Delivered by email to: LAFCO@stancounty.com

Ladies and Gentlemen:

We are pleased to submit this proposal to provide independent audit services for the years ended June 30, 2022 and 2023. This proposal will serve to outline the services we propose to provide and the unique qualifications of this firm.

We propose to audit the financial statements of the Stanislaus County Local Agency Formation Commission (LAFCO) as of your June 30 year-end each year. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. Because of the concept of reasonable assurance and because we will not perform an exhaustive examination of all transactions, there is a risk that material errors, fraud or illegal acts may exist and not be detected by us. In addition, an audit is not designed to detect errors, fraud, or other illegal acts that are immaterial to the financial statements. However, we will inform you of any material error - and any fraud - that comes to our attention. We will also inform you of any illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods for which we are not engaged as auditors.

The general objectives of the audit are to determine whether:

- 1) The financial statements are presented fairly in accordance with accrual basis accounting principles, in conformity with GAAP and GASB reporting standards.
- 2) There is effective control over and proper accounting for revenues, expenses, assets, and liabilities.

The audit will include tests of your accounting records and other procedures considered necessary to enable us to express an unqualified opinion that your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. If the opinion is other than unqualified, we will fully discuss the reasons with you.

We will report to you our audit findings related to internal controls and accounting procedures as part of our audit. We routinely discuss these matters during the course of our audit work, and during report presentation at a board meeting. We are also available to consult with you regarding implementation of our suggestions or any potential changes contemplated by you or your staff. Such consultations would be billed at our applicable rates, outside of the proposed audit work.

We strive to provide the highest quality professional services and relevant advice to our clients through a close and cooperative working relationship. We serve many clients from individuals to corporations, partnerships, nonprofits, special district and JPA government organizations, and other entities operating in a wide variety of businesses and activities. We provide these clients with a full range of professional accounting services. The depth and breadth of our experience provides us significant opportunities for application and adaptation of best practices across our client base.

Hawks & Associates CPAs, Inc. has been involved with many local government and non-profit organizations for a significant portion of our history. We currently work with several of these organizations in a variety of capacities, primarily annual tax and compliance reporting, and advisory or consulting services.

Robert A. Hawks, Jr., CPA is the majority owner of this CPA firm, accordingly, Rob has authority to make representations on the part of the Firm and Tracy Bell, Audit Manager will be the primary representative of the Firm for this engagement.

We appreciate the opportunity to submit this proposal to provide professional services to LAFCO. We are looking forward to a positive relationship, and opportunities to add value for the Commission. Please feel free to contact us with any questions about this proposal, the audit process, our firm, or any other matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. Hawks, Jr.", with a stylized flourish at the end.

Robert A. Hawks, Jr., CPA, EA, CVA
President and CEO

FIRM PROFILE

Hawks & Associates CPAs, Inc. is a central California based CPA firm operating as a California corporation. Mr. Hawks' professional accounting career dates back to the late 1980's and the firm culture reflects this long history. The Firm operates primarily from offices located in downtown Modesto and downtown Sonora, affording easy access from Stanislaus county, Tuolumne county, and surrounding areas. Currently the staffing includes the owner, other CPAs, CPA candidates, tax preparers, bookkeepers, clerks, and support staff. Additional staffing is provided through contractual arrangements with local individuals and firms having long-standing relationships with Mr. Hawks.

Hawks & Associates CPAs, Inc. is a full service public accounting office. We provide services in tax planning and preparation, financial and compliance auditing, financial statement preparation, client accounting, bookkeeping, and management consulting. The firm provides accounting and auditing services to a number of our clients who use a wide variety of computerized accounting and management information systems. Our firm is also a QuickBooks ProAdvisor office, providing support, analysis, and training in the use of all versions of this popular software. For more information, please visit www.HawksCPA.com.

AUDIT STAFF

We conduct our auditing engagements under a team approach. Your audit will be staffed with individuals knowledgeable in audits of governmental organizations. All work prepared is reviewed by supervisors to assure efficient operation and adherence to professional quality control standards. Our complete staff roster and current rates are as follows:

Robert A. Hawks, Jr., CPA – Owner - \$300 to \$330 per hour

Mr. Hawks bears ultimate responsibility for the engagement. It will be his responsibility to see that you receive the highest quality professional service. He has extensive experience in financial and compliance audits, income taxes, and consulting. Mr. Hawks will be involved in the day-to-day engagement activities.

Tracy Bell, CPA – Audit Manager, Tax Preparer - \$230 to \$250 per hour

Ms. Bell will perform planning as well as specific testing, work paper preparation, and other audit functions as needed. She also performs bookkeeping, write-up, payroll and income tax services.

Josh Bigelow, CPA, Staff Accountant, - \$180 to \$200 per hour

Mr. Bigelow will perform specific testing, work paper preparation, and other audit functions as assigned. He also performs bookkeeping, write-up, payroll and tax services.

Matthew Manafi, Staff Accountant, CPA candidate, Tax Preparer - \$170 to \$190 per hour

Mr. Manafi performs specific testing, work paper preparation, and other audit functions as assigned. He also performs bookkeeping, write-up, payroll and tax services

ADDITIONAL STAFF

Anna Wartheman, – Staff Accountant, CPA candidate, Tax Preparer - \$100 to \$120 per hour. Ms. Wartheman performs audit sampling and testing functions as directed, as well as bookkeeping and income tax services.

Evelyn C. Scott, – Staff Accountant, CPA candidate, Tax Preparer - \$100 to \$110 per hour. Ms. Scott performs audit sampling and testing functions as directed, as well as bookkeeping and income tax services.

Jennifer K. Hawks – Firm Administrator, bookkeeping supervisor - \$180 to \$200 per hour. Mrs. Hawks may assist with reports, accounting data examination, tax preparation, and job administration.

Tara Perry – Bookkeeping Supervisor - \$120 to \$140 per hour if applicable. Mrs. Perry may assist with reports and QuickBooks data examination.

Tonya Rodgers – Bookkeeper - \$100 to \$110 per hour if applicable. Mrs. Rodgers may assist with reports and QuickBooks data examination.

Hailey Danicourt – Bookkeeper - \$50 to \$80 per hour if applicable. Ms. Danicourt may assist with reports and QuickBooks data examination.

Kattie Miller – Administrative Assistant - \$50 to \$80 per hour if applicable. Ms. Miller will assist with reporting, scheduling, and correspondence.

Jennifer Staysa – Administrative Assistant - \$40 to \$70 per hour if applicable. Ms. Staysa will assist with reporting, scheduling, and correspondence.

Kimberly Usiach – Administrative Assistant - \$60 to \$70 per hour if applicable. Mrs. Usiach will assist with reporting, scheduling, and correspondence.

Becky Crifasi – Administrative Assistant - \$70 to \$80 per hour if applicable. Mrs. Crifasi will assist with reporting, scheduling, and correspondence.

The following references are listed to assist you in your evaluation of our qualifications:

CURRENT NON-PROFIT ORGANIZATION AUDIT ENGAGEMENTS

Mr. Hawks and staff have been involved in auditing non-profit organizations over many years, including human services, health and welfare, and supportive organizations. The following client contacts are provided for reference purposes:

<u>Client</u>	<u>Contact Person</u>
LearningQuest - Stanislaus Literacy Centers (Single Audit) 1032 11th Street Modesto, CA 95354 (209) 672-6643	Karen Williams Executive Director
Boys and Girls Clubs of Merced County 615 W 15th Street Merced, CA 95340 (209) 722-9922	Virginia Hayward President & CEO
Howard Training Center (Howard Prep) 1424 Stonum Road Modesto, CA 95351 (209) 538-4000	Carla J Strong Executive Director
Success Capital Expansion & Development Corporation (Yellow Book Audit) 1100 14 th Street, Suite B Modesto, CA 95354 (209) 521-9372	Marsha Carr Chief Executive Officer
United Samaritans Foundation 220 S. Broadway Turlock, CA 95380 (209) 668-4853	Beverly Hatcher Executive Director
WATCH Resources, Inc. 12801 Cabezut Road Sonora, CA 95370 (209) 533-0510	Chris Daly Executive Director

CURRENT GOVERNMENTAL AUDIT ENGAGEMENTS

Mr. Hawks and staff have been involved in auditing several governmental agencies over the years, including Special Districts and JPA's. The following client contacts are provided for reference purposes:

<u>Client</u>	<u>Contact Person</u>
Schools Infrastructure Financing Agency	Carol Phipps Controller
Salida Area Public Facilities Financing Agency 426 Locust Street Modesto, CA 95351 (209) 550-3300 x5524	Carol Phipps Controller
Tuolumne Fire District 18690 Main Street Tuolumne, CA 95379 (209) 928-4505	Nick Ohler Fire Chief
Tuolumne Park and Recreation District P O Box 730 Tuolumne, CA 95379 (209) 928-1214	James Wood General Manager

ADDITIONAL AUDIT EXPERIENCE

Stanislaus LAFCO	Catholic Charities/Diocese of Stockton
Central Region Schools Insurance Group	Keyes Community Service District
CSU Stanislaus Foundation	Doctors Medical Center Foundation
Greater Modesto Relocatable Administration Agency	Fellowship Homes/Casa de Modesto
Modesto City Schools (District)	Stanislaus Community Foundation
Central Catholic High School	United Samaritans Foundation
United Way of Stanislaus Area	Casa de Modesto

Additional references are available upon request.

Although not currently engaged, we have past experience with Skilled Nursing Facilities audits and Medi-Cal cost reimbursement reporting. We have extensive Public Agency audit experience.

AUDIT APPROACH

Our approach will start with a development of an understanding of your accounting systems. From this we will make a preliminary evaluation of the strengths and weaknesses of your systems. We will then modify our audit approach based upon this evaluation.

After modification of our audit program based upon our study and evaluation of internal controls we substantively review the financial statement. This phase of the audit includes, among other steps, confirmation with third parties, and reconciliation with accounting data, review of accounting estimates and analytical review.

Our audit approach anticipates your staff providing reference documents and assisting in the preparation of account analysis and reconciliation. Our fee is based upon this premise. Areas which we believe are compliance exceptions or reportable conditions will be discussed with management at the earliest possible time. We do this so that management's input can be obtained and corrective action, if needed, can be taken as soon as possible.

The specific work plan for the two-year audit of LAFCO is as follows:

Review/Update Internal Control System Understanding, Preliminary Substantive Work Transaction Testing, Prior File Review Manager/Staff Accountants: 12 – 16 hours	October
Substantive Testing of Financial Statements Manager/Staff Accountants: 32 - 40 hours	October-November
Report Preparation, Client Discussions Manager/Staff Accountants: 32 - 36 hours	November-December
Audit Report Delivery Owner/Manager: 2-3 hours	December or January

COMPENSATION

We estimate that our fees for the professional audit services proposed will be in the range of \$10,000, not to exceed \$12,000, for the two years in total. Pricing for subsequent engagements would be adjusted based on inflation experienced between this writing and subsequent proposal, generally 5% per year, not to exceed 10% per year. We bill for our time and will make every effort to avail ourselves of your assistance in an attempt to keep fees to a minimum. If this fee estimate

varies significantly from your expectations, please contact us to ensure we have fully understood your intended scope of work. Also, feel free to contact us with any other questions.

These fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. We will render invoices monthly for actual time and costs incurred. Our invoices are due upon presentation. Additional services not contemplated by this proposal will be billed at our routine hourly rates. If we encounter any unusual situations or fraud, which will require a major extension of the audit procedures beyond those normally applied, we agree to notify you at once regarding significant additional costs.

ADDITIONAL INFORMATION

We have enclosed our Firm's privacy policy, peer review report, and other background information for Hawks & Associates CPAs, Inc.

ASSURANCES

Hawks & Associates CPAs, Inc is a California licensed Certified Public Accounting firm and intends to be continuously and indefinitely into the future.

Our Firm and individuals involved meet the independence standards of the AICPA and GAO, Government Auditing Standards.

Our firm has available capacity, resources, and flexibility to carry out the proposed services in a timely manner. We have an excellent track record of on-schedule report delivery.

Our firm and individuals involved in the audit process have direct experience necessary to carry out the objectives of our audit. Specifically, we have experience with high-quality audits of local governments and non-profits with annual operating budgets ranging from tens of thousands of dollars to tens of millions of dollars.

There are not presently nor have there ever been any disciplinary actions, sanctions, or other restrictions imposed by any regulatory body or professional organization on the firm or any principals.

There are not presently nor have there ever been any lawsuits or claims of fraud or malpractice relating to this firm or any principal's governmental auditing and consulting practice, nor any other practice area.

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement for Professional Services is made and entered into by and between the Stanislaus County Local Agency Formation Commission ("LAFCO") and Hawks & Associates CPAs Inc. ("Consultant"), as of September 28, 2023 (the "Agreement").

Introduction

WHEREAS, LAFCO has a need for financial audit services;

WHEREAS, the Consultant is specially trained, experienced and competent to perform and has agreed to provide such services; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree as follows:

Terms and Conditions

1. Scope of Work

1.1 The Consultant shall furnish to LAFCO upon execution of this Agreement or receipt of LAFCO's written authorization to proceed, those services and work set forth in **Exhibits A (Scope of Work) and Exhibit B (Audit Engagement Letter)**, which are attached hereto and, by this reference, made a part hereof.

1.2 All documents, drawings and written work product prepared or produced by the Consultant under this Agreement, including without limitation electronic data files, are the property of the Consultant; provided, however, LAFCO shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Consultant may copyright the same, except that, as to any work which is copyrighted by the Consultant, LAFCO reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so. LAFCO shall defend, indemnify and hold harmless the Consultant and its officers, employees, agents, representatives, subcontractors and consultants from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, arising out of or resulting from LAFCO's reuse of the documents and drawings prepared by the Consultant under this Agreement.

1.3 Services and work provided by the Consultant under this Agreement will be performed in a timely manner in accordance with a schedule of work set forth in Exhibits A and B. If there is no schedule, the hours and times for completion of said services and work are to be set by the Consultant; provided, however, that such schedule is subject to review by and concurrence of LAFCO.

1.4 The Consultant shall provide services and work under this Agreement consistent with the requirements and standards established by applicable federal, state, County and LAFCO laws, ordinances, regulations and resolutions. The Consultant represents and warrants that it will perform its work in accordance with generally accepted industry standards and practices for the profession or professions that are used in performance of this Agreement and that are in effect at the time of performance of this Agreement. Except for that representation and any representations made or contained in any proposal submitted by the Consultant and any reports or opinions prepared or issued as part of the work performed by the Consultant under this Agreement, Consultant makes no

other warranties, either express or implied, as part of this Agreement.

1.5 If the Consultant deems it appropriate to employ a consultant, expert or investigator in connection with the performance of the services under this Agreement, the Consultant will so advise LAFCO and seek LAFCO's prior approval of such employment. Any consultant, expert or investigator employed by the Consultant will be the agent of the Consultant not LAFCO.

2. Consideration

2.1 The Consultant shall be compensated on either a time and materials basis, as provided in Exhibit A attached hereto.

2.2 Except as expressly provided in this Agreement, Consultant shall not be entitled to nor receive from LAFCO any additional consideration, compensation, salary, wages or other type of remuneration for services rendered under this Agreement, including, but not limited to, meals, lodging, transportation, drawings, renderings or mockups. Specifically, Consultant shall not be entitled by virtue of this Agreement to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.

2.3 The Consultant shall provide LAFCO with a monthly or a quarterly statement, as services warrant, of fees earned and costs incurred for services provided during the billing period, which LAFCO shall pay in full within 30 days of the date each invoice is approved by LAFCO. The statement will generally describe the services performed, the applicable rate or rates, the basis for the calculation of fees, and a reasonable itemization of costs. All invoices for services provided shall be forwarded in the same manner and to the same person and address that is provided for service of notices herein.

2.4 LAFCO will not withhold any Federal or State income taxes or Social Security tax from any payments made by LAFCO to Consultant under the terms and conditions of this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Consultant. LAFCO has no responsibility or liability for payment of Consultant's taxes or assessments.

3. Term

3.1 The term of this Agreement shall be from the date of this Agreement until completion of the agreed upon services unless sooner terminated as provided below or unless some other method or time of termination is listed in Exhibit A.

3.2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.

3.3 LAFCO may terminate this agreement upon 30 days prior written notice. Termination of this Agreement shall not affect LAFCO's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Consultant as provided in Paragraph 2 herein, subject to any applicable setoffs.

3.4 This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, or (b) sale of Consultant's business.

4. Required Licenses, Certificates and Permits

Any licenses, certificates or permits required by the federal, state, county or municipal governments for Consultant to provide the services and work described in Exhibit A must be procured by Consultant and be valid at the time Consultant enters into this Agreement. Further, during the term of this Agreement, Consultant must maintain such licenses, certificates and permits in full force and effect. Licenses, certificates and permits may include but are not limited to driver's licenses, professional licenses or certificates and business licenses. Such licenses, certificates and permits will be procured and maintained in force by Consultant at no expense to LAFCO.

5. Office Space, Supplies, Equipment, Etc.

Unless otherwise provided in this Agreement, Consultant shall provide such office space, supplies, equipment, vehicles, reference materials and telephone service as is necessary for Consultant to provide the services under this Agreement. The Consultant--not LAFCO--has the sole responsibility for payment of the costs and expenses incurred by Consultant in providing and maintaining such items.

6. Insurance

6.1 Consultant shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

6.1.1 General Liability. Commercial general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Consultant under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

6.1.2 Professional Liability Insurance. Professional errors and omissions (malpractice) liability insurance with limits of no less than One Million Dollars (\$1,000,000) aggregate. Such professional liability insurance shall be continued for a period of no less than one year following completion of the Consultant's work under this Agreement.

6.1.3 Automobile Liability Insurance. If the Consultant or the Consultant's officers, employees, agents or representatives utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury and property damage liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

6.1.4 Workers' Compensation Insurance. Workers' Compensation insurance as required by the California Labor Code. In signing this contract, the Consultant certifies under section 1861 of the Labor Code that the Consultant is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Consultant will comply with such provisions before commencing the performance of the work of this Agreement.

6.2 Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by LAFCO. At the option of LAFCO, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Consultant shall

provide a bond, cash, letter of credit, guaranty or other security satisfactory to LAFCO guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. LAFCO, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Consultant agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Consultant's defense and indemnification obligations as set forth in this Agreement.

6.3 The Consultant shall include LAFCO, its Officers, Directors, Officials, Agents, Employees and volunteers as Additional Insureds under the General Liability and Auto policy and shall supply specific endorsements for same. The Additional Insured endorsement under the General Liability policy will be the Additional Insured – Owners, Lessees or Contractors – Scheduled Person or Organization ISO Form CG2010 with the current applicable revision date. The Additional Insured endorsement under the Auto Liability will be "where required by written contract". All Insurance policies will include a Waiver of Subrogation in favor of LAFCO.

6.4 The Consultant's insurance coverage shall be primary insurance regarding LAFCO and LAFCO's officers, officials and employees. Any insurance or self-insurance maintained by LAFCO or LAFCO's officers, officials and employees shall be excess of Consultant's insurance and shall not contribute with Consultant's insurance. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to LAFCO, its officers, directors, officials, agents, employees and volunteers. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Any available insurance proceeds in excess of the specified minimum limits required by this Agreement shall be available to LAFCO for defense and damages. The indemnity and insurance sections are stand alone and not dependent on each other for coverage limits.

6.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to LAFCO or its officers, officials, employees or volunteers.

6.6 The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6.7 Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days' prior written notice has been given to LAFCO. The Consultant shall promptly notify, or cause the insurance carrier to promptly notify, LAFCO of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.

6.8 Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to LAFCO; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-:VII shall be acceptable to LAFCO; lesser ratings must be approved in writing by LAFCO.

6.9 Consultant shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional insureds under its insurance policies.

6.10 At least ten (10) days prior to the date the Consultant begins performance of its obligations under this Agreement, Consultant shall furnish LAFCO with certificates of insurance, and with original endorsements, showing coverage required by this Agreement, including, without limitation, those that verify coverage for subcontractors of the Consultant. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in LAFCO's sole and absolute discretion, approved by LAFCO. LAFCO reserves the right to require complete copies of all required insurance policies and endorsements, at any time.

6.11 The limits of insurance described herein shall not limit the liability of the Consultant and Consultant's officers, employees, agents, representatives or subcontractors.

7. Defense and Indemnification

7.1 To the fullest extent permitted by law, Consultant shall indemnify, hold harmless and defend LAFCO and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Consultant or Consultant's officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Notwithstanding the foregoing, Consultant's obligation to indemnify LAFCO and its agents, officers and employees for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the Consultant in contributing to such claim, damage, loss and expense.

7.2 Consultant's obligation to defend, indemnify and hold LAFCO and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

7.3 To the fullest extent permitted by law, LAFCO shall indemnify, hold harmless and defend the Consultant and its officers, employees, agents, representatives or subcontractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney's fees, arising out of or resulting from the negligence or wrongful acts of LAFCO and its officers or employees.

7.4 Subject to the limitations in 42 United States Code section 9607(e), and unless otherwise provided in a Scope of Services approved by the parties:

(a) Consultant shall not be responsible for liability caused by the presence or release of hazardous substances or contaminants at the site, unless the release results from the negligence of Consultant or its subcontractors;

(b) No provision of this Agreement shall be interpreted to permit or obligate Consultant to assume the status of "generator," "owner," "operator," "arranger," or "transporter" under state or federal law; and

(c) At no time, shall title to hazardous substances, solid wastes, petroleum contaminated soils or other regulated substances pass to Consultant.

8. Status of Consultant

8.1 All acts of Consultant and its officers, employees, agents, representatives, subcontractors and all others acting on behalf of Consultant relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers or employees of LAFCO. Consultant, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of LAFCO. Except as expressly provided in Exhibit A, Consultant has no authority or responsibility to exercise any rights or power vested in LAFCO. No agent, officer or employee of LAFCO is to be considered an employee of Consultant. It is understood by both Consultant and LAFCO that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.

8.2 At all times during the term of this Agreement, the Consultant and its officers, employees, agents, representatives or subcontractors are, and shall represent and conduct themselves as, independent contractors and not employees of LAFCO.

8.3 Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement. Consultant shall be responsible to LAFCO only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to LAFCO's control with respect to the physical action or activities of Consultant in fulfillment of this Agreement. Consultant has control over the manner and means of performing the services under this Agreement. If necessary, Consultant has the responsibility for employing other persons or firms to assist Consultant in fulfilling the terms and obligations under this Agreement.

8.4 Consultant is permitted to provide services to others during the same period service is provided to LAFCO under this Agreement; provided, however, such services do not conflict directly or indirectly with the performance of the Consultant's obligations under this Agreement.

8.5 If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law shall be determined by the Consultant.

8.6 It is understood and agreed that as an independent contractor and not an employee of LAFCO, the Consultant and the Consultant's officers, employees, agents, representatives or subcontractors do not have any entitlement as a LAFCO employee, and, except as expressly provided for in any Scope of Services made a part hereof, do not have the right to act on behalf of LAFCO in any capacity whatsoever as an agent, or to bind LAFCO to any obligation whatsoever.

8.7 It is further understood and agreed that Consultant must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Consultant's assigned personnel under the terms and conditions of this Agreement.

8.8 As an independent contractor, Consultant hereby indemnifies and holds LAFCO harmless from any and all claims that may be made against LAFCO based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

9. Records and Audit

9.1 Consultant shall prepare and maintain all writings, documents and records prepared or compiled in connection with the performance of this Agreement for a minimum of seven (7) years from the termination or completion of this Agreement. This includes any handwriting, typewriting,

printing, photostatic, photographing and every other means of recording upon any tangible thing, any form of communication or representation including letters, words, pictures, sounds or symbols or any combination thereof.

9.2 AICPA audit standards prescribe that the auditor owns their own work product. The purpose of the audit workpapers is to issue an opinion on the Commission. The auditor will provide key workpapers to the client upon request.

10. Confidentiality

The Consultant agrees to keep confidential all information obtained or learned during the course of furnishing services under this Agreement and to not disclose or reveal such information for any purpose not directly connected with the matter for which services are provided.

11. Nondiscrimination

11.1. During the performance of this Agreement, Consultant and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any Federal, State or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, genetic information, pregnancy related condition, marital status, gender/sex, sexual orientation, gender identity, gender expression, age (over 40), political affiliation or belief, or military and veteran status. Consultant and its officers, employees, agents, representatives or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation LAFCO's non-discrimination policy; the Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations.

11.2 Consultant shall include the non-discrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

11.3 Consultant shall provide a system by which recipients of service shall have the opportunity to express and have considered their views, grievances, and complaints regarding Consultant's delivery of services.

12. Assignment

This is an agreement for the services of Consultant. LAFCO has relied upon the skills, knowledge, experience and training of Consultant and the Consultant's firm, associates and employees as an inducement to enter into this Agreement. Consultant shall not assign or subcontract this Agreement without the express written consent of LAFCO. Further, Consultant shall not assign any monies due or to become due under this Agreement without the prior written consent of LAFCO.

13. Waiver of Default

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

14. Notice

Any notice, communication, amendment, addition or deletion to this Agreement, including change of address of either party during the term of this Agreement, which Consultant or LAFCO shall be required or may desire to make shall be in writing and may be personally served or, alternatively, sent by prepaid first-class mail to the respective parties as follows:

To LAFCO:

Sara Lytle-Pinhey, Executive Officer
Stanislaus LAFCO
1010 10th Street, Third Floor
Modesto, CA 95353

To Consultant:

Robert A. Hawks, Jr., CPA
Hawks & Associates CPAs, Inc
1301 G Street, Suite B
Modesto, CA 95354

15. Conflicts

Consultant agrees that it has no interest and shall not acquire any interest direct or indirect which would conflict in any manner or degree with the performance of the work and services under this Agreement.

16. Severability

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

17. Amendment

This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

18. Entire Agreement

This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

19. Advice of Attorney

Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

20. Construction

Headings or captions to the provisions of this Agreement are solely for the convenience of

the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

21. Governing Law and Venue

This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

IN WITNESS WHEREOF, the parties or their duly authorized representatives have executed this Agreement on the day and year first hereinabove written.

**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

**HAWKS & ASSOCIATES CPAs, INC.
("CONSULTANT")**

By: _____
Sara Lytle-Pinhey, Executive Officer

By: _____
Robert A. Hawks, Jr., CPA

APPROVED AS TO FORM:

By: _____
Robert J. Taro, LAFCO Legal Counsel

EXHIBIT A

A. SCOPE OF WORK

The Consultant shall provide services under this Agreement as follows:

1. Audit LAFCO in each fiscal year, focusing on the fiscal years' respective funds. Each audit shall be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. LAFCO's General Purpose Financial Statements (GPFS) shall be prepared by the audit firm. The GPFS will be in full compliance with GASB #34. The audit firm will render its auditor's report on the basic financial statements, which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of LAFCO.
2. Express an opinion on the financial statements as to whether they present fairly, in all material respects, the financial position of LAFCO and the changes in financial position and cash flows in conformity with generally accepted accounting principles (GAAP), and issue an independent auditors' report stating this opinion.
4. The Consultant shall issue a separate "management letter", if required by audit standards, that includes recommendations, if any, for improvements in internal control that are considered to be significant deficiencies or material weaknesses. LAFCO staff will provide cooperation and assistance during the audit by providing information, analysis, documentation, schedules and explanations. LAFCO staff will prepare the MD&A.
5. Test internal controls, as needed, over financial reporting and on compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with Government Auditing Standards and those issue by the Comptroller General of the United States, and issue an independent auditors' report on their consideration.
6. Prepare an audit report and issue a related audit opinion, if necessary, for federal grant monies received and expenses made. The single audit report on federal monies will be an additional fee as agreed upon.
7. Communicate immediately and in writing all irregularities and illegal acts, or indications of illegal acts, of which the auditor becomes aware, to the appropriate level of management and/or LAFCO Board.
8. Retain, at auditor's expense, audit working papers for seven (7) years, unless the firm is notified in writing by LAFCO of the need to extend the retention period. In addition, the firm shall respond to reasonable inquiries of LAFCO and successor auditors and allow LAFCO and successor auditors to review working papers relating to matters of continuing accounting significance.

The Consultant shall be responsible for the preparation and delivery of the following financial statements in final submission form:

Report Description:	Number of Copies:
GPFS 7/1/2021 to 6/30/2022	1 electronic PDF copy
GPFS 7/1/2022 to 6/30/2023	1 electronic PDF copy

A draft copy of each financial statement should be delivered to the LAFCO Executive Officer for review approximately 30 days prior to the deadline.

B. COMPENSATION

The Consultant shall be compensated for the services provided under this Agreement as follows:

1. Consultant will be compensated in an amount not to exceed \$12,000 for services rendered under this Agreement. Consultant to submit monthly statements for payment. LAFCO shall have 30 days to submit payment to Consultant. A reserve of ten (10) percent will be retained until such time that the Consultant submits required deliverables (e.g. audited financial statements) as described in Section A, and upon acceptance of said deliverables.
2. The parties hereto acknowledge the maximum amount to be paid by LAFCO for services provided hereunder shall not exceed \$12,000 including, without limitation, the cost of any subcontractors, consultants, experts or investigators retained by the Consultant to perform or to assist in the performance of its work under this Agreement.

C. TERM

1. The term of the Agreement shall be from September 28, 2023 through February 28, 2024 unless otherwise terminated as provided in Paragraph 3 of the Agreement.

D. REPRESENTATIVES

The parties' respective Project Managers shall be:

For LAFCO:

Sara Lytle-Pinhey (or designee)
Stanislaus LAFCO
1010 10th Street, 3rd Floor
Modesto, CA 95354
(209) 525-7660
pinheys@stancounty.com

For Consultant:

Robert A. Hawks Jr., CPA (or designee)
Hawks & Associates CPAs, Inc.
1301 G Street, Suite B
Modesto, CA 95354
(209) 529-4060
rob@hawkscpa.com

**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 27, 2023**

TO: LAFCO Commissioners

FROM: Javier Camarena, Assistant Executive Officer

SUBJECT: MSR No. 2023-03 & SOI Update 2023-03: Municipal Service Review and Sphere of Influence Update for the Newman Drainage District

INTRODUCTION

This proposal was initiated by the Local Agency Formation Commission in response to State mandates, which require the Commission to conduct Municipal Service Reviews and Sphere of Influence Updates for all cities and special districts every five years, as needed. This current review is a routine update to the previous document, adopted by the Commission in 2018 for the Newman Drainage District. The District was formed in 1970, pursuant to the Drainage District Act of 1903, to operate and maintain an agricultural sub-surface drain. The District's boundaries are located west of the San Joaquin River and include 3,200 acres, a portion of which overlaps the city limits of Newman.

DISCUSSION

The Municipal Service Review and Sphere of Influence Update process provides an opportunity for districts to share accurate and current data, accomplishments, and information regarding the services they provide. A copy of the draft update is then provided to the District for their review and comments.

For the current update, Staff did some additional research regarding the District's original formation in 1970 and their assessments. The District's own records with regards to its history are limited. The District completed a Proposition 218 process in 2019 to update its fees. The Proposition 218 proposal was approved bringing the assessment to \$12.16 per acre annually.

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

ENVIRONMENTAL REVIEW RECOMMENDATIONS

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

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

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

ALTERNATIVES FOR COMMISSION ACTION

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

- Option 1:** APPROVE the Municipal Service Review and Sphere of Influence Update for the Newman Drainage 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 Newman Drainage District. Therefore, Staff recommends that the Commission adopt Resolution No. 2023-09 which:

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

Attachments:

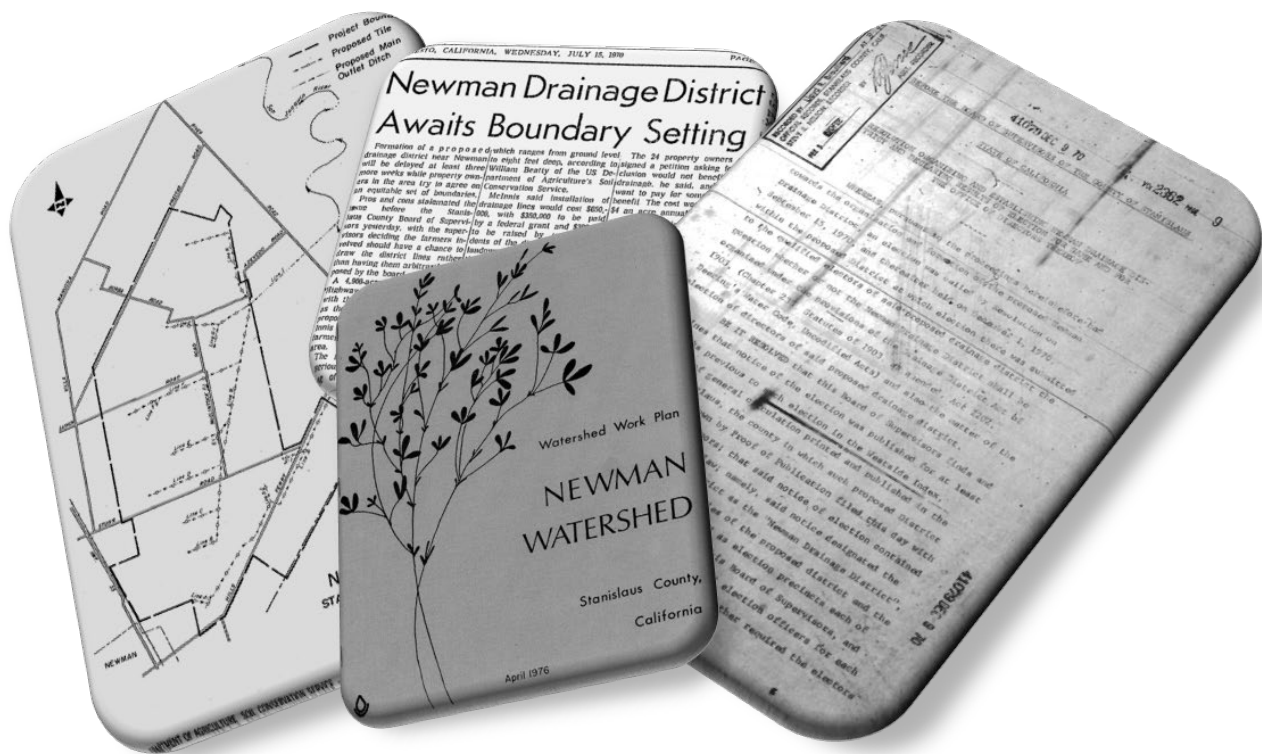
Exhibit A - Municipal Service Review and Sphere of Influence Update for the Newman Drainage District
Exhibit B - Resolution No. 2023-09

Exhibit 1

**Municipal Service Review & Sphere of Influence
Update for Newman Drainage District**

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MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE:



NEWMAN DRAINAGE DISTRICT

Prepared By:

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

Adopted:

STANISLAUS

LOCAL AGENCY FORMATION COMMISSION

COMMISSIONERS

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

STAFF

Sara Lytle-Pinhey, Executive Officer
Javier Camarena, Assistant Executive Officer
Jennifer Vieira, Commission Clerk
Rob Taro, Commission Counsel

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Municipal Service Review and Sphere of Influence Update For the Newman Drainage 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, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

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

Sphere of Influence Update Process

A special district is a government agency that is required to have an adopted and updated Sphere of Influence. Section 56425(g) of the CKH Act calls for Spheres of Influence to be reviewed and updated every five years, as necessary. Stanislaus LAFCO processes the Service Review and Sphere of Influence Updates concurrently to ensure efficient use of resources. For rural special districts, which do not have the typical municipal level services to review, this Service Review will be used to determine what type of services 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 – Newman Drainage District

Authority

The Newman Drainage District was organized under the Drainage District Act of 1903 and is considered a landowner-voter district, as owners of the land within the District's boundaries elect the board members.

The Drainage District Act of 1903 provides for the organization and governmental structure of special districts whose sole purpose is to drain agricultural lands. The Act does not grant authority to perform other services, including urban service functions. The Act provides for the districts to issue bonds for capital improvements and to use eminent domain as necessary for public purposes. The Act also provides for the districts to levy taxes, but this ability was limited by the passage of Proposition 13 and Proposition 218.

An unusual restriction in the Drainage District Act of 1903 is that only lands that are susceptible to one general mode of drainage by the same system of works may be included within a district. The districts are formed along topographic lines that allow the drainage of agricultural lands within a common system of drainage. Lands that cannot be served by the common system of drainage may not be included within the district.

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.

Purpose

Special 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.

The Newman Drainage District is a single-purpose, independent special district, which was formed to install and operate sub-surface drains to lower the water table so the surface lands could be tilled for agricultural purposes.

The majority of the territory within the District suffers from a high water table. This high water table can result in a decline in agricultural productivity and an increase in public health hazards (e.g. mosquitos). The high water table limits the choice of crops, shortens the longevity of perennial crops and reduces yields. Damage to structures can also result from the high water table, as wetting and drying of the soil causes it to swell and shrink, leading to the cracking of building foundations. The water table also fluctuates, which increases the problem.

Governance

A six-member Board of Directors governs the District and is elected by landowners within the District. Three members are elected by Divisions and three members are elected at-large. One annual meeting is held, and other meetings are scheduled on an as-needed basis.

Formation

The Newman Drainage District was formed on December 8, 1970, pursuant to the Drainage District Act of 1903. At the time of formation of the District, the water table within the area was sufficiently high to prevent agricultural development in many areas.

Location and Size

The District is located along the southern boundary of Stanislaus County, west of the San Joaquin River, and encompasses approximately 3,200 acres. In addition, portions of the City of Newman, which have been annexed since the formation of the District, are located within the District boundaries.

Sphere of Influence

The District's original Sphere of Influence was adopted in 2005 and is coterminous with the existing District boundary. This Sphere of Influence was recommended in recognition of the current boundary's relationship to the planned uses in the area and the continued need for the services provided by the District. The District has also stated that they are not interested in annexing additional lands beyond their current boundaries.

Personnel

The District has no staff and District operations are performed by contract.

Classification of Services

As part of this service review, the District has provided a listing of the services provided within its boundary. The District is authorized to provide the functions or classes of services (e.g. operation and maintenance of an agricultural sub-surface drainage system) 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 to operate and maintain an agricultural sub-surface drain. In order to solve the high water table problem, the District installed land treatment and structural measures to lower the water table. The drainage collection system allows individual farmers to install on-farm tile drains and lower the water table to a minimum of seven feet below the ground surface. The system also minimizes soil compaction, promotes better soil aeration, and improves water intake into the soil, thus providing a better environment for crops.

The current activities for the District consist primarily of conducting the day-to-day business, including maintenance of the facilities. Little maintenance is required for the underground drains, but on-going maintenance is required for open ditches. The Board of Directors performs largely caretaker functions.

Support Agencies

The District maintains collaborative relationships with other agencies, including the City of Newman, Stanislaus County, West Stanislaus Resource Conservation District, and the United States Department of Agriculture (USDA).

Funding Sources

The Drainage District is funded through special assessments on individual landowners within the District boundaries.

Service Review Determinations:

The following provides an analysis of the seven categories or components required by Section 56430 for a Service Review for the Newman Drainage District:

1. Growth and Population Projections for the Affected Area

When the District was originally formed, the area within its boundaries was used primarily for agricultural purposes. Since this time, a portion of the District's territory (approximately 340 acres) has been annexed to the City of Newman. The City's Sphere of Influence overlaps additional acreage in the District's boundaries, which may impact the services of the District as land is annexed for urban uses. In the past, proposed development has created concerns for the District, as new homes would be built within close proximity of the subsurface drains.

In order to mitigate these concerns, the City of Newman has adopted policies in its General Plan in order to ensure urban runoff does not enter the tile drain systems. The City also has a policy stating that parks and greenbelts will be developed above those portions of the tile drain system that are within developed areas or areas to be developed and that no buildings shall be placed on top of the tile drain system. Urban development within the boundaries of the District is required to relocate existing District pipelines or provide replacement pipelines to ensure the continued operation of the District's drainage system.

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

Based on annual median household income and as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000, no 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, and Infrastructure Needs or Deficiencies Including Needs or Deficiencies Related to Sewers, Municipal and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence.

Shortly after the formation of the District, bonds were issued to construct the necessary drainage facilities. The bonds were issued in 1978 and were due in 2018. The District has installed approximately 10.5 miles of subsurface drain lines and 0.9 miles of channel, to collect and dispose of the surface and subsurface water from on-farm drains. A permanent, 30-feet wide easement has been acquired for all subsurface lines, totaling 38 acres of permanent easements. The high water table within the District's boundaries is not expected to decrease, thereby necessitating the continued demand for the subsurface drainage system.

Operation and maintenance of the land treatment measures are the responsibility of the individual landowners on whose properties the measures have been installed. The District is responsible for the maintenance of all structural measures.

There are no known disadvantaged unincorporated communities within or contiguous to the District's Sphere of Influence. Additional services, such as sewer, domestic water and

structural fire protection, are provided through other special districts or by way of private systems.

4. Financial Ability of Agencies to Provide Services

The District completed a Proposition 218 process in 2019 to update its special assessment to \$12.16 per acre annually. The proposition 218 proposal was approved. At the present time, the District appears to have adequate financial resources to fund the necessary levels of service within the District's boundaries. Special assessments for the District are levied on an annual basis. Cost avoidance opportunities are maximized by board members and/or landowners within the District performing some of the maintenance work themselves and/or by using independent contractors rather than hiring staff.

5. Status of, and Opportunities for, Shared Facilities

The District does not share any facilities with any other District or agency.

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

The District's governing body consists of a six-member Board of Directors elected by the landowners within the District. The District conforms to the provisions of the Brown Act requiring open meetings. The current management structure of the District is adequate to serve the present and future needs of the agency. It is reasonable to conclude that the District can adequately serve the areas under its jurisdiction.

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

None.

Sphere of Influence Update for the Newman Drainage District

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

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

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

The following determinations for the Newman Drainage 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

Territory within the District boundaries consists predominately of agricultural uses, with the exception of those areas located within the City of Newman, which are designated as low-density residential. The District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions in the District's boundaries is retained by Stanislaus County and the City of Newman.

A portion of the City's Sphere of Influence overlaps District boundaries in the vicinity of Stuhr and Hills Ferry Roads. Mitigation measures need to be in place to protect the underground facilities if future development by the City of Newman is to occur, unless the District determines the abandonment of the facilities can occur without affecting the remaining drainage systems and the territory can be detached.

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

The District was formed to operate and maintain an agricultural sub-surface drainage system within its boundary. The present and probable need for this service is not expected to change. In addition, the District's ability to provide public facilities and services in the area is affected by the fact that a portion of the City of Newman's Sphere of Influence overlaps the District.

Ideally, when territory to be developed is annexed to the City of Newman, it would be simultaneously detached from the District (i.e. a LAFCO reorganization action), if the services provided by the district are no longer required. However, if a district's services are still required, detachment would not take place. Recent annexations to the City of Newman have not included detachment from the Newman Drainage District, resulting in urbanized development in the proximity of the District's infrastructure. The City of Newman has adopted General Plan policies in order to ensure that use of the tile drains can continue as the city grows. In areas where the City limits currently overlaps the District, the use of greenbelts and easements over the tile drain system have been used to protect the facilities

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

Over time, portions of the territory within the boundaries of the Drainage District have been developed for urban uses. The transition of properties from agricultural use to urban use has a continuing impact on the operations of the District. As lands are developed for urban uses, agricultural drainage facilities could be compromised and the installation of more sophisticated systems of surface drainage may be required. As development occurs, it is necessary for the City of Newman, Stanislaus County, and other agencies to ensure that urban development does not negatively impact the existing facilities of the District.

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

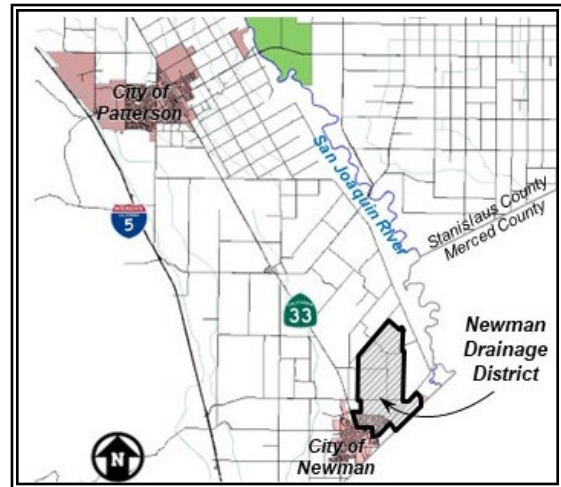
The City of Newman is considered to be a community of interest in the area, as a portion of the City's Sphere of Influence and City limits overlap with the Newman Drainage District.

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.

No Disadvantaged Unincorporated Communities (DUCs) have been identified within or contiguous to the District's Sphere of Influence as defined in Section 56033.5 of the CKH Act. Additional services, such as sewer, domestic water and structural fire protection, are provided through other special districts or by way of private systems.

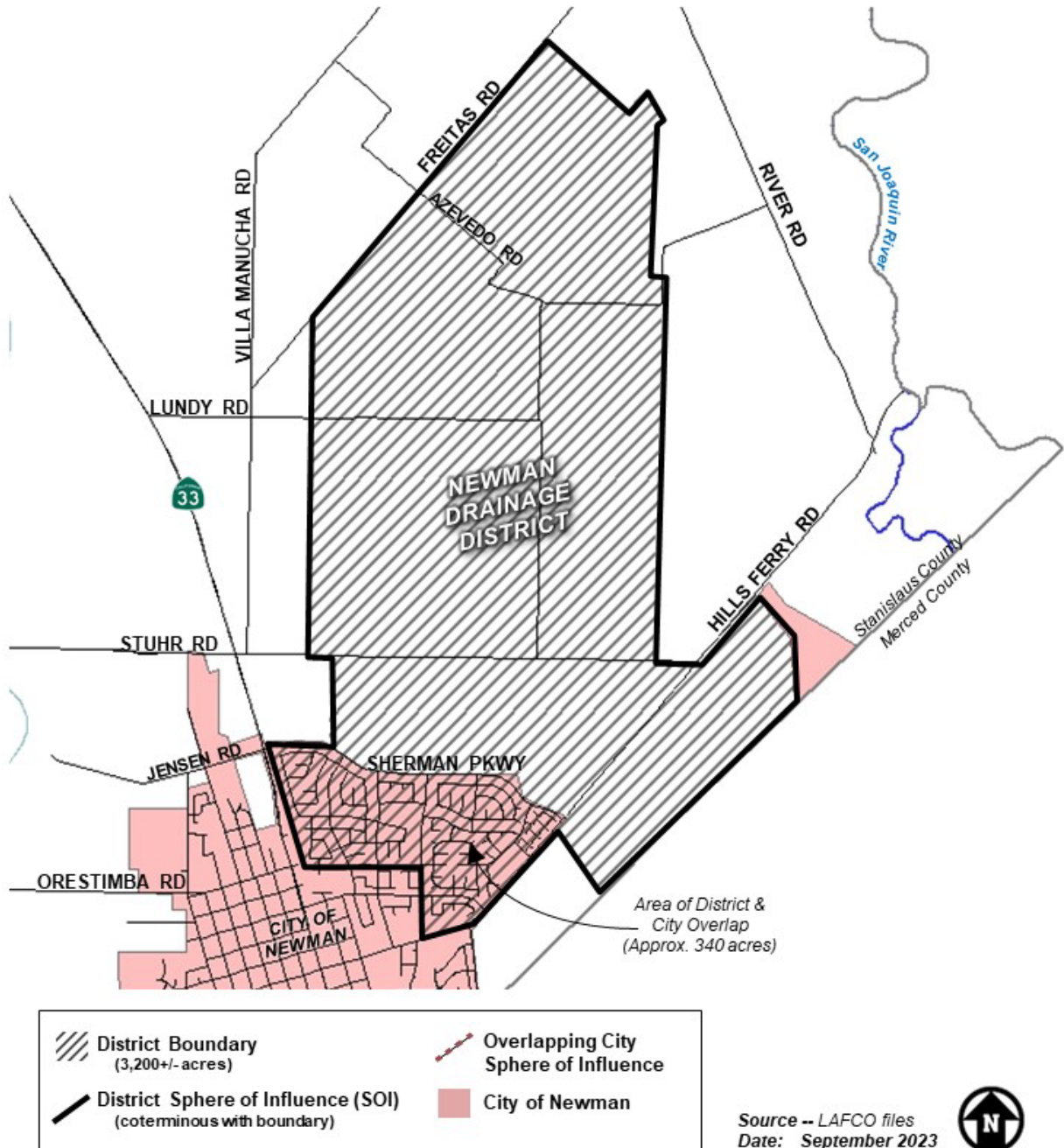
APPENDIX “A” DISTRICT SUMMARY PROFILE

District:	NEWMAN DRAINAGE DISTRICT
Formation:	December 8, 1970
Location:	In rural Stanislaus County, west of the San Joaquin River and north of the Merced County Line
District Services:	Operation and maintenance of an agricultural sub-surface drainage system
Service Area:	Approximately 3,200 acres
Population:	Approximately 4,125 persons (2021 Census and Regional 911 data)
Land Use:	Predominately agriculture, with the exception of urbanized areas within the City of Newman.
Enabling Act:	Drainage District Act of 1903
Governing Body:	Six-member Board of Directors, elected by landowners within the District
Budget*:	<u>Fiscal Year 2022-2023</u> Income: \$ 43,000 Expenditures: \$ 43,000
Revenue Sources:	Special assessments

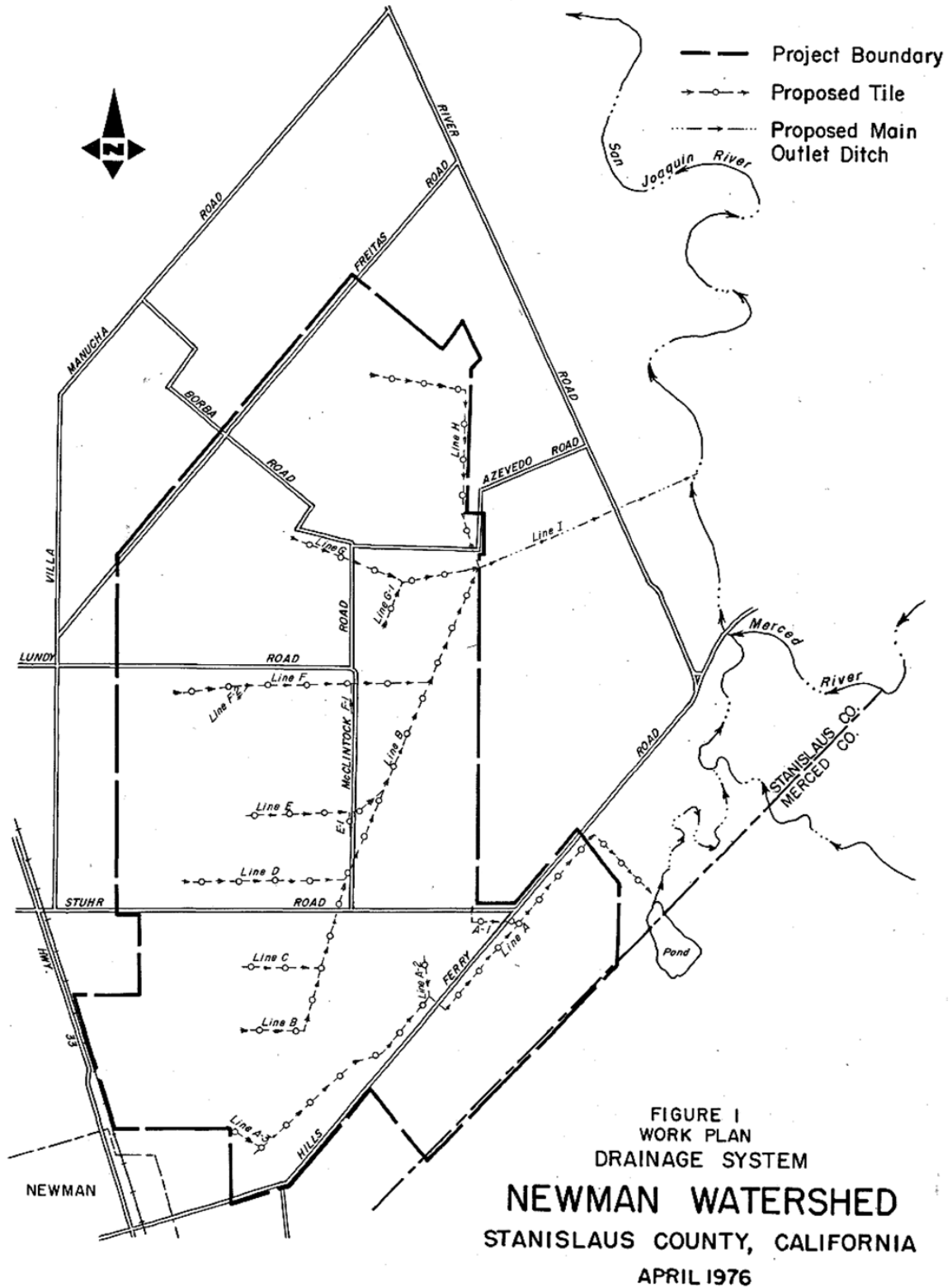


**Source: Newman Drainage District FY 22/23 Budget*

MAP 1: NEWMAN DRAINAGE DISTRICT BOUNDARIES AND SPHERE OF INFLUENCE



MAP 2: DISTRICT DRAINAGE SYSTEM



FOR ILLUSTRATIVE PURPOSES ONLY

2000 0 2000 4000 FEET
SCALE 1:36,000

APPENDIX “B”

REFERENCES

1. California State Controllers Office, “Special Districts Annual Report, Fiscal Year 2008-09”, April 26, 2011.
2. City of Newman, “Newman 2030 General Plan”, April 10, 2007.
3. City of Newman, “Newman 2030 General Plan Environmental Impact Report”, April 10, 2007.
4. Municipal Service Review for the Newman Drainage District, Adopted by LAFCO on March 28, 2018.
5. Newman Watershed Work Plan, April 1976.
6. Newman Drainage District FY 22/23 Budget
7. National Resource Conservation Service, United States Department of Agriculture (USDA).
8. Newman Drainage District Resolution No. 2019-1 Certifying the Results of a Proposition 218 Majority Protest Proceeding and Setting the District’s Drainage Services Fee.

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Exhibit 2

Resolution No. 2023-09

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 27, 2023

NO. 2023-09

SUBJECT: MSR No. 2023-03 & SOI Update 2023-03: Municipal Service Review and Sphere of Influence Update for the Newman Drainage 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 Municipal 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 Newman Drainage District, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

WHEREAS, at the time and in the form and manner provided by law, the Executive Officer has given notice of the September 27, 2023 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 Newman Drainage District and the determinations contained therein;

WHEREAS, the Newman Drainage District was formed to operate and maintain an agricultural sub-surface drain;

WHEREAS, pursuant to Government Code Section 56425(h), the range of services provided by the Newman Drainage 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.

WHEREAS, at the hearing, all persons present were given an opportunity to hear and be heard in respect to any matter in relation to the review, in evidence presented at the hearing;

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 Municipal Service Review prepared in compliance with State law for the review and update of the Newman Drainage 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 the Sphere of Influence for the Newman Drainage District should be affirmed as it currently exists, as more specifically described on the map contained within the Municipal Service Review document.

ATTEST: _____
Sara Lytle-Pinhey
Executive Officer

**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 27, 2023**

TO: LAFCO Commissioners

FROM: Javier Camarena, Assistant Executive Officer

SUBJECT: MSR NO. 2023-04, SOI UPDATE 2023-04: MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR OAKDALE IRRIGATION DISTRICT

INTRODUCTION

This proposal was initiated by the Local Agency Formation Commission in response to State mandates, which require the Commission to conduct Municipal Service Reviews and Sphere of Influence Updates for all cities and special districts every five years, as needed. This current review is a routine update to the previous document adopted by the Commission in 2018 for the Oakdale Irrigation District. The District provides irrigation water, domestic water, and wholesale electrical power. The majority of the District is located in the northeastern Stanislaus County, with a portion of territory in San Joaquin County. The District operates under Irrigation District Law, Division 11 of the Water Code, §20500 et. seq.

DISCUSSION

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

The proposed Municipal Service Review and Sphere of Influence Update are attached to this report as Exhibit 1. The relevant factors and determinations as put forth by the Cortese-Knox-Hertzberg Act are discussed for the District. No changes are being proposed for the District's Sphere of Influence at this time.

ENVIRONMENTAL REVIEW RECOMMENDATIONS

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

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

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

ALTERNATIVES FOR COMMISSION ACTION

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

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

RECOMMENDED ACTION

Approve Option 1. Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the Oakdale Irrigation District. Therefore, Staff recommends that the Commission adopt Resolution No. 2023-10 which:

1. Determines that the Municipal Service Review and Sphere of Influence Update qualify for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulation §15061(b)(3);
2. Makes determinations related to the Municipal Service Review, as required by Government Code Section 56430; and,
3. Determines that the Sphere of Influence for the Oakdale Irrigation District should be affirmed as it currently exists.

Attachments:

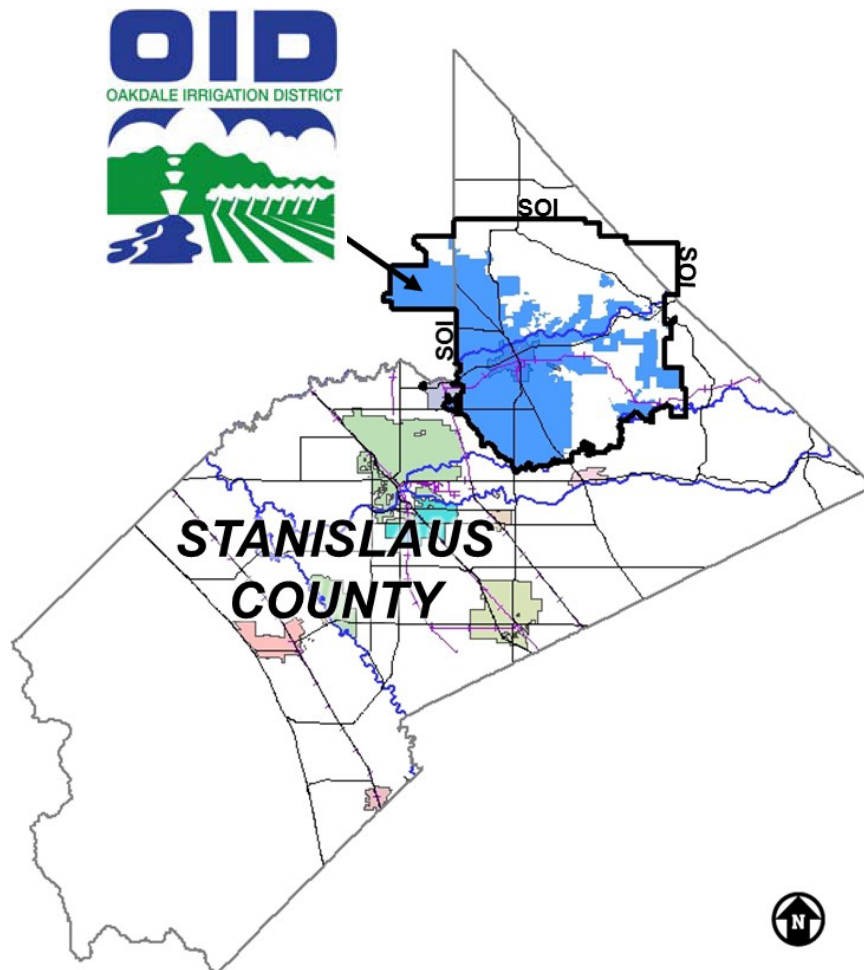
- Exhibit 1* - Municipal Service Review and Sphere of Influence Update for the Oakdale Irrigation District
Exhibit 2 - Resolution No. 2023-10

Exhibit 1

**Municipal Service Review & Sphere of Influence
Update for Oakdale Irrigation District**

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MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE:



OAKDALE IRRIGATION DISTRICT

Prepared By:

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

Adopted: _____

STANISLAUS

LOCAL AGENCY FORMATION COMMISSION

COMMISSIONERS

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

STAFF

Sara Lytle-Pinhey, Executive Officer
Javier Camarena, Assistant Executive Officer
Jennifer Vieira, Commission Clerk
Rob Taro, Commission Counsel

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Municipal Service Review and Sphere of Influence Update For the Oakdale Irrigation District

Introduction

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

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

Municipal Service Review Factors to be Addressed

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

State Guidelines and Commission policies encourage cooperation among a variety of stakeholders involved in the preparation of a municipal service review. This MSR will analyze the existing and future services for the Oakdale Irrigation District, located in the northeastern portion of the County. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOI for the District.

Sphere of Influence Update Process

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

Municipal Service Review – Oakdale Irrigation District

Authority

The Oakdale Irrigation District was organized under the Wright Act and operates under Irrigation District Law, Division 11 of the Water Code, Section 20500 et. seq. In addition, the District is considered to be a “registered voter district”, as the board of directors is elected by registered voters from five geographical divisions within the District’s boundaries.

Background

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

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

Purpose

Irrigation districts are formed for the provision of sufficient water in the district for any beneficial use. An irrigation district has the power to control, distribute, store, spread, sink, treat, purify, recapture, and salvage any water including, but not limited to, sewage waters for beneficial use of users of the district or its inhabitants. A district may also provide for flood control and can engage in the generation, transmission, distribution, sale and lease of electric power (Water Code Section 22075-22186).

Formation

The Oakdale Irrigation District (OID) was formed on November 1, 1909.

Governance

A five-member Board of Directors governs the District. Registered voters within a geographical area or “Division”, elect the board members. Meetings are held on the first Tuesday of every month at 9:00 a.m. in the District office located at 1205 East “F” Street in Oakdale. All meetings are open to the public. Agendas are prepared and posted 72-hours prior to the board meeting and posted on the bulletin board at the District office and on the District website (www.oakdaleirrigation.com). Information such as the history of the District, current Board agendas, water updates, and quarterly newsletters is readily available on the District’s website as well.

Location and Size

The majority of the District is located in northeastern Stanislaus County. The District also covers territory in San Joaquin County. The District boundaries comprise approximately 82,000 acres. The District maintains more than 330 miles of laterals, pipelines, and tunnels, 25 production wells, and 41 reclamation pumps.

Sphere of Influence

The District's existing Sphere of Influence incorporates approximately 160,800 acres (or 78,800 acres beyond the existing District boundaries). The city limits of Oakdale and the unincorporated communities of Knights Ferry and Valley Home are located within the District's Sphere of Influence. However, the city limits of Riverbank are excluded from the westerly portion of the District's SOI, as these areas were detached upon annexation to the City. A map outlining the District's boundaries and SOI is attached under Appendix "B". This Service Review is intended to cover the District's existing boundary and Sphere of Influence area.

Personnel

The District currently has 80 full-time employees.

Classification of Services

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

Services

OID currently provides agricultural irrigation and domestic water services to its customers. The District's water supply comes from the Stanislaus River (under well-established water rights), recapture of drainage water, and pumping from deep groundwater wells. The District's distribution systems include the Goodwin Diversion Dam on the Stanislaus River below the Tulloch Dam, at which point water is diverted into the District's main canal systems.

The District is also a wholesale power distributor through its Tri-Dam Project. The Oakdale Irrigation District and the South San Joaquin Irrigation District (SSJID) jointly own and operate storage reserves (Tri-Dam Project) and have storage rights in the federally-owned New Melones Reservoir. The two Districts, under the Tri-Dam Project, own, operate, and maintain three hydro-electrical power facilities: one each at Donnell's Reservoir, Beardsley Lake, and Tulloch Lake. The Tri-Dam Project's principal activities are the storage and delivery of water to each District and the hydraulic generation of power.

Starting in January 1, 2014, the Districts entered into a power purchase and sale agreement with the City of Santa Clara, California, through its municipal electric utility, Silicon Valley Power. Under the agreement, the Districts agreed to sell the net electrical output and installed capacity of its power generating facilities to the City of Santa Clara through December 31, 2023. A new agreement was recently executed with the City of Santa Clara for an additional 5 year term ending December 31, 2028.

Additionally, through the Tri-Dam Power Authority (Authority), the two Districts own, operate, and maintain the Sand Bar Project, a hydro-electric facility downstream of Beardsley Lake which became operational in 1986. The Authority, on January 1, 2017, entered into a power purchase and sale agreement with the City of Santa Clara, California as well through its municipal electric utility, Silicon Valley Power.

The District also manages several domestic water systems, which are part of six private and publicly-owned systems that exist in an unincorporated area east of the City of Oakdale. One of the systems is owned by OID, while five of the systems are owned by homeowner groups who have entered into an “improvement district” arrangement with OID to manage their water systems for State compliance.

Support Agencies

The District maintains positive and collaborative relationships with other agencies, such as: South San Joaquin, Merced, Modesto, and Turlock Irrigation Districts, Stockton East Water District, Stanislaus County, City of Oakdale, Oakdale Rural Fire Protection District, City of Riverbank, Pacific Gas and Electric (PG&E), State Water Resources Board, Bureau of Reclamation, California Department of Water Resources (DWR), Association of California Water Agencies (ACWA), California Special Districts Association (CSDA), the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency, and the Eastern San Joaquin Groundwater Authority.

Funding Sources

The majority of the District’s revenue is from power sales as a result of OID and South San Joaquin Irrigation District’s Tri-Dam Project and Tri-Dam Power Authority. Other sources include income from water transfers, irrigation water sales, County property tax appropriations, interest revenue, and domestic water revenue.

Service Review Categories & Determinations

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

1. Growth and Population Projections for the Affected Area

The Oakdale Irrigation District currently serves over 2,900 customers with irrigation water for agricultural purposes and approximately 767 customers with domestic water for residential purposes. For many years, the District has provided irrigation water on an annual basis for 20 to 30 out-of-district agreements, depending on interest and water availability. After completing the environmental analysis (CEQA) in January 2023, a 10-Year Out-of-District Water Sales Program (Program) was initiated. Approximately 10,000 irrigated acres have enrolled in the Program to be delivered surface water from the District when water is available under its pre-1914 water rights without any impact to OID's in-district constituents.

The District updates its customer records as necessary for billing purposes. Part of that update includes parcel size, location, and crop type on lands served with OID water. As land use conversions take place, the water needs of OID's customer base can substantially change. This information, combined with data from the Department of Water Resources, the Department of Finance, and the U.S. Census Bureau allows the District to develop land use trends and forecasts. While irrigated lands will continue to be lost due to urbanization by the City of Oakdale, the City may be interested in surface water as a source of supply in the future and the increase in irrigated agriculture outside the current District boundaries provides opportunity for District expansion.

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

Under Government Code Section 56033.5, "disadvantaged unincorporated community" is defined as an inhabited territory (12 or more registered voters), or as determined by commission policy, with an annual median household income that is less than 80% of the statewide annual median household income. Upon review of available Census data, and identified communities in the County, no disadvantaged unincorporated communities were found within or contiguous to the District's Sphere of Influence.

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

OID's existing and planned public facilities and services are designed to supply irrigation and related drainage with the priority of serving those properties within District boundaries prior to out-of-district approvals. In 2007, the District completed a Water Resources Plan (WRP). The WRP evaluated the District's water resources, facilities, and operations. It provides specific, prioritized recommendations for OID physical and operational improvements as well as a plan to phase the implementation of improvements consistent with available financial resources.

In accordance with the requirements of the Water Conservation Act of 2009 (SBx7-7) and the Governor's Executive Order B-29-15, OID prepared a 2015 Agricultural Water Management Plan (AWMP). A Water Resources Plan Report Card section was added to OID's 2015 AWMP to provide a review of improvement actions identified under the WRP, a summary of actions completed and projections of near- and long-term actions to be completed.

As indicated previously, there are no disadvantaged unincorporated communities within or contiguous to the City's Sphere of Influence.

4. Financial Ability of Agencies to Provide Services

In 2021, power generation from both the Tri-Dam Power Project and the Tri-Dam Power Authority accounted for approximately 50 percent of the District's total revenue. Water transfer agreements and agricultural water delivery charges contributed approximately 24 percent of the net revenue, while County property tax appropriations accounted for 19 percent. Domestic water charges provide only a slight contribution to the District's total revenue.

The District's adopted Water Resources Plan (WRP) includes a financial plan to achieve infrastructure and modernization needs currently identified by the District. The District has completed more than \$100 million of improvements and annexed +/-10,500 acres since the start of implementation of the WRP. Total project costs by implementation category through 2019 are summarized in OID's 2020 AWMP. Annexation provides additional funding to finance various infrastructure and operational improvements under the WRP while providing additional benefits of decreased reliance on groundwater for irrigation and increased groundwater recharge from deep percolation of surface water used for irrigation. The WRP identified a goal for annexation of approximately 4,250 acres within the OID sphere of influence by 2020 as part of preferred alternative. The District's WRP annexation goals have already been surpassed.

OID appears to be financially sound with strong and stable sources of revenue, substantial reserves, and a superior credit rating. The District's long-range planning programs allow the District to plan and budget for needed improvements to services and facilities in a balanced way that is consistent with its anticipated revenue. The District's budget process is designed to screen out unnecessary costs and is submitted to the Board of Directors for review and approval.

5. Status of, and Opportunities for, Shared Facilities

The District and the South San Joaquin Irrigation District jointly own and operate three storage reservoirs (Tulloch, Beardsley, and Donnells). The District also jointly owns, operates, and maintains the Donnells, Beardsley, and Tulloch power plants along with a separate power facility (Sand Bar Project) with the South San Joaquin Irrigation District. In addition, both Districts own, operate and maintain the Joint Main Canal running along the north side of the Stanislaus River Canyon. This canal carries 100% of South San Joaquin Irrigation District's water to its service area and provides 40% of OID's deliveries for those lands within its boundaries north of the Stanislaus River.

The District has also contributed funding to the City of Oakdale for water safety and water conservation programs; to the Oakdale Fire Department for water rescue training and materials; and to the Oakdale Rural Fire Protection District for a new water rescue boat. Under a development agreement, the District shares eight water wells with the Oakdale Rural Fire Protection District, which allows the fire district to refill their fire trucks during emergencies. The District also has a joint easement with the City of Oakdale for the Burchell Hills Specific Plan Area Bike Path. Additionally, OID is working with the City of Oakdale to utilize surface water to irrigate City parks as well as evaluating options for and the feasibility of recycling tertiary treated M&I discharge from the City in OID's system for agricultural irrigation and groundwater recharge.

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

A five-member Board of Directors governs the District. Registered voters within a geographical area or "Division", elect the board members. The Board conforms to the provisions of the Brown Act requiring open meetings. The District also has established a website (www.oakdaleirrigation.com) that is user-friendly and provides information such as the history of the District, current Board agendas, water updates, and newsletters.

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

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

Improvements under the WRP include canal maintenance and rehabilitation, flow control and measurement, groundwater well replacement, pipeline replacement, regulating reservoir construction, turnout maintenance and replacement, outflow management projects (i.e. spillage and runoff reduction and reuse), reclamation projects, Supervisory Control and Data Acquisition (SCADA) system expansion and annexation. A few current projects to note include the District's Phase 1 Total Channel Control (TCC) Modernization Project and the Two-Mile Bar Tunnel Project. The \$6.5 million project Phase 1 TCC Modernization Project, with up to \$3 million in matching funds from the Department of Water Resources through the Proposition 1 Water Quality, Supply and Infrastructure Act of 2014, provides the complete automation of approximately 18 miles of OID's open canal system. The District's Two-Mile Bar Tunnel Project, a new 5,949 linear foot tunnel for water conveyance, was completed and operational before the 2019 irrigation season (+/-March 2019). The tunnel alignment bypasses roughly 7,200 linear feet of high hazard rock fall and canal creep failure sections of the OID's existing South Main Canal.

Consistent with the goals of the WRP, these projects along with the rest of the \$100 million of improvements since the start of its implementation, improve water supply reliability while also improving operability and operation of the system. The quality of water delivery services to customers continues to improve with OID's ability to offer greater flexibility in the frequency of deliveries along with a steadily maintained flow rate at the water delivery point.

Sphere of Influence Update

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

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

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

Determinations:

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

The Oakdale Irrigation District's current boundary is comprised of approximately 82,000 acres, with a Sphere of Influence (SOI) area that encompasses 160,800 acres (78,800+/- acres beyond the existing District boundary). The land uses within the District's existing boundaries and Sphere of Influence consist of agricultural, rural residential, suburban and urban land use areas. These uses are not expected to change, except in the Spheres of Influence of the cities of Oakdale and Riverbank. In addition, the District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by Stanislaus, Calaveras, San Joaquin counties, and the cities of Oakdale and Riverbank.

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

The District has developed a Water Resources Plan (WRP) to address the District's water resource needs into the future. Components of the Plan include: public outreach, resource inventory (surface, groundwater), water balance, infrastructure plan, and water rights portfolio. The WRP also projects the reasonable number of acres within the SOI that could be annexed to OID's boundaries while maintaining service levels to existing lands within the District's boundaries.

The present and probable need for the District's ability to continue to provide public facilities and services in the area is affected by the fact that the cities of Oakdale and Riverbank's Spheres of Influence overlap into the District. In addition, the District has a diminishing Sphere of Influence in that as territory annexes to the City of Riverbank, it detaches from the District.

The District's Sphere of Influence excludes some territory within the current city limits of Riverbank. Back in 2004 OID was advised by the State of California Department of Health Service of the legal requirements (CCR Title 17). The cross-contamination compliance responsibility under the law (CCR 17, Article VII, Sec 35-50(a)) rested with the City providing the domestic water services. Upon contacting the City of Riverbank, and through discussions with them, it was agreed to discontinue raw water services of OID within the City limits of Riverbank. Later a policy was developed by OID to curtail raw water services to any territory annexed by a City.

Development of lands not currently in the OID service area may lead to future annexations within the Sphere of Influence as appropriate. Consistent with LAFCO policies, in order to annex additional territory, the District must provide and/or demonstrate that there are sufficient quantities of water to serve additional territory without affecting the present service area and/or existing customers. The availability of current water supplies each year is affected by numerous factors, including annual rainfall and snowfall, and environmental factors such as: climate demand, water conservation efforts, crop changes, contractual obligations for water transfers, etc.

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

The District has strong surface water rights, including annual diversion rights from the Stanislaus River of 300,000 acre-feet (normal year). The District utilizes a Surface Water Shortage Policy in order to address service delivery issues during times when the quantity of water right available to the District is insufficient to meet the water demands of the crops grown.

As part of the Water Resources Plan (WRP), the District selected an alternative which focuses on maximizing improvements in the District and provides for moderate expansion in the SOI. Since the WRP's adoption in 2007, the District has been actively investing in its canal system based on improvement needs, as prioritized in the WRP. The improvements are intended to enhance customer service, use water more efficiently, increase reliability and drought protection, and reduce the amount of water leaving the District without benefit to OID customers.

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

The following jurisdictions can be categorized as communities of interest in the area: the cities of Oakdale and Riverbank, and the unincorporated communities of Knights Ferry, Valley Home, and the rural residential area known as East Oakdale. The Spheres of Influence for both the City of Oakdale and Riverbank overlap into the District's boundaries, which may affect the District's ability to provide services to these areas as urbanization occurs.

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 District manages several domestic water systems, which are part of six private and publicly-owned systems that exist in an unincorporated area east of the City of Oakdale. However, as discussed in the District's Municipal Service Review, there are no identified disadvantaged unincorporated communities within the existing Sphere of Influence or the proposed expansion area.

APPENDIX “A”

DISTRICT SUMMARY PROFILE



District: **OAKDALE IRRIGATION DISTRICT**

Formation: November 1, 1909

Location: Majority of the District is located in northeastern Stanislaus County. The District also covers territory in San Joaquin County, with portions of its Sphere of Influence also extending into Calaveras, and Tuolumne Counties

Boundary: 82,000+/- acres

Sphere of Influence: 160,800+/- acres total (or 78,800 acres beyond the District boundary)

Customers: 2,900+ agricultural, 767+ domestic accounts

Land Use: Agricultural, rural residential, suburban and urban

District Services: Irrigation water, domestic water, and wholesale electrical power

Enabling Act: California Water Code, Division 11, Irrigation Districts, §20500-29978

Governing Body: Five Board of Directors, elected by registered voters within five divisions of the District boundaries

Administration: 80 full-time employees

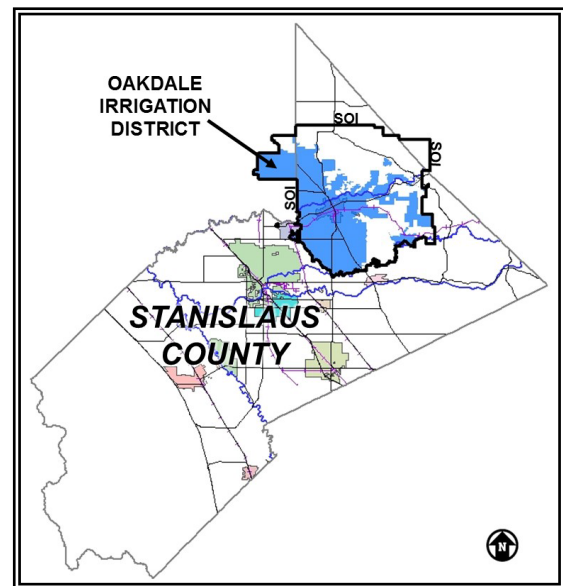
Budget: Calendar Year 2023

Revenues: \$19 million

Expenditures: \$19 million

Capital Improvements: \$22.5 million (Including the \$19 million in one-time capital expenses paid from reserves)

Revenue Sources: Wholesale power, irrigation water sales, water transfers, County property tax appropriations, and domestic water sales



APPENDIX “B”

REFERENCES

- Association of California Water Agencies (ACWA) (www.acwanet.com).
- California Department of Water Resources (www.dwr.water.ca.gov).
- California State Water Resources Control Board (www.swrcb.ca.gov).
- Oakdale Irrigation District. *2022 Comprehensive Annual Financial Report*.
- Oakdale Irrigation District. *Agricultural Water Management Plan*. March 2021.
- Oakdale Irrigation District. *Board Resolution No. 96-39: Establishing an Annexation Policy for Annexation of Lands into the District*. July 16, 1996.
- Oakdale Irrigation District. *Rules & Regulations Governing the Operation and Distribution of Water Within the Oakdale Irrigation District Service Area*. February 2021.
- Oakdale Irrigation District. *Surface Water Shortage Policy*. June 2020.
- Oakdale Irrigation District. *Water Resources Plan* (www.oidwaterresources.org). November 2018.
- Oakdale Irrigation District website (www.oakdaleirrigation.com).
- Previous MSR/SOI Update for the Oakdale Irrigation District, Adopted by Stanislaus LAFCO on December 5, 2018.
- South San Joaquin Irrigation District website (www.ssjid.com).
- Tri-Dam Project (www.tridamproject.com).
- U.S. Bureau of Reclamation (www.usbr.gov).

OAKDALE IRRIGATION DISTRICT BOUNDARY AND SPHERE OF INFLUENCE

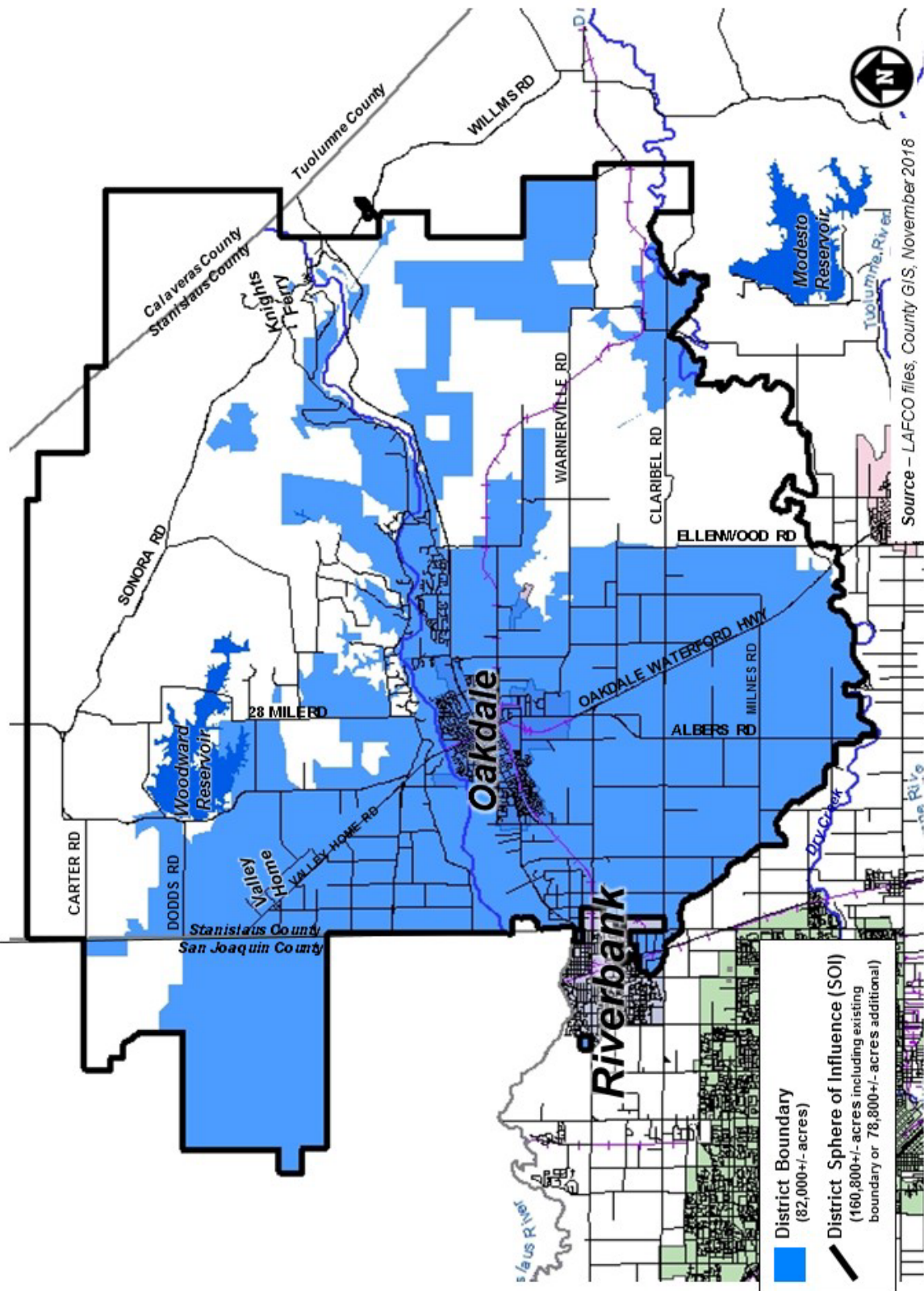


Exhibit 2

Resolution No. 2023-10

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 27, 2023

NO. 2023-10

SUBJECT: Municipal Service Review No. 2023-04 and Sphere of influence Update No 2023-04: Oakdale Irrigation District

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

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

WHEREAS, at the time and in the form and manner provided by law, the Executive Officer has given notice of the September 27, 2023 public hearing by this Commission on this matter;

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

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

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

WHEREAS, the Oakdale Irrigation District was established to provide irrigation water, domestic water, and wholesale electrical power services within its boundaries;

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

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

NOW, THEREFORE, BE IT RESOLVED by the Commission:

1. Certifies that the project is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the State CEQA Guidelines.
2. Approves the Service Review prepared in compliance with State law for the review and update of the Oakdale Irrigation 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 the Sphere of Influence for the Oakdale Irrigation District should be affirmed as it currently exists, as more specifically described on the map contained within the Service Review document.
5. Directs the Executive Officer to circulate this resolution depicting the adopted Sphere of Influence Update to all affected agencies, including the Oakdale Irrigation District.

ATTEST: _____
Sara Lytle-Pinhey, Executive Officer

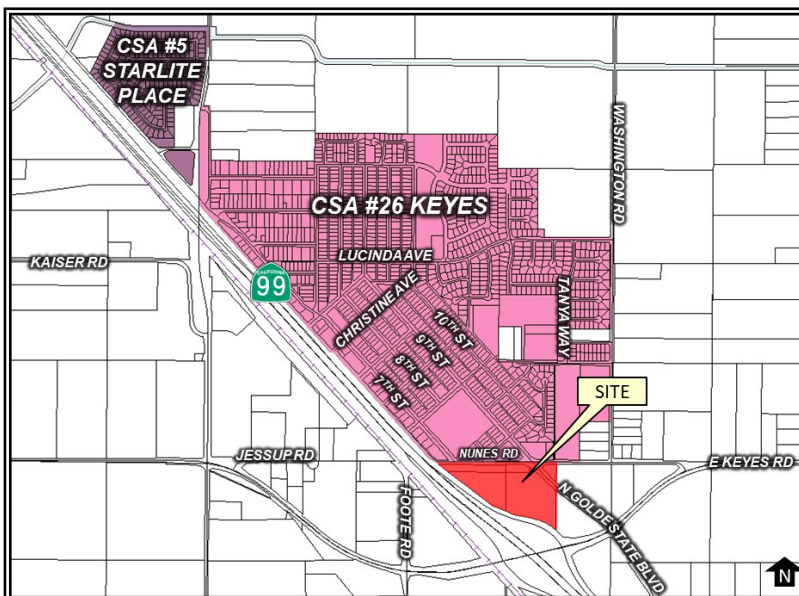
**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 27, 2023**

**LAFCO APPLICATION NO. 2023-03 &
SPHERE OF INFLUENCE UPDATE NO. 2023-07
CALIFORNIA TRUCK CENTER CHANGE OF ORGANIZATION TO
COUNTY SERVICE AREA NO. 26 (KEYES)**

PROPOSAL

The proposed project is a request to annex five parcels including right-of-way totaling approximately 17.3 acres to County Service Area No. 26 (Keyes). The District will provide the maintenance of curb, gutter, sidewalk, manholes, and storm drain for a truck service center.

1. Applicant: Stanislaus County, by Resolution of Application
2. Location: The project site is located south of Nunes Road, along Golden State Boulevard and northeast of Highway 99. The project site is located on the west side of North Golden State Boulevard with one parcel located on the east side. The project site is located in the Keyes area.
3. Parcels Involved and Acreage: The project site includes Assessor's Parcel Numbers (APNs) 045-074-001, 045-074-002, 045-074-003, 045-074-004, and 045-050-011 totaling approximately 17.3 acres (See Exhibit "A" Map and Legal Description).
4. Reason for Request: The annexation to County Service Area No. 26 is requested in order to provide maintenance of curb, gutter, sidewalk, manholes, and storm drain for a truck service center. The Commission previously reviewed and approved an annexation in 2020 of similar territory to the Keyes Community Services District to serve the project with water and sewer services.



ENVIRONMENTAL REVIEW

Stanislaus County, through its planning process, assumed the role of Lead Agency under the California Environmental Quality Act (CEQA) for the truck sales and service operation. The County approved a Mitigated Negative Declaration (Exhibit B). LAFCO, as a Responsible Agency, must consider the environmental documentation prepared by Stanislaus County. The proposed annexation will not result in a change of land use under the current zoning, which is under Stanislaus County jurisdiction.

BACKGROUND

In 2015, Stanislaus County approved Rezone Application No. PLN2015-0032 – Belkorp Ag. The Rezone allowed the property to be used for Highway Frontage type uses and establish an

agricultural equipment dealership. The site was not developed within the required four years of project approval, which was part of the Rezone's Development Standards. Recently, Stanislaus County approved a Staff Approval application allowing the site to be developed outside of the Development Standard's time frame. As part of the Staff Approval, the project description was modified to allow a semi-truck sales and service facility.

The project includes a condition of approval requiring annexation into County Service Area No. 26 for maintenance of curb, gutter, sidewalk, manholes, and storm drain. The proposed LAFCO application has been submitted in order to fulfill the condition of approval.

FACTORS

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

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

The annexation is being proposed in order to provide maintenance of curb, gutter, sidewalk, manholes, and storm drain for a semi-truck sales and service operation.

The project site is zoned PD 332 (Planned Development) in the Stanislaus County Zoning Ordinance and is designated Planned Development in the County's General Plan. The proposed development is a legal use within the zoning district. Annexation to the District will not change or lead to change in the zoning. The subject parcel is located in Tax Code Areas: 072-005, 072-015 and 072-045. The current total assessed value for the five parcels within the proposed annexation area is \$3,109,380.

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

The proposed annexation will provide maintenance of curb, gutter, sidewalk, manholes, and storm drain for the approved California Truck Center sales and service operation. Stanislaus County has indicated that the District is able to provide services to the project site. Maintenance will be financed through assessments.

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

There are no social or economic communities of interest as defined by the Commission in the area. The proposal is consistent with adopted Commission policies to encourage efficient and effective delivery of governmental services.

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

The parcel is located within an area that is zoned PD 332 (Planned Development) by Stanislaus County. The proposed semi-truck sales and service operation is consistent with the County's Zoning Ordinance. The proposed annexation will provide maintenance of curb, gutter, sidewalk, manholes, and storm drain for the truck service center. There are no other plans to change the land uses.

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

The proposal will not result in the loss of agricultural land and will not affect the physical and economic integrity of agricultural land. The land is currently zoned PD 332 (Planned Development) by Stanislaus County.

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

The proposed boundary includes parcels 045-074-001, 045-074,002, 045-074-003, 045-074-004, and 045-050-011 totaling approximately 17.3 acres. The overall District boundary will not create any islands or corridors as a result of the annexation.

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

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as the strategies for investing in the region's transportation system. The annexation will not change traffic or transportation routes for the area.

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

The proposal is consistent with both the Stanislaus County General Plan land use designation of "Planned Development" and zoning designation of PD 332 (Planned Development).

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

The proposed change of organization includes a sphere of influence (SOI) amendment to CSA 26. The amendment will result in a coterminous SOI and CSA boundary. The proposed territory is also within the Sphere of Influence of the Keyes Fire Protection District, Turlock Mosquito Abatement District, Turlock Irrigation District, and Keyes Community Services District.

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

All affected agencies and jurisdictions have been notified pursuant to State law requirements and the Commission adopted policies. No comments were received.

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

Stanislaus County, as applicant for the proposed annexation, has indicated it is willing and able to serve the proposal. Improvements have already been installed. Annexation to the County Service Area will allow the County to assess the territory in order to provide maintenance of curb, gutter, sidewalk, manholes, and storm drain.

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

The Keyes Community Services District is currently providing water to the project site. Currently, the District has four groundwater wells that provide drinking water to District customers. The District has some excess water capacity for growth. The District established an arsenic treatment facility that has been in operation since August of 2019. As a result, the District's arsenic levels are in compliance with the State's maximum contaminant level (MCL).

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

The proposed annexation will serve a semi-truck sales and service operation. Therefore, this item is not applicable.

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

The owner of the project site has consented to the proposed annexation. No information or comments, other than what was provided in the application, have been received as of the drafting of this report.

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

The property within the proposal is zoned PD 332 (Planned Development) within the Stanislaus County Zoning Ordinance and is designated as "Planned Development" in the General Plan. The annexation will provide maintenance of curb, gutter, sidewalk, manholes, and storm drain. The site is already developed. There are currently no plans to change the land uses.

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

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

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

According to the CEQA Initial Study, the project site has not been identified as being within a very high fire hazard severity zone. Stanislaus County has placed a condition of approval on the project requiring that development meet all Department of Environmental Resources HazMat Division and Fire District standards, as well as obtain all required permits.

SPHERE OF INFLUENCE MODIFICATION

Spheres of influence that are established for a County Service Area (CSA) are typically coterminous with their boundaries. Expansion of an existing CSA and its sphere of influence is preferred rather than the formation of a new CSA. Pursuant to LAFCO Policies, a minor amendment to the sphere of influence of an agency may be processed and acted upon by the Commission without triggering a new or revised Municipal Service Review (MSR) where a previous MSR has been conducted and the amendment is less than 100 acres or three percent of the acreage within the District's existing SOI. The proposed annexation meets these criteria. Therefore, consistent with Commission policies, the proposal is being processed as a minor sphere amendment with no new Municipal Service Review required.

Sphere of Influence Determinations

Government Code Section 56425 gives purpose to the determination of a sphere of influence by charging the Commission with the responsibility of "planning and shaping the logical and orderly development of local governmental agencies." In approving a sphere of influence amendment, the Commission is required to make written determinations regarding the following factors:

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

The County retains the responsibility for land use decisions within the CSA boundaries and sphere of influence. The area is zoned PD 332 (Planned Development) and has a General

Plan designation of "Planned Development". The present land use in the area includes a truck service center which is consistent with the County General Plan and Zoning Ordinance.

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

When the County approves development within an unincorporated area, it may require annexation to or formation of a County Service Area in order to provide extended services necessary to serve the land uses within the development boundaries. The present and probable need for public facilities and services in the area has been considered, as reflected in County-approved Engineer's Report for CSA 26 (included in Exhibit "C"). The extended services to be provided by CSA 26 are maintenance of curb, gutter, sidewalk, manholes, and storm drain.

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

Improvements have already been installed by the developer of the project site. Stanislaus County will maintain and operate these facilities with the funding provided through the CSA.

Only those property owners who benefit from the extended services provided by the CSA pay for them, which are funded through an assessment levied on parcels within the CSA boundaries. Based on the information provided by the County, it can be determined that, CSA 26 will have adequate controls and funding streams to provide the appropriate level of extended County services in order to serve the existing and future properties within the boundaries of the CSA.

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

There are no known social or economic communities of interest within the proposed Sphere of Influence.

5. *The present and probable need for sewer, municipal and industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence.*

The project site is located in Keyes, which qualifies as a disadvantaged unincorporated community. The area is served by the Keyes Fire Protection District for fire protection services, Keyes CSD for sewer and water services and CSA 26 for maintenance of curb, gutter, sidewalk, manholes, and storm drain.

DISCUSSION

Based on the information provided by Stanislaus County, annexation of project site can be considered a logical extension of the District's boundaries. Staff has determined that the proposed annexation is consistent with Government Code and LAFCO policies.

Waiver of Protest Proceedings

Pursuant to Government Code Section 56662(d), the Commission may waive protest proceedings for the proposal when the following conditions apply:

1. The territory is uninhabited.
2. All of the owners of land within the affected territory have given their written consent to the change of organization.
3. No subject agency has submitted written opposition to a waiver of protest proceedings.

As all the above conditions for the waiver of protest proceedings have been met, the Commission may waive the protest proceedings in their entirety.

ALTERNATIVES FOR COMMISSION ACTION

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

- Option 1** APPROVE the proposal, as submitted by the applicant.
- Option 2** DENY the proposal.
- Option 3** CONTINUE this proposal to a future meeting for additional information.

STAFF RECOMMENDATION

Approve Option 1. Based on the information and discussion contained in this staff report, and the evidence presented, it is recommended that the Commission adopt Resolution No. 2023-12 (attached as Exhibit D), which:

- a. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by Stanislaus County as Lead Agency;
- b. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
- c. Waives protest proceedings pursuant to Government Code Section 56662(d); and,

- d. Approves LAFCO Application No. 2023-12 and Sphere of Influence Update No. 2023-07 – California Truck Center Change of Organization to County Service Area 26 (Keyes) as outlined in the resolution.

Respectfully submitted,

Javier Camarena

Javier Camarena
Assistant Executive Officer

Attachments - Exhibit A: Map and Legal Description
Exhibit B: CEQA Initial Study and Mitigation Monitoring Plan
Exhibit C: CSA 26 Engineer's Report
Exhibit D: Draft LAFCO Resolution No. 2023-12

EXHIBIT A

Map & Legal Description

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EXHIBIT A
LEGAL DESCRIPTION
ANNEXATION NO. CSA 26

GEOGRAPHIC DESCRIPTION

All that portion of the Northeast Quarter of Section 31, Township 4 South, Range 10 East, Mount Diablo Meridian, County of Stanislaus, State of California, more particularly described as follows:

COMMENCING at the southwest corner of the Diehl Annexation to Keyes, Resolution #112, dated November 22, 1971, said point also being the intersection of the north right-of-way line of Nunes Road (formerly Keyes Road) and the northeasterly right-of-way line of 9th Street in the Town of Keyes; thence,

from the **POINT OF COMMENCEMENT**:

Thence, (1) South 00°00'00" East, a distance of 40.00 feet to a point on the south right-of-way line of Nunes Road to the **POINT OF BEGINNING**;

Thence, (2) along the south right-of-way line of Nunes Road South 89°43'26" East, a distance of 278.88 feet;

Thence, (3) South 00°40'00" West, a distance of 869.02 feet to a point on a curve concave to the southwest and having a radius of 690.05 feet, to which a radial line bears North 40°16'36" East, said point also lying on the north right-of-way line of State Route Highway 99;

Thence, along last said north right-of-way line of State Route Highway 99 the following 6 courses:

(4) Northeasterly along said curve an arc distance of 337.59 feet, a chord bearing of North 63°44'19" West, a chord length of 334.23 feet, a delta angle of 28°01'49";

(5) North 78°41'20" West, a distance of 280.44;

(6) North 65°07'29" West, a distance of 290.00 feet;

(7) North 57°28'09" West, a distance of 226.73 feet;

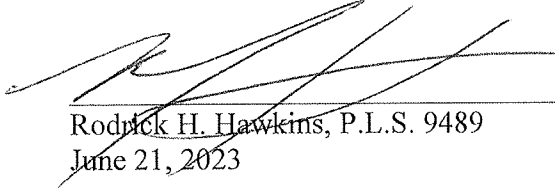
(8) North 51°03'13" West, a distance of 473.12 feet;

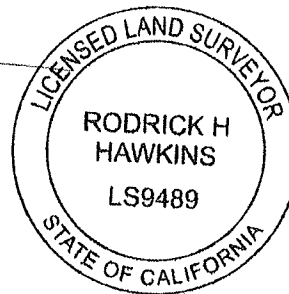
(9) North 50°20'45" West, a distance of 207.34 feet to a point on the south right-of-way line of Nunes Road;

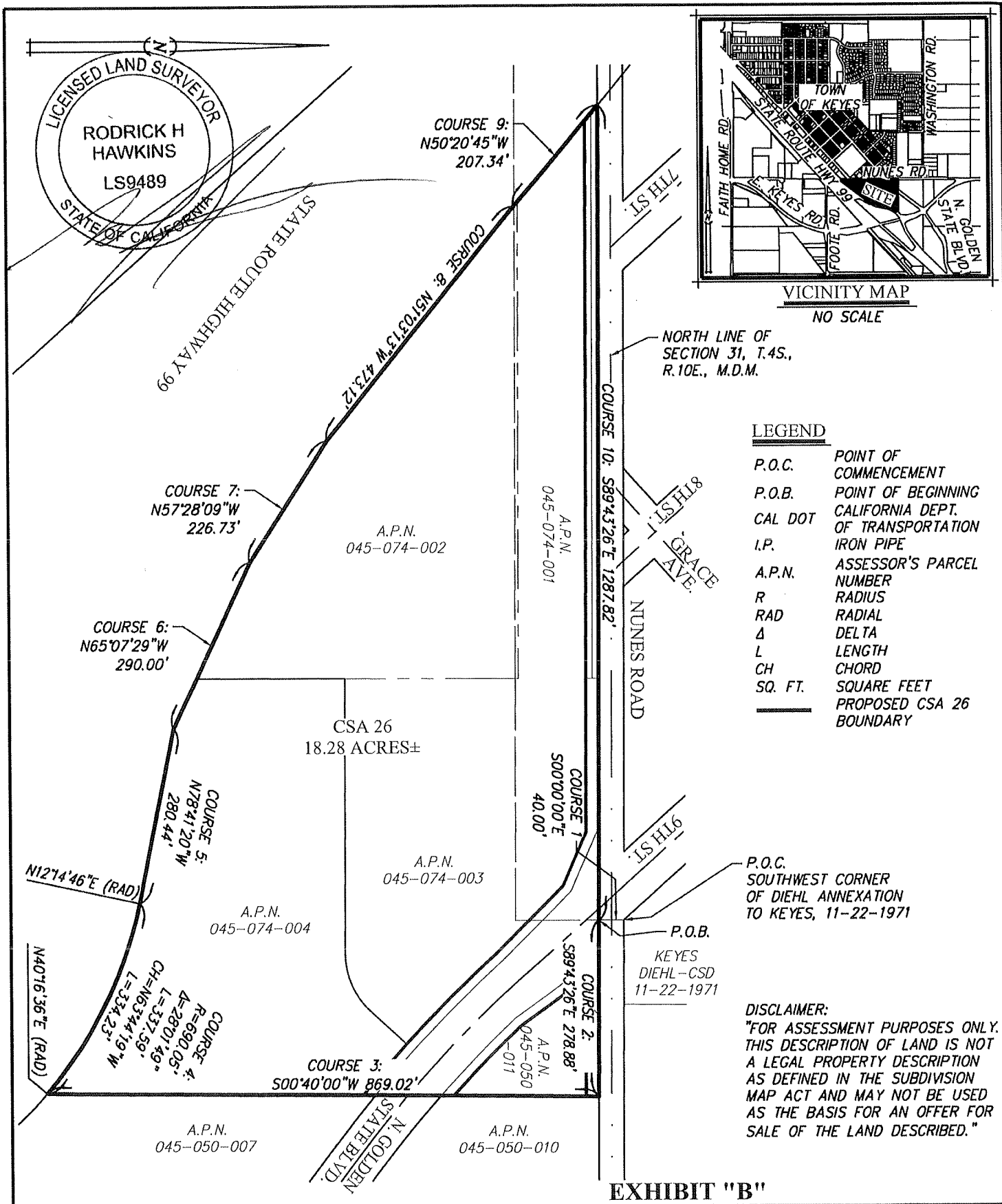
Thence, (10) South 89°43'26" East, a distance of 1287.82 feet to the **POINT OF BEGINNING**.


CONTAINING 18.28 acres, more or less.

For assessment purposes only. This description of land is not a legal property description as defined in the Subdivision Map Act and may not be used as the basis for an offer for sale of the land described.


Rodrick H. Hawkins, P.L.S. 9489
June 21, 2023





<div>1</div> <div>OF</div> <div>1</div>		HAWKINS & ASSOCIATES ENGINEERING, INC. 436 MITCHELL ROAD MODESTO, CA. 95354 PH: (209) 575 - 4295 FX: (209) 578 - 4295	CALIFORNIA TRUCK CENTER CHANGE OF ORGANIZATION TO CSA 26 4612 NUNES ROAD, TURLOCK, CA 95382	BY: <u>RCS</u>
				CHK: <u>RHH</u>
				DATE: <u>6/21/2023</u>
				SCALE: <u>1"=200'</u>
				JOB #: <u>3233.02</u>
			FILE: <u>SUR/LAFCO</u>	

CALIFORNIA TRUCK CENTER
CHANGE OF ORGANIZATION TO
CSA 26 (KEYES)

**CSA #5
STARLITE
PLACE**

CSA #26 KEYES

KAISER RD

WASHINGTON RD

LUCINDA AVE



CHRISTINE AVE

10TH ST

9TH ST

8TH ST

7TH ST

TANYA WAY

JESSUP RD

NUNES RD

E KEYES RD

SITE
17.3± acres

FOOTE RD

14

N GOLDEN STATE BLVD



EXHIBIT B

CEQA Initial Study Mitigation Monitoring Plan

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DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

1010 10th Street, Suite 3400, Modesto, CA 95354
Phone: 209.525.6330 Fax: 209.525.5911

CEQA INITIAL STUDY

Adapted from CEQA Guidelines APPENDIX G Environmental Checklist Form, Final Text, December 30, 2009

1. **Project title:** Rezone Application No. PLN2015-0032 – Belkorp AG
2. **Lead agency name and address:** Stanislaus County
1010 10th Street, Suite 3400
Modesto, CA 95354
3. **Contact person and phone number:** Rachel Wyse, Associate Planner
4. **Project location:** 4618 Nunes Road, east of Highway 99, west of N. Golden State Blvd., in the Keyes area.
(APN: 045-049-011, 045-049-012, 045-050-001, 045-050-011, 045-050-012).
5. **Project sponsor's name and address:** Belkorp AG – Tim Stokes
2413 Crows Landing Road
Modesto, CA 95358
6. **General Plan designation:** Planned Development
7. **Community Plan designation** HC (Highway Commercial)
8. **Zoning:** PD 302 (Planned Development) and A-2-10 (General Agriculture)
9. **Description of project:**

Request to rezone a 17.3± acre project site, from expired PD 302 and A-2-10 to a new PD (Planned Development), to allow H-1 uses and to establish an agricultural equipment dealership, construct a 57,000 square foot, two-story building for service maintenance, retail sales, parts, and administrative offices, allow outdoor display areas for agricultural equipment, develop a 74-space parking lot and driveways and construct an approximately one acre drainage basin south of the proposed building. Golden State Boulevard will provide primary access to the site. All existing driveways on Nunes Road shall be removed, except for a secondary access, south of the 8th Street/Grace Avenue intersection, on the northern boundary of the site. Acreage southeast of the building on APN 045-050-012 and APN 045-050-011 will be rezoned but left vacant and unimproved. This acreage may be utilized by other businesses provided the appropriate land use and building permits are obtained.

The project site is currently vacant and unimproved, except for the northwestern portion of the site which has the remnant foundations, three driveways, and drainage basin associated with the previous on-site trucking business. An Archaeological and Biological Survey were conducted on the 17.3± site. The archaeological survey determined that no historical, archaeological, or cultural resources were likely to occur on site. The biological survey determined that no special status plants, wildlife, or Waters of the US were likely to occur on the site, nor were they present at the time of the biological survey.

As additional background information, in April of 2000, the Board of Supervisors adopted a new Community Plan for the unincorporated community of Keyes along with an Environmental Impact Report (EIR). That EIR identified potential environmental issues and a series of Mitigation Measures were developed to reduce their impacts to less than significant level. Those individual mitigations, as appropriate case by case, apply to projects within the area of the Keyes Community Plan. The Mitigation Monitoring and Reporting Plan (MMRP) for the Keyes EIR is attached to this

Initial Study. Appropriate mitigation measures in each subject are listed alone or alongside mitigation measures identified as a part of the Early Consultation referral for this project. Some mitigation measures listed are based on the Keyes Community Plan MMRP, but have been modified and updated due to changes in development standards, so as to provide equal or greater protection than the original MMRP mitigation measures. In some cases, standard Conditions of Approvals now address previously identified Mitigation Measures. The details of the Keyes EIR mitigation measures can be found in the attached Keyes Community Plan MMRP.

- | | |
|---|--|
| 10. Surrounding land uses and setting: | Vacant A-2-10 zoned property with a Planned Development General Plan to the east; Hwy 99, and vineyards to the south and west; Nunes Road, residences, and Keyes Union School District to the north. |
| 11. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.): | Stanislaus County Department of Public Works
Stanislaus County Department of Environmental Resources
Stanislaus Fire Prevention Bureau
LAFCO
Keyes Community Services District
Turlock Irrigation District
San Joaquin Valley Air Pollution Control District
Regional Water Quality Control Board
CA Department of Fish and Wildlife |
| 12. Attachments: | Maps
Archaeological Survey
Biological Survey
Mitigation Monitoring Plan (MMP)
Keyes Community Plan MMP
Mitigated Negative Declaration |

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture & Forestry Resources | <input type="checkbox"/> Air Quality |
| <input checked="" type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality |
| <input type="checkbox"/> Land Use / Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population / Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation / Traffic | <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Mandatory Findings of Significance |

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Rachel Wyse

Prepared by

August 6, 2015

Date

EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
- 4) “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, “Earlier Analyses,” may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration.

Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

- a) **Earlier Analysis Used.** Identify and state where they are available for review.
 - b) **Impacts Adequately Addressed.** Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) **Mitigation Measures.** For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). References to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
 - 7) **Supporting Information Sources:** A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
 - 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project’s environmental effects in whatever format is selected.
 - 9) The explanation of each issue should identify:
 - a) the significant criteria or threshold, if any, used to evaluate each question; and
 - b) the mitigation measure identified, if any, to reduce the impact to less than significant.

ISSUES

I. AESTHETICS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?		X		
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character or quality of the site and its surroundings?				X
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?		X		

Discussion: The project site is bordered by State Route (SR) 99, Nunes Road, and North Golden State Boulevard, in the unincorporated community of Keyes, just north of the Keyes Road Overpass and the northbound SR 99 on and off ramps. The project site is within the Keyes Community Plan boundaries. The Keyes Community Plan, adopted by the Board of Supervisors in April of 2000, identifies the project site as a Gateway area to Keyes, visible from SR 99, that should be designed and landscaped to improve and enhance the appearance of the site and area. A separate landscape plan has not been submitted to date; however, the site plan indicates the use of drought tolerant landscaping in the display area and existing landscaping on the Nunes Road and SR 99 frontages. A final landscape plan, in compliance with the State Water Model Ordinance and in awareness of the drought, will be required at the time of building permit submittal.

There is no existing design criteria for the Keyes Community; however, the Keyes Community Plan encourages attractive and orderly development which preserves a small town atmosphere; the development of large, non-residential sites, with generous landscaping and Highway Commercial type uses along SR 99/Keyes Road Interchange; and the development of "Gateway" treatments and positive, high quality landscaped edges along SR 99 and major roads. These requirements will be addressed through PD development standards, consistent with the Keyes Community Plan, for this project, with design attention paid to the appearance of the rear of the building facing SR 99 and the Keyes Road Interchange, signage, and "Gateway" and landscape treatments.

Operating hours are Monday thru Saturday, from 7:00 a.m. to 6:00 p.m. Due to the orientation of the driveways, it is possible that vehicle lights will have an impact on homes 258± feet to the north of the project's proposed driveway on Nunes Road, during the winter months. Because the proposed business will close by 6:00 p.m., this impact is expected to be less than significant; however, to insure that the neighbors to the north are not impacted, a condition of approval will be added to the project requiring that traffic leaving the site near dusk, shall utilize the Golden State Boulevard entrance/exit. The North Golden State Boulevard driveway is across from the vacant, northeastern-most portion of the subject parcel which will also be rezoned to Planned Development. Consequently, traffic utilizing the Golden State exit is not expected to result in impacts caused by vehicle lights. The building will have wall pack security lights and 30-foot light poles will be installed in the parking lot as required for parking lot safety. Improvements to the site will result in a new source of substantial light and glare which could adversely affect day and/or nighttime views in the area. Mitigation measures have been added to reduce illumination impacts to less than significant. *Keyes MMRP Mitigation Measures Nos. 16, 17 on Page 18 of the MMRP.*

Mitigation:

1. *New multi-story development shall minimize the use of reflective surface and have those reflective surfaces which are used to be oriented in such a manner so as to reduce glare impacts along roadways.*
2. *New development shall include cut-off luminaries and/or shields. All exterior lighting shall be designed (aimed down and towards the site) to provide adequate illumination without a glare effect. Low intensity lights shall be used to minimize the visibility of the lighting from nearby areas, and to prevent "spill over" of light onto adjacent residential properties.*

References: Application information; Keyes Community Plan, EIR and MMRP adopted April, 2000; and the Stanislaus County General Plan and Support Documentation¹.

II. AGRICULTURE AND FOREST RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?			X	

Discussion: The project site is classified as Urban and Built-Up Land by the Farmland Mapping and Monitoring Program and contains Dinuba and Hanford sandy loam soils. The site is currently zoned as expired P-D (302), which was approved as Rezone 2005-14 – Cherokee Plaza/Patricia Cochran on May 23, 2006, to allow construction of a 50,000 square foot beauty college, restaurants, and retail services on seven acres of the current project site. Prior to this rezone, the property was zoned PD (55) in 1979 to allow a trucking business which utilized the site in one form or another until 2005. This site is not enrolled in a Williamson Act Contract.

The existing Stanislaus County General Plan designation and Keyes Community Plan designation for this site is Planned Development and Highway Commercial respectively. According to the Keyes Community Plan, Planned Development in this area is expected to function similar to the General Plan designations of Highway Commercial and Planned Industrial with a focus on light industrial uses east of SR 99 and heavy industrial uses west of SR 99. The parcels north of the site are zoned H-1 (Highway Frontage), R-1 (Single-Family) R-2 (Medium Density Residential) and R-3 (Multi-Family). There are vacant A-2-10 zoned properties with a Planned Development General Plan to the east; Highway 99, and vineyards to the south and west; Nunes Road, residential homes, and Keyes Union School District to the north. A-2-10 zoned parcels in the immediate vicinity appear to be vacant and unimproved and fallow, as per the County's Geographical Information System (GIS) 2013 aerial photos and site visit. The County has a Right-to-Farm Ordinance in place to protect the agricultural users in the area from unjust nuisance complaints; however, there does not appear to be any agricultural crops in the immediate vicinity of the project site.

Lands within the Keyes Community Plan area, with a General Plan of Agriculture are subject to farmland mitigation upon submittal of a General Plan Amendment/Rezone application. Because the project site is within the Keyes Community Plan area already designated as Highway Commercial and designated as Planned Development in the County General Plan, it is not subject to the Keyes Community Plan's one to one [acre] farmland mitigation. *Keyes MMRP Mitigation Measures Nos. 4.1-1 and 4.1-4 on Page 4 of the MMRP.*

Mitigation: None

References: Rezone 2005-14 - Cherokee Plaza/Patricia Cochran (P-D [302]); Stanislaus County Zoning Ordinance; the California State Department of Conservation Farmland Mapping and Monitoring Program - Stanislaus County Farmland 2004; Department of Conservation California Farmland Finder; USDA – NRCS Web Soil Survey; Stanislaus County GIS; Keyes Community Plan MMRP; and the Stanislaus County General Plan and Support Documentation¹.

III. AIR QUALITY: Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?			X	
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?			X	
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?			X	
d) Expose sensitive receptors to substantial pollutant concentrations?			X	
e) Create objectionable odors affecting a substantial number of people?				X

Discussion: The proposed project is located within the San Joaquin Valley Air Basin (SJVAB) and, therefore, falls under the jurisdiction of the San Joaquin Valley Air Pollution Control District (SJVAPCD). In conjunction with the Stanislaus Council of Governments (StanCOG), the SJVAPCD is responsible for formulating and implementing air pollution control strategies. The SJVAPCD's most recent air quality plans are the 2007 PM₁₀ (respirable particulate matter) Maintenance Plan, the 2008 PM_{2.5} (fine particulate matter) Plan, and the 2007 Ozone Plan. These plans establish a comprehensive air pollution control program leading to the attainment of state and federal air quality standards in the SJVAB, which has been classified as "extreme non-attainment" for ozone, "attainment" for respirable particulate matter (PM-10), and "non-attainment" for PM 2.5, as defined by the Federal Clean Air Act.

The primary source of air pollutants generated by this project would be classified as being generated from "mobile" sources. Mobile sources would generally include dust from roads, farming, and automobile exhausts. Mobile sources are generally regulated by the Air Resources Board of the California EPA which sets emissions for vehicles and acts on issues regarding cleaner burning fuels and alternative fuel technologies. As such, the District has addressed most criteria air pollutants through basin wide programs and policies to prevent cumulative deterioration of air quality within the Basin. The project will increase traffic in the area and, thereby, impacting air quality. The applicant estimates that there will be a maximum of 50 employees on shift, approximately 30 daily customers, 10 of which would visit the site during peak hours, and up to 10 truck trips per day, resulting in a 5% increase in truck traffic for the area. The nearest sensitive receptors are the residences and Keyes Elementary School and School District approximately 200± feet north of the project site.

Potential impacts on local and regional air quality are anticipated to be less than significant, falling below SJVAPCD thresholds, as a result of the nature of the proposed project and project's operation after construction. Implementation of the proposed project would fall below the SJVAPCD significance thresholds for both short-term construction and long-term operational emissions, as discussed below. Because construction and operation of the project would not exceed the SJVAPCD significance thresholds, the proposed project would not increase the frequency or severity of existing air quality standards or the interim emission reductions specified in the air plans.

For these reasons, the proposed project would be consistent with the applicable air quality plans. Also, the proposed project would not conflict with applicable regional plans or policies adopted by agencies with jurisdiction over the project and would be considered to have a less than significant impact.

Construction activities associated with new development can temporarily increase localized PM10, PM2.5, volatile organic compound (VOC), nitrogen oxides (NOX), sulfur oxides (SOX), and carbon monoxide (CO) concentrations a project's vicinity. The primary source of construction-related CO, SOX, VOC, and NOX emission is gasoline and diesel-powered, heavy-duty mobile construction equipment. Primary sources of PM10 and PM2.5 emissions are generally clearing and demolition activities, grading operations, construction vehicle traffic on unpaved ground, and wind blowing over exposed surfaces.

Construction activities associated with the proposed project would consist primarily of construction of the 57,000 square foot store, associated parking lot, and drainage basin. These activities would not require any substantial use of heavy-duty construction equipment and would require little or no demolition or grading as the site is presently unimproved and considered to be topographically flat. Consequently, emissions would be minimal. Furthermore, all construction activities would occur in compliance with all SJVAPCD regulations; therefore, construction emissions would be less than significant without mitigation.

Operational emissions would be generated by mobile sources as a result of passenger vehicles going to and from work and the estimated 30 customers per day. The project's Early Consultation referral and the Keyes Community Plan Mitigation Monitoring and Reporting Plan (MMRP) was referred to SJVAPCD with a request that staff review the MMRP's mitigation measures and revise or amend as needed. SJVAPCD staff indicated that the project was subject to the SJVAPCD's Rule 9510 Indirect Sources Rule (ISR), and that the MMRP's mitigation measures did not need to be added to this project. *Keyes MMRP Mitigation Measures Nos. 4.4-1(a) and 4.4-2(a) on Pages 11-14 of the MMRP.*

Mitigation: None.

References: Email referral response from the San Joaquin Valley Air Pollution Control District dated July 31, 2015; San Joaquin Valley Air Pollution Control District - Regulation VIII Fugitive Dust/PM-10 Synopsis; and the Stanislaus County General Plan and Support Documentation¹

IV. BIOLOGICAL RESOURCES -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?		X		
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?			X	
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?				X

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X
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Discussion: The property is currently unimproved and zoned P-D (302) (Planned Development) on the western half of the project site and A-2-10 on the eastern half of the project site. Early consultation referral responses have not been received from the U.S. Fish and Wildlife Service; however, the California Department of Fish and Wildlife (CDFW) (formerly the Department of Fish and Game) responded with several project recommendations for nesting birds, such as Swainson's hawk (SWHA) and Burrowing Owl. SWHA recommendations included: pre-construction surveys for ground disturbing activities occurring during the breeding season (February through mid-September) and compensation for the loss of SWHA habitat. Burrowing Owl recommendations include pre-construction surveys for burrowing owl regardless of when construction will occur to identify any burrowing owl that may occur on the project site. Should Burrowing Owl(s) be found, it is recommended that: 1) impacts to occupied burrows be avoided in accordance with the table provided (in their referral response) which includes burrowing owl location, time of year, and level of disturbance, and; 2) that foraging habitat be acquired and permanently protected to offset the loss of foraging and burrow habitat, and; 3) replacement of occupied burrows with artificial burrow at a ratio of one burrow collapsed to one artificial burrow constructed, as mitigation for the potential significant impact of evicting a burrowing owl, if a biologist knowledgeable with the species determines that suitable burrows are a potential limiting factor for burrowing owl. (See CDFW referral response dated April 27, 2015)

A biological survey, dated June 26, 2015, and completed by Diane Moore, of Moore Biological Consultants, was conducted in response to the CDFW referral response. A field survey of the site was conducted on June 10, 2015, and consisted of walking throughout the project site, making observations of current habitat conditions, and nothing surrounding land use, general habitat types, and plant and wildlife species. The survey included an assessment of the project site for presence or absence of potentially jurisdictional Waters of the U.S. (a term that includes wetlands) as defined by the U.S. Army Corps of Engineers, special-status species, and suitable habitat for special-status species. Additionally, trees within and near the project site were assessed for the potential use by nesting raptors, especially SWHA; and, the site itself was searched for burrowing owls or ground squirrel burrows that could be utilized by burrowing owl. The survey found that while the project site may have provided habitat for special-status wildlife species at some time in the past, farming and development have substantially modified natural habitats in the greater project vicinity. Of the wildlife species identified in the California Natural Diversity Database (CNDDB), Swainson's hawk is the only species that has the potential to occur in the site on more than a transitory or very occasional basis. Other special-status birds including tricolor blackbird, and burrowing owl, may fly over the area on occasion, but would not be expected to nest in or immediately adjacent to the project site. No burrowing owls or ground squirrels were observed in the site. Two small blue elderberry shrubs in the northeast corner of the site lacked bore holes indicative of valley elderberry longhorn beetle (VELB), nor were VELB identified within the subject shrubs. In conclusion, based on the biological survey, the site does not appear to have or provide likely habitat for special-status flora or fauna, nor were any special-status species, Waters of the U.S., or wetlands found on site. Conclusion and recommendations of the biological survey can be found on pages 21-22 of the attached biological survey. Mitigation measures, as recommended by the survey are incorporated below.

There is no evidence to suggest that this project would result in impacts to sensitive and endangered species or habitats, locally designated species, or wildlife dispersal or mitigation corridors. There are no known sensitive or protected species or natural communities located on the site and/or in the surrounding area. The project will not conflict with a Habitat Conservation Plan, a Natural Community Conservation Plan, or other locally approved conservation plans. *Keyes MMRP Mitigation Measures Nos. 4.2-1(a) and 4.2-5 on Pages 5-8 of the MMRP.*

Mitigation:

3. *Although considered unlikely, valley elderberry longhorn beetle could potentially occur in the small blue elderberry shrubs in the northeast part of the site. These small shrubs show no evidence of occupancy by valley elderberry longhorn beetle and removal of the shrubs is expected to have no effect on this species. Prior to removing the shrubs, the applicant shall obtain concurrence from US Fish and Wildlife Service regarding removing the shrubs.*
4. *Prior to securing concurrence to remove the blue elderberry shrubs, the shrubs should be protect with a no-disturbance buffer extending 10 feet from the driplines of the shrubs. Construction in the vicinity of the blue elderberry shrubs should occur between June 15 and April 15. During this time period, valley elder berry longhorn beetle (if present) would be within the interior portion of the stems of the shrubs and would not move (i.e., fly or walk) into the construction area.*
5. *Pre-construction surveys for nesting Swainson's hawks within 0.25 miles of the project site are recommended if construction commences between March 1 and September 1. If active nests are found, a qualified biologist*

should determine the need (if any) for temporal restrictions on construction. The determination shall utilize criteria set forth by CDFW (CDFG, 1994).

6. Pre-construction surveys for burrowing owls in the site should be conducted if construction commences between February 1 and August 31. If occupied burrows are found, a qualified biologist should determine the need (if any) for temporal restrictions on construction. The determinations shall be pursuant to criteria set forth by CDFW (CDFG, 2012).
7. Trees, shrubs, and grasslands in the site could be used by other birds protected by the Migratory Bird Treaty Act of 1918. If vegetation removal or construction commences during the general avian nesting season (March 1 through July 31), a preconstruction survey for nesting birds shall be completed. If active nests are found, work in the vicinity of the nest shall be delayed until the young fledge.

References: Referral response from CDFW dated April 27, 2015; Biological Survey dated June 26, 2015, conducted by Moore Biological Consultants; California Department of Fish and Wildlife (formerly the Department of Fish and Game) California Natural Diversity Database and the Stanislaus County General Plan and Support Documentation¹

V. CULTURAL RESOURCES -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in § 15064.5?				X
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?			X	
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X	
d) Disturb any human remains, including those interred outside of formal cemeteries?			X	

Discussion: It does not appear this project will result in significant impacts to any archaeological or cultural resources. A records search indicated that there were no prehistoric or historic resources on-site; nor had any local cultural group reported to the Central California Information Center (CCIC) that the property had cultural value. The project was referred to the Native American Heritage Commission (NAHC) which responded with recommendations and procedures in regards to the discovery of archaeological or cultural resources. A condition of approval will be placed on the project that requires that if any resources are found, construction activities will halt at that time and investigated further.

Mitigation: None

References: Archaeological Inventory Study dated April 30, 2015; Stanislaus County General Plan and Support Documentation¹

VI. GEOLOGY AND SOILS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			X	
iv) Landslides?				X
b) Result in substantial soil erosion or the loss of topsoil?			X	

c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
d) Be located on expansive soil creating substantial risks to life or property?			X	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?			X	

Discussion: As contained in Chapter 5 of the General Plan Support Documentation, the areas of the County subject to significant geologic hazard are located in the Diablo Range, west of Interstate 5; however, as per the California Building Code, all of Stanislaus County is located within a geologic hazard zone (Seismic Design Category D, E, or F) and a soils test may be required as part of the building permit process. Results from the soils test will determine if unstable or expansive soils are present. If such soils are present, special engineering of the structure will be required to compensate for the soil deficiency. Any structures resulting from this project will be designed and built according to building standards appropriate to withstand shaking for the area in which they are constructed. Any earth moving is subject to Public Works Standards and Specifications which consider the potential for erosion and run-off prior to permit approval. Likewise, any addition of a septic tank or alternative waste water disposal system would require the approval of the Department of Environmental Resources (DER) through the building permit process, which also takes soil type into consideration within the specific design requirements. The project was referred to the Department of Public Works and the Building Permits Division. Both Departments responded with comments to address these concerns and will be incorporated into the project as conditions of approval and/or development standards. Previously identified as *Keyes MMRP Mitigation Measures Nos. 1 and 2 on Pages 14 and 15 of the MMRP of the MMRP*.

Mitigation: None.

References: California Building Code and the Stanislaus County General Plan and Support Documentation¹

VII. GREENHOUSE GAS EMISSIONS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

Discussion: The principal Greenhouse Gases (GHGs) are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and water vapor (H₂O). CO₂ is the reference gas for climate change because it is the predominant greenhouse gas emitted. To account for the varying warming potential of different GHGs, GHG emissions are often quantified and reported as CO₂ equivalents (CO₂e). In 2006, California passed the California Global Warming Solutions Act of 2006 (Assembly Bill [AB] No. 32), which requires the California Air Resources Board (ARB) to design and implement emission limits, regulations, and other measures, such that feasible and cost-effective statewide GHG emissions are reduced to 1990 levels by 2020. As a requirement of AB 32, the ARB was assigned the task of developing a Climate Change Scoping Plan that outlines the state's strategy to achieve the 2020 GHG emissions limits. This Scoping Plan includes a comprehensive set of actions designed to reduce overall GHG emissions in California, improve the environment, reduce the state's dependence on oil, diversify the state's energy sources, save energy, create new jobs, and enhance public health. The Climate Change Scoping Plan was approved by the ARB on December 22, 2008. According to the September 23, 2010, AB 32 Climate Change Scoping Plan Progress Report, 40 percent of the reductions identified in the Scoping Plan have been secured through ARB actions and California is on track to its 2020 goal.

Although not originally intended to reduce GHGs, California Code of Regulations (CCR) Title 24, Part 6: California's Energy Efficiency Standards for Residential and Nonresidential Buildings, was first adopted in 1978 in response to a legislative mandate to reduce California's energy consumption. Since then, Title 24 has been amended with recognition

that energy-efficient buildings require less electricity and reduce fuel consumption, which in turn decreases GHG emissions. The current Title 24 standards were adopted to respond to the requirements of AB 32. Specifically, new development projects within California after January 1, 2011, are subject to the mandatory planning and design, energy efficiency, water efficiency and conservation, material conservation and resources efficiency, and environmental quality measures of the California Green Building Standards (CALGreen) Code (California Code of Regulations, Title 24, Part 11).

The proposed project would result in short-term emissions of GHGs during construction. These emissions, primarily CO₂, CH₄, and N₂O, are the result of fuel combustion by construction equipment and motor vehicles. The other primary GHGs (HFCs, PFCs, and SF₆) are typically associated with specific industrial sources and are not expected to be emitted by the proposed project. As described above in Section III - Air Quality, the use of heavy-duty construction equipment would be very limited; therefore, the emissions of CO₂ from construction would be less than significant.

The project would also result in direct annual emissions of GHGs during operation. Direct emissions of GHGs from operation of the proposed project are primarily due to passenger vehicles and truck trips. This project would not result in emission of GHGs from any other sources. Consequently, GHG emissions are considered to be less than significant.

Mitigation: None.

References: Application Information; and the Stanislaus County General Plan and Support Documentation¹

VIII. HAZARDS AND HAZARDOUS MATERIALS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?			X	
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?				X
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?				X
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?				X

Discussion: The Department of Environmental Resources (DER) is responsible for overseeing hazardous materials and has not indicated any particular concerns in this area. The project was referred to the Environmental Resources Committee (ERC), which includes a DER hazardous waste specialist. Maintenance of agricultural equipment will occur

within the proposed building and may involve the use of potentially hazardous fluids and lubricants typically used in diesel and large engine repair. A hazardous waste plan will be required to be submitted as a part of normal business operations, and will be reviewed by the DER-HazMat Division and the Fire Department. The presence and use of engine fluids and lubricants is expected to have a less than significant impact due to existing, use, disposal, and storage requirements for any business engaging in engine repair.

Pesticide exposure is a risk in areas located in the vicinity of agriculture. Sources of exposure include contaminated groundwater, which is consumed, and drift from spray applications. Application of sprays is strictly controlled by the Agricultural Commissioner and can only be accomplished after first obtaining permits. It does not appear that the neighboring, vacant, and A-2-10 zoned parcels are currently planted in crops. That said, any spraying activities on adjacent properties will be conditioned by the Agricultural Commissioner's Office. The project site is not located within an airport land use plan or a wildlands area, nor is the site listed on the EnviroStor database managed by the CA Department of Toxic Substances Control. The groundwater is not known to be contaminated in this area. Previously identified as *Keyes MMRP Mitigation Measures Nos. 11 and 12 on Page 16 of the MMRP*.

Mitigation: None.

References: www.envirostor.dtsc.ca.gov/public; Stanislaus County General Plan and Support Documentation¹

IX. HYDROLOGY AND WATER QUALITY -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?			X	
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?			X	
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?			X	
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?			X	
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?			X	
f) Otherwise substantially degrade water quality?			X	
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?				X
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?				X

i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?			X	
j) Inundation by seiche, tsunami, or mudflow?				X

Discussion: Run-off is not considered an issue because of several factors which limit the potential impact. These factors include the relatively flat terrain of the subject site, and relatively low rainfall intensities in the Central Valley. Areas subject to flooding have been identified in accordance with the Federal Emergency Management Act. The project site itself is located in Zone X (outside the 0.2% floodplain) and, as such, exposure to people or structures to a significant risk of loss/injury/death involving flooding due levee/dam failure and/or alteration of a watercourse, at this location is not an issue with respect to this project.

By virtue of the proposed paving for the building pads, parking, and driveways, the current absorption patterns of water upon this property will be altered; however, current standards require that all of a project's stormwater be maintained on site and, as such, a Grading and Drainage Plan will be included in this project's conditions of approval. As a result of the development standards required for this project, impacts associated with drainage, water quality, and runoff are expected to have a less than significant impact. This project was referred to the Regional Water Quality Control Board (RWQCB) which responded with standards of development and requirements that will be incorporated into this project's conditions of approval. The Department of Public Works reviewed the project and responded with a condition regarding intersection impact fees, indicating that standard conditions of approval, in regards to grading and drainage, encroachment permits, and improvement plans, would be forthcoming. *Keyes MMRP Mitigation Measures Nos. 2 thru 6 on Page 15 and 16 of the MMRP.*

A condition of approval will be placed on the project requiring that the landscaping plans comply with the California State Water Model Ordinance and utilize drought tolerant plants. The project was referred to the Keyes Municipal Advisory Council and a response has not been received by the time this initial study was drafted.

Mitigation: None.

References: Referral response from the Department of Public Works dated July 31, 2015; referral response from the Regional Water Quality Control Board dated April 27, 2015; and the Stanislaus County General Plan and Support Documentation¹

X. LAND USE AND PLANNING -- Would the project:				
	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Physically divide an established community?				X
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?				X
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?				X

Discussion: The project site is zoned expired P-D (304) (Planned Development) and A-2-10 and the General Plan and Keyes Community Plan designation for this site is Highway Commercial. As such, the proposed project will not conflict with any land use designations or applicable habitat conservation plan or natural community conservation plan and will not physically divide an established community, as the General Plan and Keyes Community Plan call for this type of development. The need for a rezone is due to the way that PD 302 was approved for a specific use within a specific time frame. Failure to meet those requirements resulted in the expiration of PD 302 and the need for further discretionary approval prior to development. In an effort to streamline future development, the project includes a request to allow H-1 uses with updated development standards and a streamlined, land use, permitting process.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹

XI. MINERAL RESOURCES -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Discussion: The location of all commercially viable mineral resources in Stanislaus County has been mapped by the State Division of Mines and Geology in Special Report 173. There are no known significant resources on the site, nor is the project site located in a geological area known to produce resources.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹

XII. NOISE -- Would the project result in:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?			X	
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?			X	
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?				X

Discussion: The Stanislaus County General Plan¹ identifies noise levels up to 70 dB L_{dn} (or CNEL) as the normally acceptable level of noise for commercial uses. On-site grading and construction resulting from this project may result in a temporary increase in the area's ambient noise levels; however, noise impacts associated with on-site activities and traffic are not anticipated to exceed the normally acceptable level of noise. The site itself is impacted by the noise generated from existing nearby SR 99 and the Union Pacific railroad adjacent to southbound SR 99. The site is not located within an airport land use plan. *Keyes MMRP Mitigation Measures No. 14 on Page 17 of the MMRP.*

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹

XIII. POPULATION AND HOUSING -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			X	
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?				X
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?				X

Discussion: The proposed use of the site may induce modest growth in the area by creating service extensions and/or new infrastructures in the form of Keyes Community Services District extension of water and sewer services. Extension of such services must be approved by Stanislaus County LAFCO. No housing or persons will be displaced by the project.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹

XIV. PUBLIC SERVICES --	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Would the project result in the substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?		X	X	
Police protection?			X	
Schools?				X
Parks?			X	
Other public facilities?			X	

Discussion: The County has adopted Public Facilities Fees, as well as one for the Fire Facility Fees on behalf of the appropriate fire district, to address impacts to public services. Such fees are required to be paid at the time of building permit issuance. Conditions of approval will be added to this project to ensure the proposed development complies with all applicable fire department standards with respect to access and water for fire protection. Building permit review by the Office of Emergency Services will address adequate turn-around for a fire apparatus and on-site water supply for fire suppression. The project was referred to the ERC, the Modesto Regional Fire Authority, and the Keyes Fire Department. *Keyes Community Plan Mitigation Measure Nos. 15 and 18 on pages 17 and 18 of the MMRP addresses this on a Community-wide basis.* A condition of approval may be added to this project requiring compliance with these mitigation measures which requires all new development pay a fair share towards fire protection and parks.

Mitigation: None.

References: Keyes Community Plan MMRP; Stanislaus County General Plan and Support Documentation¹

XV. RECREATION --	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			X	
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Discussion: The proposed project does not have a residential component and is not anticipated to significantly increase demand on recreational facilities. A condition of approval may be added to the project requiring compliance with this mitigation measure which requires all new development pay a fair share towards parks. *Keyes MMRP Mitigation Measures No. 18 on Page 18 of the MMRP addresses this on a Community-wide basis.*

Mitigation: None.

References: Keyes Community Plan MMRP; Stanislaus County General Plan and Support Documentation¹

XVI. TRANSPORTATION/TRAFFIC -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?		X		
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?			X	
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?			X	
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
e) Result in inadequate emergency access?				X
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?				X

Discussion: This project was referred to the Department of Public Works and CalTrans. CalTrans responded with a request for additional information regarding the trucks to be used to transport the agricultural equipment and a recommendation that the project pay its fair share for any future improvements to the SR 99/Keyes Road intersection and ramps. This information was forwarded to the Department of Public Works who responded with the applicant's fair share amount, as determined by the Keyes Community Plan and updated for inflation. The fair share fees have been added as a mitigation measure. Moreover, current Public Facility Fees (PFF) will be imposed when the project applies for building permits.

On May 1, 2015, the Keyes Union School District submitted a letter commenting on the location of proposed driveways along Nunes Road as they are located in front of a head Start facility. The District also commented on the potential safety concern for students that may walk along the Nunes Road. The site plan was amended, eliminating the two western most driveways and moved the main site entrance off of Nunes Road to N. Golden State Blvd. A District response to these site plan changes had not been received at the time this initial study was prepared.

Traffic movements were reviewed in the Keyes Community Plan, which considered the subject project site as utilized for a commercial type use on a Planned Development zoning. The Keyes MMRP was forwarded to the Stanislaus County Department of Public Works, who responded with the aforementioned mitigation measure and indicated that standard conditions of approval, in regards to grading and drainage, access, and improvements would be forthcoming. *Keyes Community Plan MMRP Mitigation Measure Nos. 4.3-1 (et.al), 4.3-2 (et.al), and 4.3-3 (et.al.) on pages 8-10.*

Mitigation:

8. *The applicant shall pay the Keyes Community Plan Mitigation Funding Program fees for Highway Commercial per the Keyes community Plan adopted on April 18, 2000. The fees were calculated in 2003 at \$751.47 per 1,000 square feet of floor space. With the fees adjusted for inflation using the Engineering News-Record index, the July 2015 fees are \$1137 per 1,000 square feet. These fees will be paid prior to building permit issuance.*

References: Referral response from Caltrans dated May 4, 2015; referral response from the Department of Public Works dated July 29, 2015; and the Stanislaus County General Plan and Support Documentation¹

XVII. UTILITIES AND SERVICE SYSTEMS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?			X	
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?			X	
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?			X	
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?			X	
g) Comply with federal, state, and local statutes and regulations related to solid waste?			X	

Discussion: Limitations on providing services have not been identified. Although the site is not currently served by municipal services (sewer & water), the applicant is proposing to have the site be served by the Keyes Community Services District (CSD), the provider of sewer and water for this community. The Keyes CSD provided a letter stating that they are capable of providing water and sewer services to the project site (the westerly half); however, prior to connection the easterly half of the site must be annexed into the CSD via the LAFCO application and approval process. The water and sewer service is contingent on an agreement with the Keyes CSD regarding construction of infrastructure and the payment of fees. These requirements will be reflected in the project's conditions of approval/development standards. *Keyes Community Plan MMRP Mitigation Measure Nos. 2, 3, 4, and 6 on page 15.*

Mitigation: None

References: “Ability to Serve” letter from the Denair Community Services District (CSD) dated June 24, 2013; and the Stanislaus County General Plan and Support Documentation¹

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE --				
	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?				X
b) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)			X	
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?				X

Discussion: Review of this project has not indicated any features which might significantly impact the environmental quality of the site and/or the surrounding area.

¹Stanislaus County General Plan and Support Documentation adopted in October 1994, as amended. Optional and updated elements of the General Plan and Support Documentation: **Agricultural Element** adopted on December 18, 2007; **Housing Element** adopted on August 28, 2012; **Circulation Element** and **Noise Element** adopted on April 18, 2006.

Stanislaus County

Planning and Community Development

1010 10th Street, Suite 3400
Modesto, CA 95354

Phone: (209) 525-6330
Fax: (209) 525-5911

Mitigation Monitoring Plan

Adapted from CEQA Guidelines sec. 15097 Final Text, October 26, 1998

August 7, 2015

1. Project title and location: Rezone Application No. PLN2015-0032 – Belkorp AG

4618 Nunes Road, east of Highway 99, west of N. Golden State Blvd., in the Keyes area. (APN: 045-049-011, 045-049-012, 045-050-001, 045-050-011, 045-050-012).
2. Project Applicant name and address: Belkorp AG
2413 Crows Landing Road
Modesto, CA 95358
3. Person Responsible for Implementing Mitigation Program (Applicant Representative): Tim Stokes, Belkorp AG
4. Contact person at County: Rachel Wyse, Associate Planner (209) 525-6330

MITIGATION MEASURES AND MONITORING PROGRAM:

List all Mitigation Measures by topic as identified in the Mitigated Negative Declaration and complete the form for each measure.

I. AESTHETICS

- No. 1 Mitigation Measure: New multi-story development shall minimize the use of reflective surface and have those reflective surfaces which are used to be oriented in such a manner so as to reduce glare impacts along roadways.

Who Implements the Measure:	Applicant
When should the measure be implemented:	During building design
When should it be completed:	Prior to issuance of the Final Occupancy Permit
Who verifies compliance:	Stanislaus County Planning and Community Development Department, Building Permits Division
Other Responsible Agencies:	Stanislaus County Planning and Community Development Department, Planning Division

- No. 2 Mitigation Measure: New development shall include cut-off luminaries and/or shields. All exterior lighting shall be designed (aimed down and towards the site) to provide

adequate illumination without a glare effect. Low intensity lights shall be used to minimize the visibility of the lighting from nearby areas, and to prevent "spill over" of light onto adjacent residential properties.

Who Implements the Measure:	Applicant
When should the measure be implemented:	During building design
When should it be completed:	Prior to issuance of the Final Occupancy Permit
Who verifies compliance:	Stanislaus County Planning and Community Development Department, Building Permits Division
Other Responsible Agencies:	Stanislaus County Planning and Community Development Department, Planning Division

IV. BIOLOGICAL RESOURCES

- No. 3 Mitigation Measure: Although considered unlikely, valley elderberry longhorn beetle could potentially occur in the small blue elderberry shrubs in the northeast part of the site. These small shrubs show no evidence of occupancy by valley elderberry longhorn beetle and removal of the shrubs is expected to have no effect on this species. Prior to removing the shrubs, the applicant shall obtain concurrence from US Fish and Wildlife Service (USFWS) regarding removing the shrubs.

Who Implements the Measure:	Applicant
When should the measure be implemented:	Prior to removal of the small blue elderberry shrubs.
When should it be completed:	After United States Fish and Wildlife (USFW) approval of a plan to remove the small blue elderberry shrubs.
Who verifies compliance:	USFW
Other Responsible Agencies:	California Department of Fish and Wildlife (CDFW); Stanislaus County Planning and Community Development Department, Planning Division.

- No. 4 Mitigation Measure: Prior to securing concurrence to remove the blue elderberry shrubs, the shrubs should be protect with a no-disturbance buffer extending 10 feet

from the driplines of the shrubs. Construction in the vicinity of the blue elderberry shrubs should occur between June 15 and April 15. During this time period, valley elder berry longhorn beetle (if present) would be within the interior portion of the stems of the shrubs and would not move (i.e., fly or walk) into the construction area.

Who Implements the Measure:	Applicant
When should the measure be implemented:	Prior to grading and/or grubbing of site.
When should it be completed:	After April 15, the 10 foot buffer area can be removed.
Who verifies compliance:	Stanislaus County Planning and Community Development Department, Planning Division
Other Responsible Agencies:	USFW and/or Stanislaus County Planning and Community Development Department.

- No. 5 Mitigation Measure: Pre-construction surveys for nesting Swainson's hawks within 0.25 miles of the project site are recommended if construction commences between March 1 and September 1. If active nests are found, a qualified biologist should determine the need (if any) for temporal restrictions on construction. The determination shall utilize criteria set forth by CDFW (CDFG, 1994).

Who Implements the Measure:	Applicant
When should the measure be implemented:	Prior to any commencement of any construction activity between March 1 and September 1 of the year.
When should it be completed:	As determined by a qualified biologist when construction activities take place between March 1 and September 1 during the year.
Who verifies compliance:	California Department of Fish and Wildlife (CDFW) in consultation with a qualified biologist (Moore Biological Consultants).
Other Responsible Agencies:	CDFW and/or Stanislaus County Planning and Community Development Department.

- No. 6 Mitigation Measure: Pre-construction surveys for burrowing owls in the site should be conducted if construction commences between February 1 and August 31. If occupied burrows are found, a qualified biologist should determine the need (if any)

for temporal restrictions on construction. The determinations shall be pursuant to criteria set forth by CDFW (CDFG, 2012).

Who Implements the Measure:	Applicant
When should the measure be implemented:	Prior to any commencement of any grading, grubbing or construction activity between February 1 and August 31 of the year.
When should it be completed:	Prior to any grading, grubbing or construction activities.
Who verifies compliance:	California Department of Fish and Wildlife (CDFW) in consultation with a qualified biologist (Moore Biological Consultants).
Other Responsible Agencies:	CDFW and/or Stanislaus County Planning and Community Development Department.

No. 7 Mitigation Measure: Trees, shrubs, and grasslands in the site could be used by other birds protected by the Migratory Bird Treaty Act of 1918. If vegetation removal or construction commences during the general avian nesting season (March 1 through July 31), a preconstruction survey for nesting birds shall be completed. If active nests are found, work in the vicinity of the nest shall be delayed until the young fledge.

Who Implements the Measure:	Applicant
When should the measure be implemented:	Prior to any commencement of any grading, grubbing or construction activity between March 1 and July 31 of the year.
When should it be completed:	Prior to any grading, grubbing or construction activities.
Who verifies compliance:	California Department of Fish and Wildlife (CDFW) in consultation with a qualified biologist (Moore Biological Consultants).
Other Responsible Agencies:	CDFW and/or Stanislaus County Planning and Community Development Department, Planning Division.

XVI. TRANSPORTATION/TRAFFIC

No. 8 Mitigation Measure: The applicant shall pay the Keyes Community Plan Mitigation Funding Program fees for Highway Commercial per the Keyes community Plan adopted on April 18, 2000. The fees were calculated in 2003 at \$751.47 per 1,000 square feet of floor space. With the fees adjusted for inflation using the Engineering News-Record index, the July 2015 fees are \$1137 per 1,000 square feet. These fees will be paid prior to building permit issuance.

Who Implements the Measure:	Applicant.
When should the measure be implemented:	Prior to issuance of a building permit.
When should it be completed:	Prior to issuance of a building permit.
Who verifies compliance:	Stanislaus County Planning and Community Development Department, Building Division.
Other Responsible Agencies:	Keyes Community Service District.

I, the undersigned, do hereby certify that I understand and agree to be responsible for implementing the Mitigation Program for the above listed project.

Signature On File.

Person Responsible for Implementing
Mitigation Program

Date

(I:\PLANNING\STAFF REPORTS\REZ\2015\REZ PLN2015-0032 - BELKORP AG\CEQA-30-DAY-REFERRAL\MITIGATION MONITORING PLAN MG.DOC)

MITIGATED NEGATIVE DECLARATION

NAME OF PROJECT: Rezone Application No. PLN2015-0032 – Belkorp AG

LOCATION OF PROJECT: 4618 Nunes Road, east of Highway 99, west of N. Golden State Blvd., in the Keyes area, Stanislaus County (APN: 045-049-011, 045-049-012, 045-050-001, 045-050-011, 045-050-012)

PROJECT DEVELOPER: Rod Hawkins
Hawkins & Associates
436 Mitchell Rd
Modesto, CA 95354

DESCRIPTION OF PROJECT: Request to rezone a 17.3± acre project site, from expired PD 302 and A-2-10 to a new PD (Planned Development), to allow H-1 uses and to establish an agricultural equipment dealership, construct a 57,000 square foot, two story building for service maintenance, retail sales, parts, and administrative offices, allow outdoor display areas for agricultural equipment, develop a 74 space parking lot and driveways, and construct an approximately one acre drainage basin south of the proposed building. North Golden State Boulevard will provide primary access to the site.

Based upon the Initial Study, dated **August 6, 2015**, the Environmental Coordinator finds as follows:

1. This project does not have the potential to degrade the quality of the environment, nor to curtail the diversity of the environment.
2. This project will not have a detrimental effect upon either short-term or long-term environmental goals.
3. This project will not have impacts which are individually limited but cumulatively considerable.
4. This project will not have environmental impacts which will cause substantial adverse effects upon human beings, either directly or indirectly.

The aforementioned findings are contingent upon the following mitigation measures (if indicated) which shall be incorporated into this project:

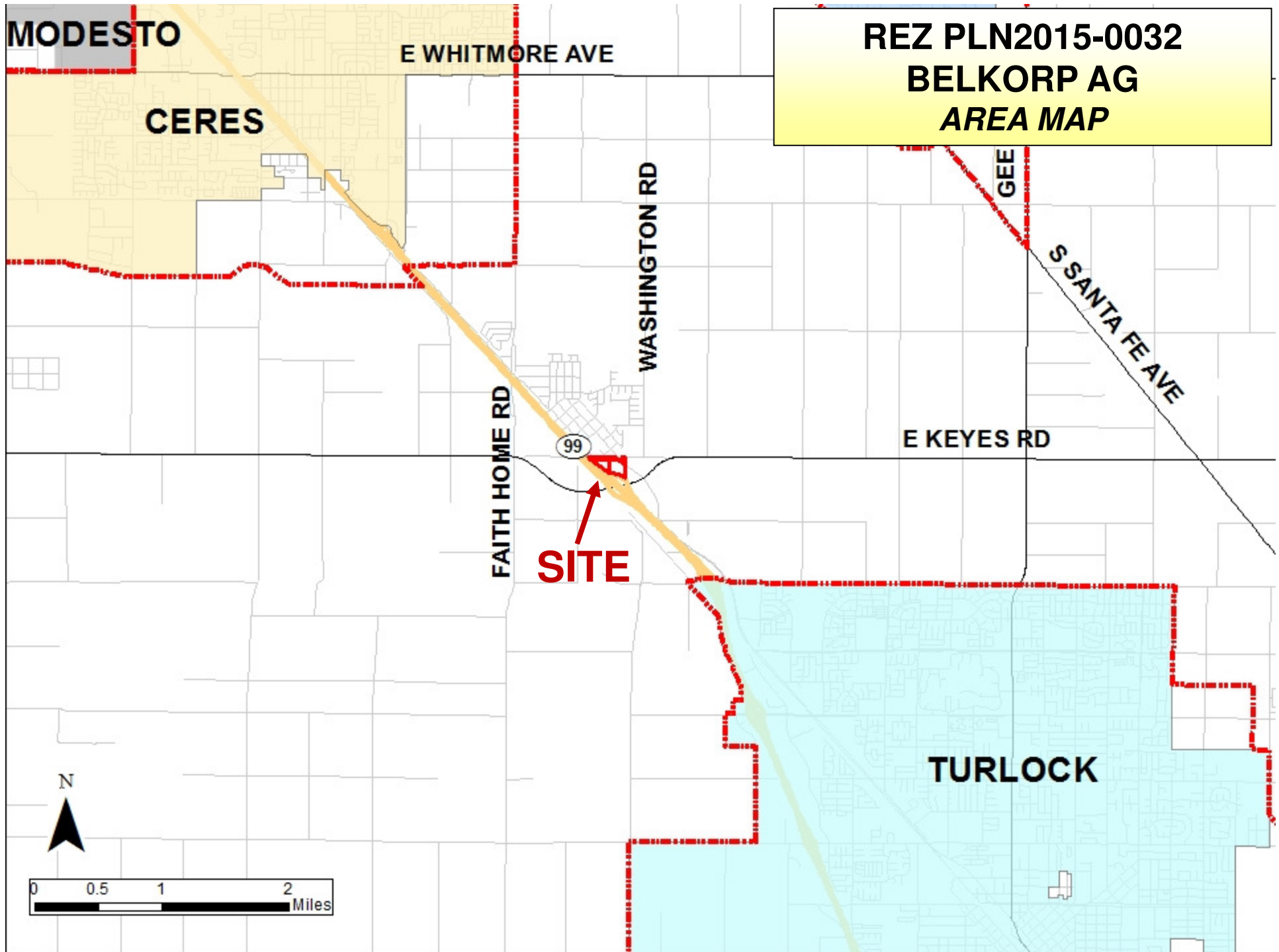
1. New multi-story development shall minimize the use of reflective surface and have those reflective surfaces which are used to be oriented in such a manner so as to reduce glare impacts along roadways.
2. New development shall include cut-off luminaries and/or shields. All exterior lighting shall be designed (aimed down and towards the site) to provide adequate illumination without a glare effect. Low intensity lights shall be used to minimize the visibility of the lighting from nearby areas, and to prevent “spill over” of light onto adjacent residential properties.
3. Although considered unlikely, valley elderberry longhorn beetle could potentially occur in the small blue elderberry shrubs in the northeast part of the site. These small shrubs show no evidence of occupancy by valley elderberry longhorn beetle and removal of the shrubs is expected to have no effect on this species. Prior to removing the shrubs, the applicant shall obtain concurrence from US Fish and Wildlife Service regarding removing the shrubs.

4. Prior to securing concurrence to remove the blue elderberry shrubs, the shrubs should be protect with a no-disturbance buffer extending 10 feet from the driplines of the shrubs. Construction in the vicinity of the blue elderberry shrubs should occur between June 15 and April 15. During this time period, valley elder berry longhorn beetle (if present) would be within the interior portion of the stems of the shrubs and would not move (i.e., fly or walk) into the construction area.
5. Pre-construction surveys for nesting Swainson's hawks within 0.25 miles of the project site are recommended if construction commences between March 1 and September 1. If active nests are found, a qualified biologist should determine the need (if any) for temporal restrictions on construction. The determination shall utilize criteria set forth by CDFW (CDFG, 1994).
6. Pre-construction surveys for burrowing owls in the site should be conducted if construction commences between February 1 and August 31. If occupied burrows are found, a qualified biologist should determine the need (if any) for temporal restrictions on construction. The determinations shall be pursuant to criteria set forth by CDFW (CDFG, 2012).
7. Trees, shrubs, and grasslands in the site could be used by other birds protected by the Migratory Bird Treaty Act of 1918. If vegetation removal or construction commences during the general avian nesting season (March 1 through July 31), a preconstruction survey for nesting birds shall be completed. If active nests are found, work in the vicinity of the nest shall be delayed until the young fledge.
8. The applicant shall pay the Keyes Community Plan Mitigation Funding Program fees for Highway Commercial per the Keyes community Plan adopted on April 18, 2000. The fees were calculated in 2003 at \$751.47 per 1,000 square feet of floor space. With the fees adjusted for inflation using the Engineering News-Record index, the July 2015 fees are \$1137 per 1,000 square feet. These fees will be paid prior to building permit issuance.

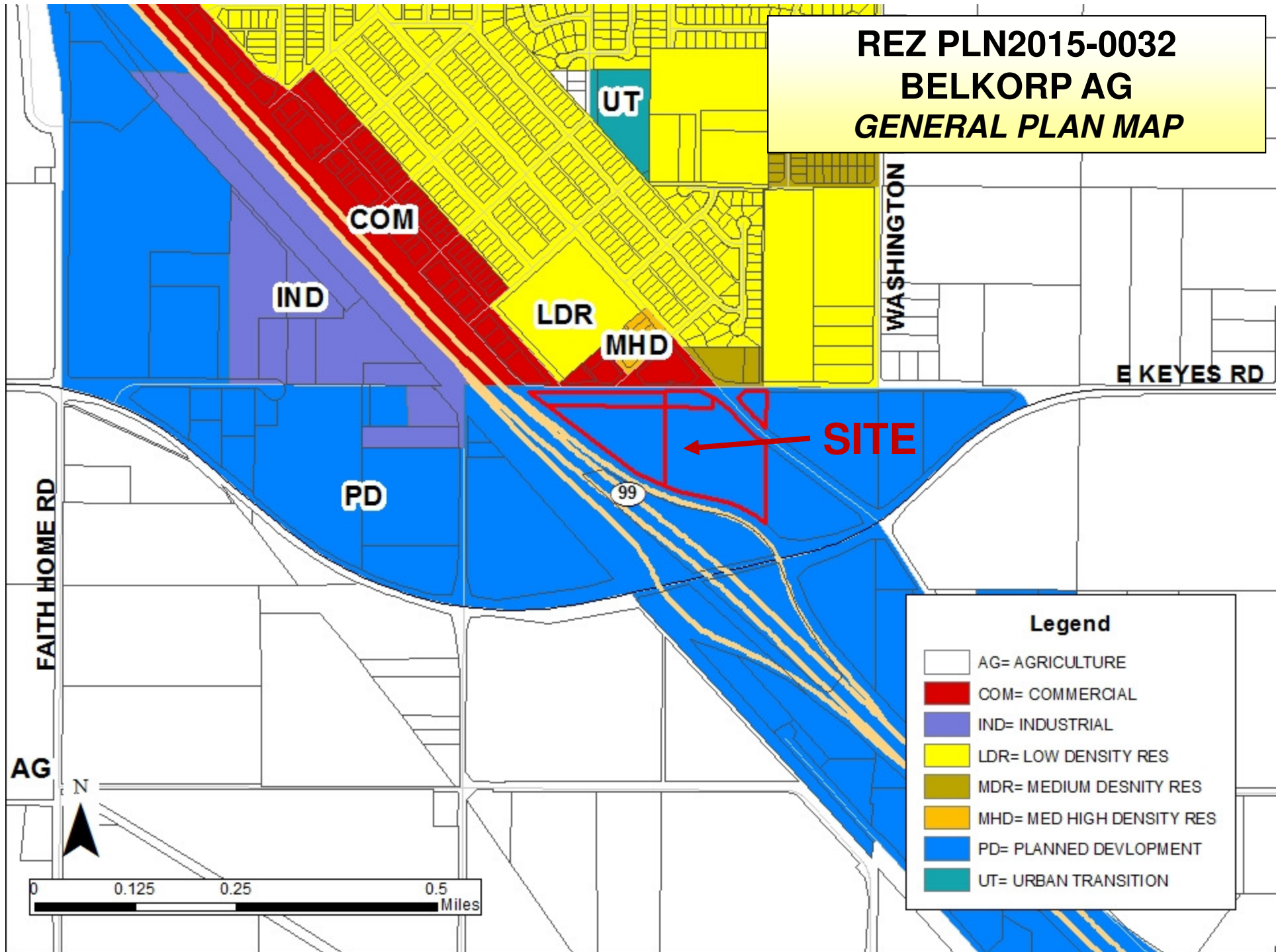
The Initial Study and other environmental documents are available for public review at the Department of Planning and Community Development, 1010 10th Street, Suite 3400, Modesto, California.

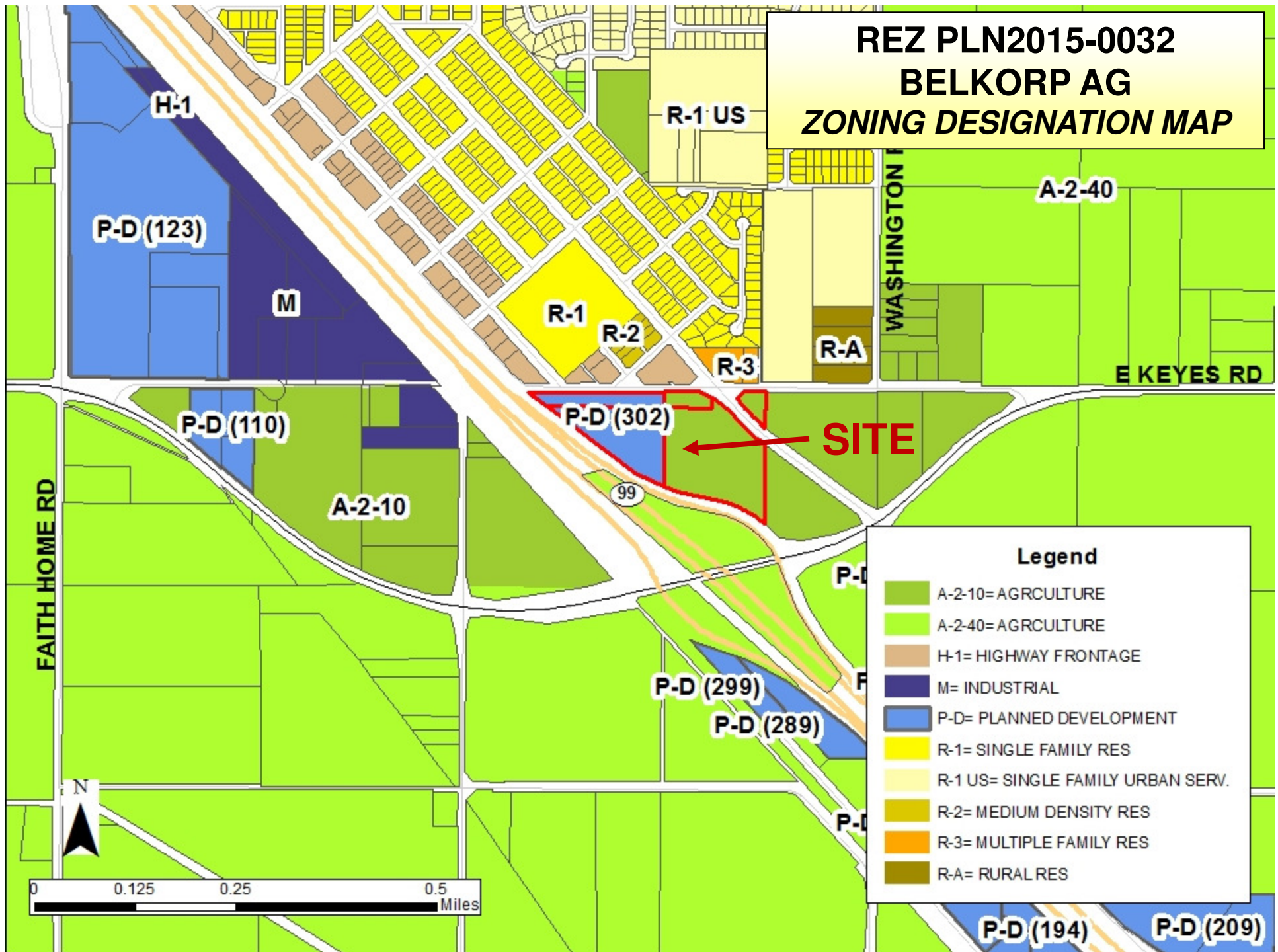
Initial Study prepared by: Rachel Wyse, Associate Planner

Submit comments to: Stanislaus County
Planning and Community Development Department
1010 10th Street, Suite 3400
Modesto, California 95354

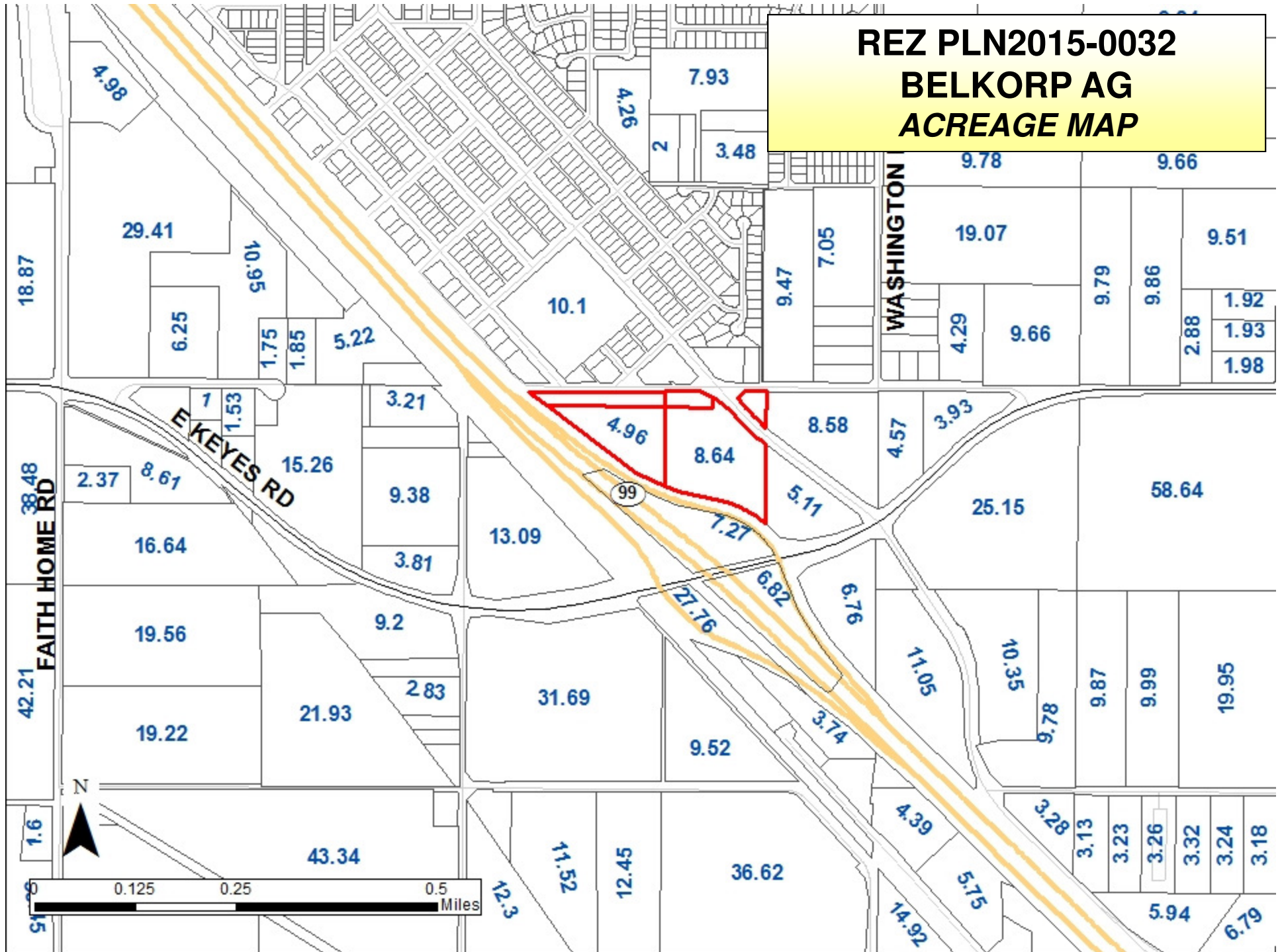


**REZ PLN2015-0032
BELKORP AG
GENERAL PLAN MAP**

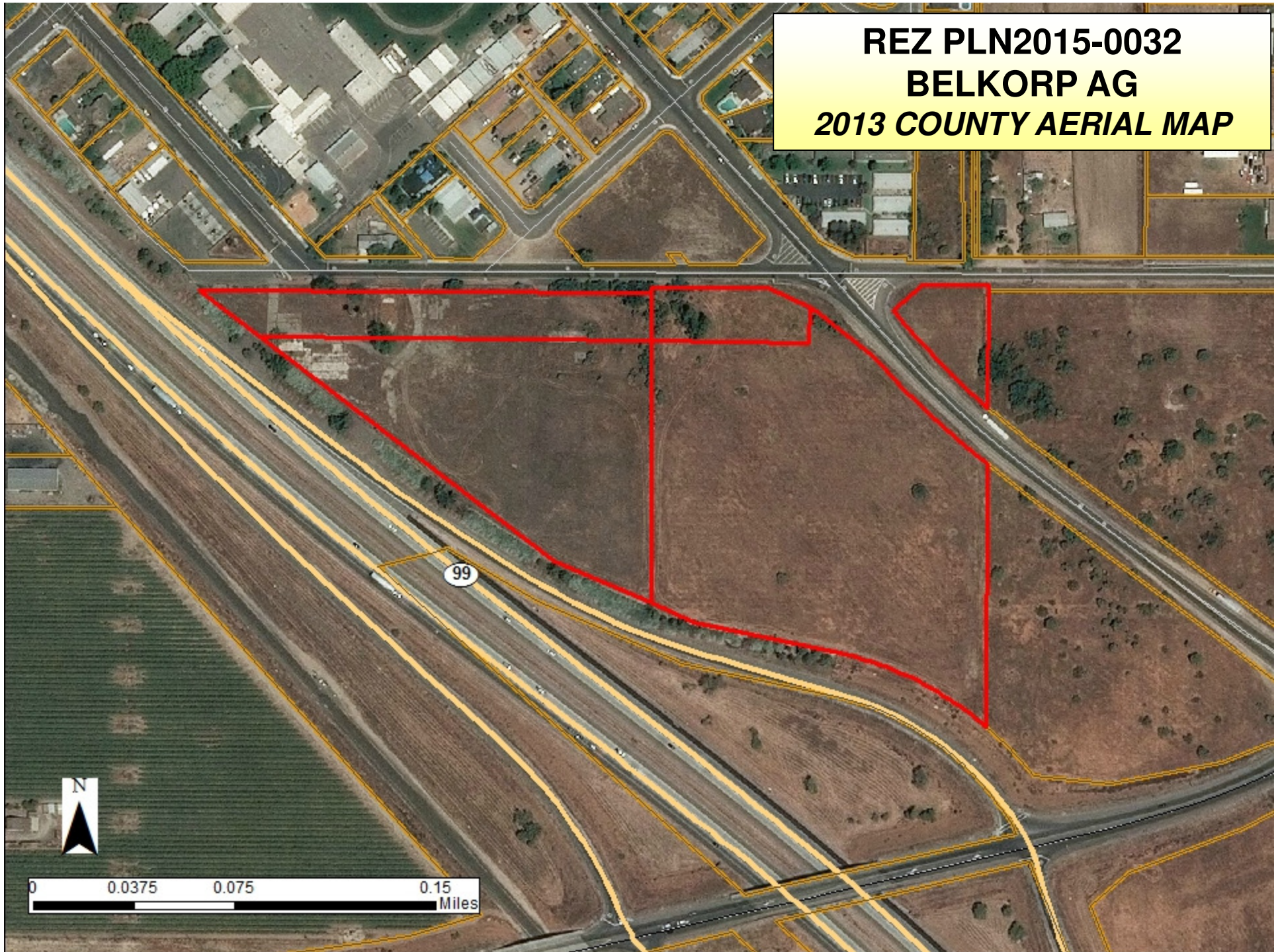




**REZ PLN2015-0032
BELKORP AG
ACREAGE MAP**



REZ PLN2015-0032
BELKORP AG
2013 COUNTY AERIAL MAP



Belkorp AG Project Description

Belkorp AG is a John Deere Dealer proposing to build a new dealership on 16.7 acres, located at the southwest corner of the intersection of Nunes Road and Golden State Blvd in Keyes, adjacent to Highway 99.

The project will have a new 57,000 square foot building with 37,000 square feet dedicated to service and maintenance, 20,000 square feet for Retail Sales, Parts, and Administrative offices. The site will also have outdoor display areas to show the new equipment. The site provides easy access for customers and great visibility from Highway 99.

Sewer and water will be provided by the Keyes Sanitary Sewer District. Storm water will be retained on-site.

Development Schedule

At this time it is anticipated that construction would start as soon as all permits are obtained and that the project would be complete within 9 months of starting. Therefore, the development should be complete within 2-years of approval.

For additional CEQA information please visit this link:
<https://www.stanislauslafco.org/PDF/Notices/CSA.26.Keyes.CEQA.pdf>

EXHIBIT C

Engineer's Report CSA 26

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**COUNTY SERVICE AREA NO. 26
ANNUAL ENGINEER'S REPORT**

Annexation of California Truck Center

FISCAL YEAR 2023-2024

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ENGINEER'S REPORT AFFIDAVIT

County of Stanislaus, State of California

CSA NO. 26- KEYES

This report describes the CSA and all relevant zones therein including the budget(s), parcels and assessments to be levied for the Fiscal Year 2023-2024. Reference is hereby made to the Stanislaus County Assessor's maps for a detailed description of the lines and dimensions of parcels within the County Service Area (CSA).

The undersigned respectfully submits the enclosed report as directed by the Board of Supervisors.

Dated this 28th day of June, 2023



DAVID A. LEAMON, DIRECTOR, PE, MPA
Stanislaus County Department of Public Works



**COUNTY SERVICE AREA NO. 26
ANNUAL ENGINEER'S REPORT
FISCAL YEAR 2023-2024**

INTRODUCTION:

County Service Area No. 26 (CSA 26) was established in July 2009 to provide extended maintenance services for the storm drain system, landscaping at the storm drain basin, and landscaping of the park system. CSA's 6, 13, and 17 were dissolved and merged into CSA 26.

Government Code Section 25210 et seq. requires that the board adapt an annual budget and assessments provided on the written report containing a description of each parcel of real property receiving the extended service.

PART I – PLANS AND SPECIFICATIONS

A. Description of the service area

There are a total of 1,243 parcels within CSA 26 consisting of: Bonita Ranch Estates subdivisions (Zone 1 with total of 1,175 lots) and Keyes 19 North/Keyes 19 South/Norma Way subdivisions (Zone 2 with total of 68 lots). On May 16, 2017, the Board of Supervisors approved improvements and release of services and maintenance of a new subdivision Bonita Ranch Estates, Unit #5, which is located at north-west of CSA 26. On October 30, 2018, the Board of Supervisors approved annexation of two subdivisions: Keyes 19 North and Keyes 19 South, which are located on the west side of Washington Road just north and south of Norma Way respectively. On March 2, 2021, the Board of Supervisors approved annexation of Norma Way, located on the west side of Washington Road just south of Norma Way.

Currently, the CSA 26, Zone 1 is 332.3 acres and consisting of: 1094 residential parcels, 26 multi-family parcels, 1 undeveloped residential parcel, 4 parks, 1 park/streetscape, 2 park/storm basins, 3 storm basins, 3 schools, 6 congregation parcels, and 35 commercial/industrial parcels. The CSA 26, Zone 2 is 30.11 acres and consisting of 64 residential parcels, 2 planned residential/subdivision parcels, 1 park/storm basin, and 1 access easement lot. The individual parcels of CSA 26 Keyes can be seen in the Assessor maps attached hereto as exhibit "B".

An Annexation to CSA 26 Keyes Zone 1 has been proposed, California Truck Center, that totals 18.3 ± acres and includes Assessor Parcel Numbers (APNs) 045-050-011, and 045-074-001, 045-074-002, 045-074-003, 045-074-004. The annexation site is generally located North of Keyes Road, South of Nunes Road, and West of Golden State Boulevard. Legal description and boundary map for the proposed annexation is attached hereto as Exhibit "A4". If the annexation is approved CSA 26 will encompass an area of land totaling 380.71 ± acres. The boundary of CSA 26 is shown on Exhibit "C" that are attached hereto and made a part of this Engineer's Report. The Development is generally located:

Zone 1

- North of Keyes Road
- East of State Route 99

- West of Washington Road
- Southeast of Faith Home Road;

Zone 2

- North of Norma Way
- South of Norma Way
- West of Washington Road.

B. Description of Improvements and Services

The purpose of this CSA is to ensure the ongoing maintenance, operation and servicing of the storm drain system, storm drain basin, and parks. The special benefit assessments to be levied for this CSA are intended to provide a revenue source for all the maintenance, and servicing of the service area's improvements including, but not limited to the materials, equipment, labor, and administrative expenses. However, the assessments are not intended to fund reconstruction or major renovations of the improvements and facilities. The maintenance, operation, and servicing of the storm drain system are funded entirely or partially through the service area assessments and generally described as:

Zone 1

- Periodic cleaning and maintenance (as needed) on 457 linear feet of 12" inch pipe, 7,210 linear feet of 18-inch pipe, 1525 linear feet of 24" pipe 632 linear feet 30" pipe, and 40,070 linear feet of curb and gutter;
- One outfall pump and four lift station pumps;
- Periodic cleaning and maintenance of 68 catch basins and 41 manholes;
- Repair curb and gutter as needed to maintain the storm drain system (40,070 linear feet of curb and gutter);
- Periodic street sweeping to prevent buildup of silt and other damaging materials to the storm drain system. All debris is contained and hauled off site with containment bins;
- Annual repairs and general maintenance to storm drain basin (erosion control, weed spraying, grading/excavation as needed);
- Remove silt build up next to the wall of the separator with the use of the suction truck;
- The Parks and Recreation Department provides continual maintenance of all parks, park/basin public use areas, open lots, and streetscapes within the Service Area (i.e. irrigation, mowing, weed abatement, tree care, and playground equipment maintenance). Landscaping at the proposed area will not be covered by the CSA parks services and will be outsourced.

Zone 2

- Periodic cleaning and maintenance (as needed) on 235 linear feet of 12" inch pipe, 655 linear feet of 18" pipe, 1,096 linear feet of 24" pipe, 1,515 linear feet of 24" perforated storm pipe, 15 bubble-up structures with Rip Rap, and 8,454 linear feet of curbs and gutters;
- Periodic cleaning and maintenance of 14 catch basins and 11 manholes;
- Repair curb and gutter as needed to maintain the storm drain system (8,454 linear feet of curb and gutter);
- Periodic street sweeping to prevent buildup of silt and other damaging materials to the storm drain system. All debris is contained and hauled off site with containment bins;
- Annual repairs and general maintenance to storm drain basins (erosion control, weed spraying, grading/excavation as needed, repair of the chain link fence as needed);
- Remove silt build up next to the wall of the separator with the use of the suction truck;
- Repair concrete sidewalks as needed (36,376 square feet of sidewalks);
- Repair 8- ft masonry wall as needed (562 linear feet of masonry wall);
- Repair chain-link fence as needed (approximately 1,258 linear feet of chain-link fence).
- The Parks and Recreation Department provides continual maintenance of all parks, park/basin public use areas, open lots, and streetscapes within the Service Area (i.e. irrigation, mowing, weed abatement, tree care, and playground equipment maintenance, masonry wall maintenance and repair).

PART II - METHOD OF APPORTIONMENT

A. Benefit Analysis

The method of apportionment described in this report for allocation of special benefit assessments utilizes commonly accepted engineering practices. The formula used for calculating assessments for the CSA reflects the composition of the parcels and improvements provided to fairly apportion the costs based on special benefits to each parcel. Furthermore, pursuant to the Constitution Article XIID Section 4, a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel and a parcel may only be assessed for special benefits received.

All the improvements and services associated with the CSA have been identified as

necessary, required and/or desired for the orderly development of the properties within the CSA to their full potential and consistent with the proposed development plans. As such, these improvements would be necessary and required of individual property owners for the development of such properties and the ongoing operation, servicing and maintenance of the improvements and facilities would be the financial obligation of those properties. Therefore, the storm drain facilities and the infrastructure, and the annual costs of ensuring the maintenance and operation of these improvements provide special benefits to the properties within the CSA.

The storm drain basin and the parks are public property and treated as individual parcels. These public properties are being created for the sole purpose of providing benefit (storm drainage control and open space) to the residential lots. Services provided by CSA No. 26 are storm drain system services, park maintenance services for the storm drain basins in the CSA which are also landscaped as parks, maintenance of some community landscaping, and special additional benefit funding to provide landscape and maintenance services for Hatch Park. All benefits are special benefits provided to the Keyes area that are over and above those provided to county wide property owners in general.

B. Assessment Methodology

The method of apportionment for the CSA calculates the receipt of special benefits from the respective improvements based on the actual or the proposed land use of the parcels within the CSA. The special benefit received by each lot or parcel is equated to the overall land use of the parcels within the CSA based on the parcel's actual land use or proposed development.

Upon review of the proposed improvements it has been determined that each of the residential parcel within the CSA receives special benefits from all the improvements to be funded by annual assessments and based on the planned property development a single zone of benefits appropriate for the allocation of the assessments and proportional benefit. The parcels within the CSA may be identified by one of the following land use classifications and is assigned a weighting factor known as Equivalent Benefit Unit (EBU). The EBU calculated for a specific parcel defines the parcel's proportional special benefits from the CSA's improvements, facilities and services.

Equivalent Benefit Units (EBU):

To assess benefits equitably, it is necessary to relate each property's proportional special benefits to the special benefits of all other property in the CSA. The EBU method of apportioning assessments uses the single-family home site as the basic unit of assessment. A single-family home site equals one EBU. All other land uses are converted to EBU's based on an assessment formula that equates the property's specific development status, type of development (land use) and size of property, as compared to a single-family home site.

The EBU method of apportioning special benefits is typically seen as the most appropriate and equitable assessment methodology, as the benefits to each parcel from the improvements are apportioned as a function of land use type, size and development. Not all land use types described in the following are necessarily applicable to the development of properties within the CSA but are presented for comparison purposes to support the proportional special benefit applied to those land use types within the CSA.

EBU Application by Land Use:

Single Family Residential- This land use is defined as a fully subdivided residential home site with or without structure. This land use is assessed 1.00 EBU per parcel or lot. This is the base value that all other properties are compared and weighted against.

Multi-family Residential- This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property typically includes apartments, duplexes, triplex etc. (It does not typically include condominiums, town-homes, or mobile home parks). Based on average population densities and the size of the structure as compared to a typical single-family residential unit, multi-family residential parcels shall be proportionally assessed for the parcels total number of residential units utilizing a sliding benefit scale. Although multi-family properties typically receive similar benefits to that of a single family residential, it would not be reasonable to conclude that on a per unit basis, the benefits are equal. Studies have consistently shown that the average multi-family unit impacts infrastructure approximately 75% as much as a single-family residence (sample sources: Institute of Transportation Engineers Informational Report Trip Generation, Fifth Edition; Metcalf and Eddy, Wastewater Engineering Treatment, Disposal, Reuse, Third Addition). These various studies indicate the most public improvements and infrastructure are utilized and impacted at reduced levels by multi-family residential units and a similar reduction in proportional benefit is appropriate. Furthermore, it is also reasonable to conclude that as the density (number of units) increases the proportional benefit per unit tends to decline because the unit size and people per unit usually decreases. Based on these considerations and the improvements provided by the CSA, it has been determined that an appropriate allocation of special benefit for multifamily residential properties as compared to a single family residential is best represented by the following special benefit assignment: 0.75 EBU per unit for the first 5 units; 0.50 EBU per unit for units 6 through 50; and 0.25 EBU per unit for all remaining units.

Condominium/Town-Home Units- Condominiums and town-homes tend to share attributes of both a single-family residential and multi-family residential properties and for this reason are identified as a separate land use classification. Like most single-family residential properties, these properties are not usually considered rental property and generally the County assigns each unit a separate APN or assessment number. However, condominiums and town homes often have similarities to multi-family residential properties in that they are generally zoned medium to high density and in some cases may involve multiple units on a single APN. In consideration of these factors, it has been determined that an appropriate allocation of special benefit for condominiums, town-homes and similar residential properties is best represented by an assignment of 0.75 EBU per unit regardless of whether each unit is assigned an individual APN or there are multiple units assigned to the APN. There is not an adjustment factor for parcels with more than five units.

Planned-Residential Development- This land use is defined as any property for which a tentative or final tract map has been filed and approved (a specific number of residential lots and units has been identified) and the property is expected to be subdivided within the fiscal year or is part of the overall improvement and development plan for the CSA. This land use classification often times involves more than a single parcel (e.g. the approved tract map encompasses more than a single APN). Each parcel that is part of the approved tract map shall be assessed proportionally for the proposed or estimated residential type and units to be developed on that parcel as part of the approved tract map. Accordingly, each parcel is

assigned an appropriate number of benefit units that reflects the development of that property at build-out. (The EBU assigned to each parcel shall represent the combination of single family, condominium, multi-family units to be developed).

Exempt Parcels- This land use identifies properties that are not assessed and are assigned 0.00 EBU. This land use classification may include but is not limited to:

- Lots or parcels identified as public streets and other roadways (typically not assigned an APN by the County);
- Dedicated public easements including open space areas, utility rights-of-way, greenbelts or other publicly owned properties that are part of the CSA improvements or that have little or no improvement value;
- Private properties that cannot be developed independently for an adjacent property, such as common areas, sliver parcels or bifurcated lots or properties with very restrictive development use

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment.

Special Cases- in many CSA's where multiple land use classifications are involved there are usually one or more properties that the standard land use classifications or usual calculation of benefit will not accurately identify the special benefits received from the improvements. For example, a parcel may be identified as a vacant residential property, however only a small percentage of the parcel's total acreage can actually be developed. In this case, an appropriate calculation would be based on the net acreage that can be utilized rather than the gross acreage of the parcel. The following table provides a summary of land use types, the EBU factors used to calculate each parcel individual EBU as outlined above:

Land use and Equivalent benefit units

Property type	EBU	Multiplier
Single Family Residential	1.00	Per unit/lot(parcel)
Multi-Family Residential	0.75	Per unit for the first 5 units
	0.50	Per unit for units 6 thru 50
	0.25	Per units > 50
Condominium/Town- Home Units	0.75	Per Unit
Planned Residential Development	1.00	Per planned Residential lot
	0.75	Per planned Condominium
	0.75	Per unit for the first 5 units
	0.50	Per unit for units 6-50
	0.25	Per unit >50
Vacant/Undeveloped Residential Land	0.00	Per Acre
Public Park	0.40	Per Acre
Public Storm Drain Basin	0.40	Per Acre
Public School	2.20	Per Acre
Commercial/Industrial Parcel	3.50	Per Acre
Undeveloped Commercial/Industrial Parcel	1.00	Per Acre
Rural/ Agricultural	1.00	Per Acre
Exempt Parcels	0.00	Per parcel

The following formula is used to calculate each parcel's EBU (proportional benefit):

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

The total number of EBU's is the sum of all individual EBU's applied to parcels that receive special benefit from the improvements. An assessment amount per EBU (assessment rate) for the improvements is established by taking the total cost of the improvements and dividing the amount by the total number of EBU's of all benefiting parcels from the improvements. The rate is then applied back to each parcel's individual EBU to determine the parcel's proportionate benefit and assessment obligation for the improvements.

$$\text{Total Balance to Levy} / \text{Total EBU's} = \text{Levy per EBU}$$

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

PART III – BUDGET ANALYSIS

A. Fund Balance

The estimated fund balance for Zone 1 as of June 30, 2023, is \$299,320. This includes a capital improvement reserve of \$163,132 for eventual replacement of the outfall pump and four lift pumps and \$25,000 for park equipment and/or vandalism related capital costs. This fiscal approach is aimed at accumulating a sufficient reserve by the time the pumps are replaced so that no increase in the annual assessment will be necessary to cover these costs.

The estimated fund balance for Zone 2 as of June 30, 2023, is \$27,021. A drain basin in the south subdivision is surrounded with the chain link fence that is approximately 1,258 linear feet long (Public Works maintenance). In order to replace the fence at the end of a 30-year life cycle, a capital reserve target of \$18,543 has been determined for Public Works. This includes the cost of the material and labor required to complete the installation.

East side of the south subdivision has a masonry wall of approximately 562 linear feet (Park maintenance) that separates residential area from Washington Road and protects residential lots from traffic sound. In order to make a capital repair of the wall, a capital reserve target of \$50,400 has been determined for Parks. This includes the cost of the material and the labor required to complete the work.

The amount of \$856 was added to total budget of CSA 26, Zone 2. The objective of the reserve is to build up the capital reserve amount to the full cost of the fence and wall replacement/capital repair. When the full amount of the capital reserve is reached and becomes an available part of the fund balance, the addition of \$856 to budget of CSA 26, Zone 2 will be discontinued.

The threat to stormwater quality comes from the urbanized areas within the County, which the CSA's encompass. The County is mandated by the State Water Resources Control Board, Water Quality Order No. 2013-0001-DWQ to regulate stormwater within these

urbanized areas. The CSA's receive additional services above the General Benefit for the following permit areas: Education and Outreach (E.7), Public Involvement and Participation Program (E.8), Illicit Discharge Detection and Elimination Program (E.9), Post-Construction Stormwater Management Program (E.12), Water Quality Monitoring (E.13), Program Effectiveness Assessment and Improvement (E.14), Total Maximum Daily Loads Compliance Requirements (E.15) and the Annual Reporting Program (E.16).

In the past few years, operations and maintenance cost for districts largely increased due to increase in labor, materials, and equipment rental costs. CSA 26 is anticipated to have negative fund balances in the following two years. In the last ten years, the assessment for CSA was not increased, and fund balance was used to offset the cost of operations and maintenance on the District. Fund balance needs to be maintained at the adequate level for replacement of capital equipment and emergency repair/replacement but should not be used for maintenance and operations cost. The continued use of fund balance depleted available fund to a point where services have to be reduced to match the revenue being collected, and/or the assessment increased to provide adequate revenue to cover services provided. During the last fiscal year, Public Works staff conducted analysis and determined the appropriate increase to the assessment within the CSA. At the same time, services will be reduced until the deficit is recovered.

Historically, Public Works uses the Construction Cost index history, which can be found in Engineering News-Record (ENR) to determine the increase in labor rates, cost of materials and equipment rent. For the Fiscal Year 2023-2024, the Construction Cost index of 7.1% for period of July 2021 to June 2022 is used to increase the assessments across the CSAs to bring the assessment up to adequate level.

CSA 26 has an approved methodology (formula) in place to annually adjust the assessment rate based on projected costs of services. Therefore, the assessment for this district may be increased without a Proposition 218 vote of the respective property owners.

Public Works will review assessment every year and decide on the appropriate increase to meet the cost of services provided.

Fiscal Year's 2023-2024 assessment for Zone 1 is \$121.04 per Equivalent Benefit Unit (EBU). An amount of \$60,733 was used from available fund balance to offset operations and maintenance costs.

Fiscal Year's 2023-2024 assessment for Zone 2 is and \$612.34 per EBU. After recording of the subdivision map, there are 68 parcels within CSA 26, Zone 2 consisting of: 64 residential lots, 2 planned residential development, and a storm drainage basin lot. The total number of EBUs increased from 52.50 to 99.248 EBU.

The fiscal year is the 12-month period from July 1st through June 30th of the following year. The annual assessment is received with property taxes collected in December and April. This means that the fiscal year starts on July 1st but the first installment of the annual assessment will not be collected until December, creating a 6-month lag in receiving the money necessary to maintain the various services provided. Therefore, a reserve of \$105,481 for Zone 1 and \$30,387 for Zone 2, one half of the annual operating budget, will be carried forward from available fund balance to cover costs from July 1st to December 31st.

B. Budget Formula

Proposition 218, a statewide initiative approved by the voters in November 1996 and which took effect July 1, 1997, requires property owners approve any change in the method of calculating assessment and any increase in the assessment rate through a ballot procedure. An assessment ballot procedure occurred during the formation of CSA 26 in 2008. A majority protest was not filed regarding the formula for calculating the annual assessment and the levy of the annual assessment to pay for the services provided by CSA 26. The property owners cast majority votes supporting the formula and levy of annual assessment to pay for the services provided by CSA 26. Therefore, the formula for calculating the annual assessment has been approved and is in place. The formula that is being used to calculate the assessment is the total cost to operate and maintain the storm drain system, parks, and streetscape within CSA 26.

$$\text{Parcel Type EBU} \times \text{Acres or Units} = \text{Parcel EBU}$$

$$\text{Total Balance to Levy} / \text{Total EBU's} = \text{Levy per EBU}$$

$$\text{Levy per EBU} \times \text{Parcel EBU} = \text{Parcel Levy Amount}$$

The annual assessment calculated using the Method is proportional to the special benefit derived by each identified parcel in relationship to the cost of the service being provided by the CSA. Due to variation in the type of parcel use, each parcel benefits differently in the services provided. Therefore, the total cost to operate the CSA is based on the above method to determine the annual assessment for each parcel in the CSA. This method is proposed in order to support an equitable spread of assessments between residential lots, public properties, and developed commercial and industrial properties. The annual assessment is levied without regard to property valuation.

Total Equivalent Benefit Units by Property Type - CSA No. 26 (Zone 1)

PROPERTY TYPE (acres/parcels/units x EBU factor)	TOTAL EQUIVALENT BENEFIT UNIT (E.B.U.)
Undeveloped Residential (1 parcel x 0)	.00
Undeveloped Commercial (2 parcel x 0)	.00
Developed Residential (1041 parcels x 1)	1041
Multi-Family Residential (69 units x 0.75)	51.75
Multi-Family Residential (20 units x 0.5)	10.00
Multi-Family Residential	0.00
Road Easement (0 x .55)	0.00
Storm Water Basin (4.52 acres x 0.4)	1.81
Storm Water Basin / Park	.00
Park (16.85 acres x .40)	6.74
Public School (10.95 acres x 2.2)	24.09

Streetscape (0.71 acres x 0.4)	.28
Developed Commercial (29.87 acres x 3.5)	156.05
Developed Commercial Church (2.56 acres x 3.5)	8.05
Industrial (0 x 3.5)	.00
Totals:	1,299.70

Total Equivalent Benefit Units by Property Type - CSA No. 26 (Zone 2)

PROPERTY TYPE (acres/parcels/units x EBU factor)	TOTAL EQUIVALENT BENEFIT UNIT (E.B.U.)
Planned Residential Development (2 parcel)	34.92
Developed Residential (64 parcels x 1)	64
Park/Drain Basin (0.82 acres x 0.4)	0.328
Totals:	99.248

Assessment Per Equivalent Benefit Unit (E.B.U.) - CSA No. 26 (Zone 1)

DESCRIPTION	AMOUNT
Required Funds	\$150,228.67
Total Equivalent Benefit Units	1,241.149
Calculated Assessment Per Equivalent Dwelling Unit	\$121.04

Assessment Per Equivalent Benefit Unit (E.B.U.) - CSA No. 26 (Zone 2)

DESCRIPTION	AMOUNT
Required Funds	\$60,773.52
Total Equivalent Benefit Units	99.25
Calculated Assessment Per	\$612.34

PART IV - SERVICE AREA BUDGT

CSA 26

Keyes
Bonita Ranch
Zone 1
Zone 2

EXPENSE DESCRIPTION	TOTAL BUDGET Zone 1	TOTAL BUDGET Zone 2
	94.2%	5.8%
ADMINISTRATION		
County Administration	\$ 1,262	\$ 78
Miscellaneous/Other Admin Fees	\$ -	\$ -
Total	\$ 1,262	\$ 78
PARKS & RECREATION		
Parks Labor	\$ 54,000	\$ 13,478
Parks Vandalism & Graffiti	\$ 2,425	\$ -
Parks Utilities	\$ 30,000	\$ 8,435
Parks Other Supplies	\$ -	\$ -
Parks Maintenance Structure & Grounds	\$ 10,250	\$ -
Total	\$ 96,675	\$ 21,913
PUBLIC WORKS		
SWRCB Permit Requirement	\$ 5,875	\$ 335
Pond Excavation	\$ -	\$ -
Pump Replacement	\$ -	\$ -
Cleaning Drainage System	\$ 7,240	\$ 7,100
Street Sweeping	\$ 48,268	\$ 22,000
Curb & Gutter Repair	\$ -	\$ -
Weed Spraying	\$ 4,570	\$ 3,200
Capital reserve fence/wall	\$ -	\$ 856
Erosion Control	\$ 3,232	\$ 2,200
Separator Cleaning	\$ 4,080	\$ 4,343
Sidewalk Repair	\$ 7,047	\$ 6,082
Utilities	\$ 50,135	\$ -
Total	\$ 128,447	\$ 46,116
Capital Improvement Reserve	\$ -	\$ -
General Benefit	\$ (15,423)	\$ (7,333)
Total Administration Parks & Rec Public Works Budget	\$ 213,061	\$ 60,774
Adjustments to Available Fund Balance		
Beginning Fund Balance (Estimated for FY 2023-24)	\$ 299,320	\$ 27,021
General Fund (or PW) Loan Repayment/Advance (+)	\$ -	\$ -
Other Revenues/General Fund (Contributions i.e. Grants) (+)	\$ -	\$ -
6 Months Operating Reserve (-)	\$ (108,531)	\$ (30,387)
Use of Fund Balance for FY2023-24 (-)	\$ (62,833)	\$ -
Contingency Reserve (-)	\$ -	\$ -
Current Fund Balance	\$ 129,956	\$ (3,366)
Capital Improvement Reserve-Parks (-)	\$ (25,000)	\$ (50,400)
Capital Improvement Reserve-Public Works (-)	\$ (163,132)	\$ (18,543)
Available Fund Balance	\$ (58,176)	\$ (72,309)
Total Administration, Parks & Rec, Public Works Budget	\$ 213,061	\$ 60,774
Use of Fund Balance (-)	\$ (62,833)	\$ -
Balance to Levy	\$ 150,228	\$ 60,774
District Statistics		
Total Parcels	1,177	68
Parcels Levied	1,175	67
Total Levied EBU	1,241.15	99.25
Levy EBU	\$ 121.04	\$ 612.34
Capital Reserve Target-Parks	\$ 25,000	\$ 50,400
Capital Reserve Target-PW	\$ 163,132	\$ 18,543

PART V – ASSESSMENTS

2023-2024 Assessment Zone 1 = \$150,228.67 / 1,241.15 EBU = \$121.04 per EBU

2023-2024 Assessment Zone 2 = \$60,773.52 / 99.248 EBU = \$612.34 per EBU

2022-2023 Assessment Zone 1 = \$140,274.66 / 1,241.149 EBU = \$113.02 per EBU

2022-2023 Assessment Zone 2 = \$41,263.20 / 72.17 EBU = \$571.75 per EBU

If the annexation project is approved, the assessment of a proposed parcels in Zone 1 will start in Fiscal Year 2024-2025. A deposit of \$2,099.48 from a developer that covers 1st year of Operation and Maintenance will be transferred to CSA 26, Zone 1 fund. Thus, the fund balance of Zone 1 will be sufficient to cover services provided in this zone.

Since a formula or method for calculating the annual assessment has been approved per Proposition 218, no ballot procedure is necessary to approve the change in assessment. Therefore, the Fiscal Year 2023-2024 assessment is in compliance with Proposition 218.

The parcels subject to the assessment are listed on Exhibit "D" that is attached hereto and made a part of this Engineer's Report.

Exhibit A

Legal Descriptions and Boundary Maps

- Exhibit A – Original Formation Description and Boundary Map
- Exhibit A1 – Keyes 19 North Annexation
- Exhibit A2 – Keyes 19 South Annexation
- Exhibit A3 – Norma Way Annexation
- Exhibit A4 – California Truck Center Annexation

Please see the attachments available on line at:
[https://www.stanislauslafco.org/PDF/Notices/
CSA26.Keyes.Application.pdf](https://www.stanislauslafco.org/PDF/Notices/CSA26.Keyes.Application.pdf)

CONSENT FOR ANNEXATION OF
TERRITORY TO COUNTY SERVICE AREA NO. 26– Keyes
(California Truck Center Annexation)

L & T Howard Land Management Co., LLC, hereinafter referred to as "Owner", owns and has titles to the properties APN 045-050-011, 045-074-001, 045-074-002, 045-074-003, and 045-074-004 located in Stanislaus County, California as described on Exhibits "A" and "B" attached hereto and hereinafter referred to as "Property".

Owner hereby consents to the annexation of the Property to the County Service Area No. 26 – Keyes for the purpose of receiving extended county services to or within the Property and to pay the Fiscal Year 2022/2023 assessment. Expect the Fiscal Year 2022/2023 assessment to be at or greater than the Fiscal Year 2021/2022 assessment amount of \$113.02 per Equivalent Benefit Unit (EBU) for CSA 26 Zone 1. Assessment amount per EBU and the parcel assessment is calculated using the County Service Area Assessment Formulas:

Total Operation & Maintenance Cost - Use of Fund Balance / Total Equivalent Benefit Units (EBU) = Levy(Assessment) per Equivalent Benefit Unit (EBU)

Parcel EBU x Levy(Assessment) per EBU = Parcel Assessment.

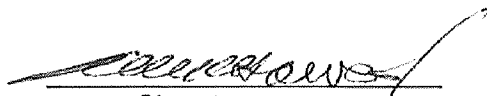
Owner acknowledges that the extended County services are park and streetscape maintenance, storm drainage control, and storm drainage system maintenance, and the annexation will be pursuant to Government Code Section 25210 et seq.

Owner declares under penalty of perjury that the foregoing is true and correct and that the Consent for Annexation of Territory to County Service Area No. 26 was executed this 11th day of August, 2022.

Owner or Corporate Officer

Doug Howard

Print Name



Signature

President

Title

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EXHIBIT D

Draft LAFCO Resolution No. 2023-12

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 27, 2023

NO. 2023-12

SUBJECT: LAFCO APPLICATION NO. 2023-03 & SPHERE OF INFLUENCE UPDATE NO. 2023-07 – CALIFORNIA TRUCK CENTER CHANGE OF ORGANIZATION TO COUNTY SERVICE AREA NO. 26 (KEYES)

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, Stanislaus County has requested to annex approximately 17.3 acres located south of Nunes Road, along Golden State Boulevard and northeast of Highway 99 into County Service Area 26 (Keyes);

WHEREAS, the Commission has conducted a public hearing to consider the proposal on September 27, 2023, and notice of said hearing was given at the time and in the form and manner provided by law;

WHEREAS, the territory is considered uninhabited as it contains less than 12 registered voters;

WHEREAS, the purpose of the proposal is to allow the subject territory to receive extended county services offered by County Service Area No. 26, including maintenance of curb, gutter, sidewalk, manholes, and storm drain;

WHEREAS, Stanislaus County, as Lead Agency, prepared and subsequently approved a Mitigated Negative Declaration for the proposal in compliance with the California Environmental Quality Act (CEQA);

WHEREAS, the proposal would not result in the loss of agricultural land, as the site is developed;

WHEREAS, the proposal includes a simultaneous sphere of influence amendment, coterminous with the annexation, in order to maintain consistency with the sphere of influence of CSA 26;

WHEREAS, proceedings for adoption and amendment of a sphere of influence are governed by the Cortese-Knox-Hertzberg local Government Reorganization Act, Section 56000 et seq. of the Government Code;

WHEREAS, Commission policies allow a minor amendment to a sphere of influence of any agency without triggering a new or revised Municipal Service Review (MSR) when a previous MSR has been conducted;

WHEREAS, on August 15, 2023, the Stanislaus County Board of Supervisors adopted Resolution No. 2023-0415 requesting the annexation to County Service Area No. 26;

WHEREAS, Stanislaus County has prepared an Engineer's Study identifying the assessment formula to be applied to the territory and its compliance with Proposition 218;

WHEREAS, in the form and manner provided by law pursuant to Government Code Sections 56153 and 56157, the Executive Officer has given notice of the public hearing by the Commission on this matter; and

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, which included determinations and factors set forth in Government Code Sections 56425 and 56668, and any testimony and evidence presented at the meeting held on September 27, 2023.

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Certifies, in accordance with CEQA, as a Responsible Agency, that it has considered the Mitigated Negative Declarations prepared by Stanislaus County.
2. Determines that: (a) the subject territory will be within the County Service Area 26 Sphere of Influence with approval of the modification; (b) approval of the proposal is consistent with all applicable spheres of influence, overall Commission policies and local general plans; (c) there are less than twelve (12) registered voters within the territory and it is considered uninhabited; (d) all the owners of land within the subject territory have given their written consent to the annexation; (e) no subject agencies have submitted written protest to a waiver of protest proceedings; and (f) the proposal is in the interest of the landowners within the territory.
3. Approves the proposal subject to the following terms and conditions:
 - a. The applicant shall pay State Board of Equalization fees, pursuant to Government Code Section 54902.5.
 - b. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void or annul LAFCO's action on a proposal or any action relating to or arising out of such approval, and provide for the reimbursement or assumption of all legal costs in connection with that approval.
 - c. In accordance with Government Code Sections 56886(t) and 57330, the subject territory shall be subject to the levying and collection of all previously authorized charges, fees, assessments or taxes of County Service Area 26.

- d. The effective date of the change of organization shall be the date of recordation of the Certificate of Completion.
 - e. The application submitted has been processed as a change of organization consisting of annexation to County Service Area 26.
- 4. Designates the proposal as the "California Truck Center Change of Organization to County Service Area 26".
 - 5. Waives the protest proceedings pursuant to Government Code Section 56662(d) and orders the change of organization subject to the requirements of Government Code Section 57200 et. seq.
 - 6. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203, upon receipt of a map and legal description prepared pursuant to the requirements of the State Board of Equalization and accepted to form by the Executive Officer, subject to the specified terms and conditions.

ATTEST:

Sara Lytle-Pinhey
Executive Officer

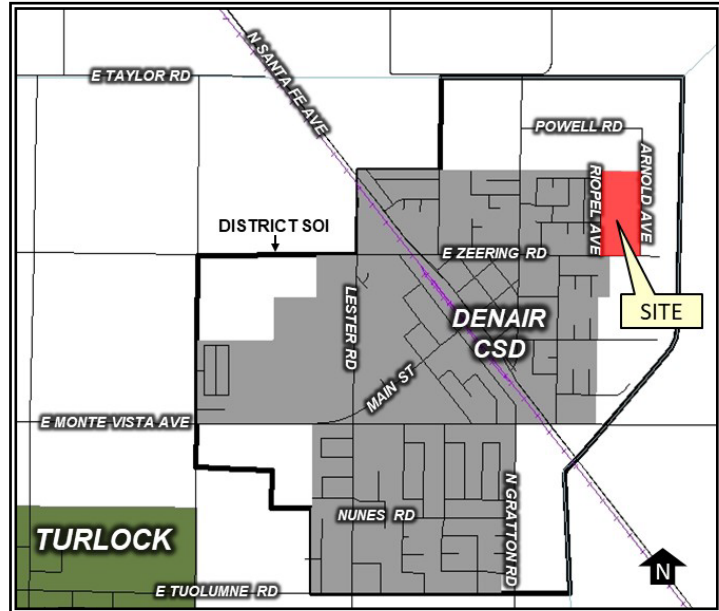
**EXECUTIVE OFFICER'S AGENDA REPORT
SEPTEMBER 27, 2023**

**LAFCO APPLICATION NO. 2023-02
HOFFMAN RANCH CHANGE OF ORGANIZATION TO
DENAIR COMMUNITY SERVICES DISTRICT**

PROPOSAL

The proposed project is a request to annex approximately 15.9 acres to the Denair Community Services District in order to provide sewer and water services to a residential subdivision.

1. Applicant: Denair Community Services District (Denair CSD)
2. Location: The project site is located at 4325 Arnold Road, south of Powell Road, west of Arnold Road, north of East Zeering Road, and east of Riopel Avenue. The project site is located in the Denair area.
3. Parcels Involved and Acreage:
The project site includes Assessor's Parcel Numbers (APNs) 024-022-027, 024-022-029, 024-022-030, and 024-022-031 totaling approximately 15.9 acres (See Exhibit "A" Map and Legal Description).
4. Reason for Request: The annexation is requested in order to provide sewer and water service for a proposed residential subdivision consisting of 76 residential units and a park.



ENVIRONMENTAL REVIEW

Stanislaus County, through its planning process, assumed the role of Lead Agency under the California Environmental Quality Act (CEQA) for the residential subdivision. The County approved a Mitigated Negative Declaration (Exhibit B). LAFCO, as a Responsible Agency, must consider the environmental documentation prepared by Stanislaus County. The proposed annexation will not result in a change of land use under the current zoning, which is under Stanislaus County jurisdiction.

BACKGROUND

On June 6, 2023 the Stanislaus County Board of Supervisors approved Rezone and Vesting Tentative Map Application No. PLN2021-0101 – Hoffman Ranch. The project allowed the property to be used for a residential subdivision and expansion to an existing park. The project includes a condition of approval requiring annexation into the Denair Community Services District for domestic water and sewer services. The proposed LAFCO application has been submitted in order to fulfill the condition of approval.

FACTORS

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

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

The annexation is being proposed in order to provide domestic sewer and water service to a future residential subdivision. The site is currently vacant except for an existing small park which will be expanded as part of the subdivision. The area is surrounded by a residential subdivision, agricultural land, and ranchettes.

The project site is zoned PD 369 (Planned Development) in the Stanislaus County Zoning Ordinance and is designated Planned Development in the County's General Plan. The proposed development is a legal use within the zoning district. Annexation to the District will not change or lead to change in the zoning. The subject parcel is located in Tax Code Areas: 056-001 and 056-036. The current total assessed value for the parcels within the proposed annexation area is \$936,870.

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

The proposed annexation will provide sewer and water service to the approved residential subdivision. The service improvements will be installed by the developer. The Denair CSD has indicated that the District is able to provide services to the project site. Service and maintenance will be financed through the collection of monthly sewer and water charges.

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

There are no social or economic communities of interest as defined by the Commission in the area. The proposal is consistent with adopted Commission policies to encourage efficient and effective delivery of governmental services.

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

The parcel is located within an area that is zoned PD 369 (Planned Development) by Stanislaus County. The proposed residential subdivision is consistent with the County's Zoning Ordinance. The proposed annexation will provide sewer and water services to the proposed development. There are no other plans to change the land uses.

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

The proposal will not result in the loss of agricultural land and will not affect the physical and economic integrity of agricultural land. The land is currently zoned PD 369 (Planned Development) by Stanislaus County.

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

The proposed boundary includes parcels 024-022-027, 024-022-029, 024-022-030, and 024-022-031 totaling approximately 15.9 acres. The overall district boundary will be clearly defined upon annexation. The proposal is fully within the current Sphere of Influence of the District.

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

The Regional Transportation Plan (RTP) is prepared and adopted by the Stanislaus Association of Governments (StanCOG) and is intended to determine the transportation needs of the region as well as the strategies for investing in the region's transportation system. The annexation will not change traffic or transportation routes for the area.

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

The proposal is consistent with both the Stanislaus County General Plan land use designation of "Planned Development" and zoning designation of PD 369 (Planned Development).

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

The territory is within the Denair Community Services District's Sphere of Influence. The proposal is consistent with those adopted spheres of influence and Commission policies.

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

All affected agencies and jurisdictions have been notified pursuant to State law requirements and the Commission adopted policies. No comments have been received as of the time this report was completed.

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

The Denair Community Services District, as applicant for the proposed annexation, has indicated it is willing and able to serve the proposal. The Developer will be responsible for installing all necessary infrastructure improvements required for the water connection. Once

the site is on line, service and maintenance will be financed through the collection of monthly charges.

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

Denair CSD has indicated that it is able to provide water service to the proposed project site. Currently, the District's water system is within 50 feet of the project site for connection. The District states that it consistently uses approximately 400 million to 420 million gallons of water annually. The District's pumping system has the capability to produce 1.79 billion gallons annually. The Hoffman Ranch project site has a 12 inch and 8 inch water main along the western boundary. Water service will be readily available once annexed.

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

The proposed annexation will serve 76 new residential units and will contribute towards regional housing needs.

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

The owner of the project site has consented to the proposed annexation. No information or comments, other than what was provided in the application, have been received as of the drafting of this report.

o. Any information relating to existing land use designations.

The property within the proposal is zoned PD 369 (Planned Development) within the Stanislaus County Zoning Ordinance and is designated as "Planned Development" in the General Plan. The annexation will provide sewer and water service that will serve a residential subdivision which is consistent with both designations. There are currently no plans to change the land uses.

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

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

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

According to the CEQA Initial Study, the project site has not been identified as being within a very high fire hazard severity zone. Stanislaus County has placed a condition of approval on the project requiring that development meet all Department of Environmental Resources HazMat Division and Fire District standards, as well as obtain all required permits.

DISCUSSION

Based on the information provided by the Denair CSD, annexation of project site can be considered a logical extension of the District's boundaries. Staff has determined that the proposed annexation is consistent with Government Code and LAFCO policies.

Waiver of Protest Proceedings

Pursuant to Government Code Section 56662(d), the Commission may waive protest proceedings for the proposal when the following conditions apply:

1. The territory is uninhabited.
2. All of the owners of land within the affected territory have given their written consent to the change of organization.
3. No subject agency has submitted written opposition to a waiver of protest proceedings.

As all the above conditions for the waiver of protest proceedings have been met, the Commission may waive the protest proceedings in their entirety.

ALTERNATIVES FOR COMMISSION ACTION

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

- Option 1** APPROVE the proposal, as submitted by the applicant.
- Option 2** DENY the proposal.
- Option 3** CONTINUE this proposal to a future meeting for additional information.

STAFF RECOMMENDATION

Approve Option 1. Based on the information and discussion contained in this staff report, and the evidence presented, it is recommended that the Commission adopt Resolution No. 2023-11 (attached as Exhibit D), which:

- a. Certifies, as a Responsible Agency under CEQA, that the Commission has considered the environmental documentation prepared by Stanislaus County as Lead Agency;
- b. Finds the proposal to be consistent with State law and the Commission's adopted Policies and Procedures;
- c. Waives protest proceedings pursuant to Government Code Section 56662(d); and,
- d. Approves LAFCO Application 2023-02 Hoffman Ranch Change of Organization to the Denair Community Services District as outlined in the resolution.

Respectfully submitted,

Javier Camarena

Javier Camarena
Assistant Executive Officer

Attachments - Exhibit A: Map and Legal Description
Exhibit B: CEQA Initial Study and Mitigation Monitoring Plan
Exhibit C: Will Serve Letter
Exhibit D: Draft LAFCO Resolution No. 2023-11

EXHIBIT A

Map & Legal Description

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HOFFMAN RANCH CHANGE OF ORGANIZATION TO THE DENAIR COMMUNITY SERVICES DISTRICT

LAND DESCRIPTION

The land referred to below is situated in the unincorporated area of the County of Stanislaus, State of California and is described as follows:

Being all of Lot 7 as shown on the map of the Elmwood Colony filed for record on April 11, 1905, in Volume 2 of Maps, at page 13, Stanislaus County Records, lying in the west half of Section 5, Township 5 South, Range 11 East, Mount Diablo Base & Meridian, more particularly described as follows:

BEGINNING at the intersection of the centerlines of Zeering Road and Riopel Avenue, also being the existing boundary of the Denair Community Services District the following four courses and distances:

Course 1. North 01°15'01" East, 1326.98 feet along the east line of the existing Denair Community Services District to the northwest corner of said Lot 7;

Course 2. Departing the boundary of said Denair Community Services District, South 89°44'00" East, 660.27 feet, to a point on the centerline of Arnold Road also being the northeast corner of Lot 7;

Course 3. South 01°16'28" West, 1327.70 feet, to southeast corner of Lot 7;

Course 4. North 89°40'17" West, 659.70 feet, along the centerline of Zeering Road and the north line of Annexation No. 96-12 "Zeering Road Change of Organization to the Denair Community Services District" to the **POINT OF BEGINNING**;

Containing 20.107 Acres more or less.

A PLAT OF THE ABOVE DESCRIBED PARCEL(S) OF LAND IS ATTACHED HERETO AS EXHIBIT "A" AND BY THIS REFERENCE MADE A PART HEREOF.

END DESCRIPTION

This real property description has been prepared by me, or under my direction, in conformance with the requirements of the Professional Land Surveyors' Act.

DRAFT

Stephen J. Pyle
Professional Land Surveyor
California No. 8385

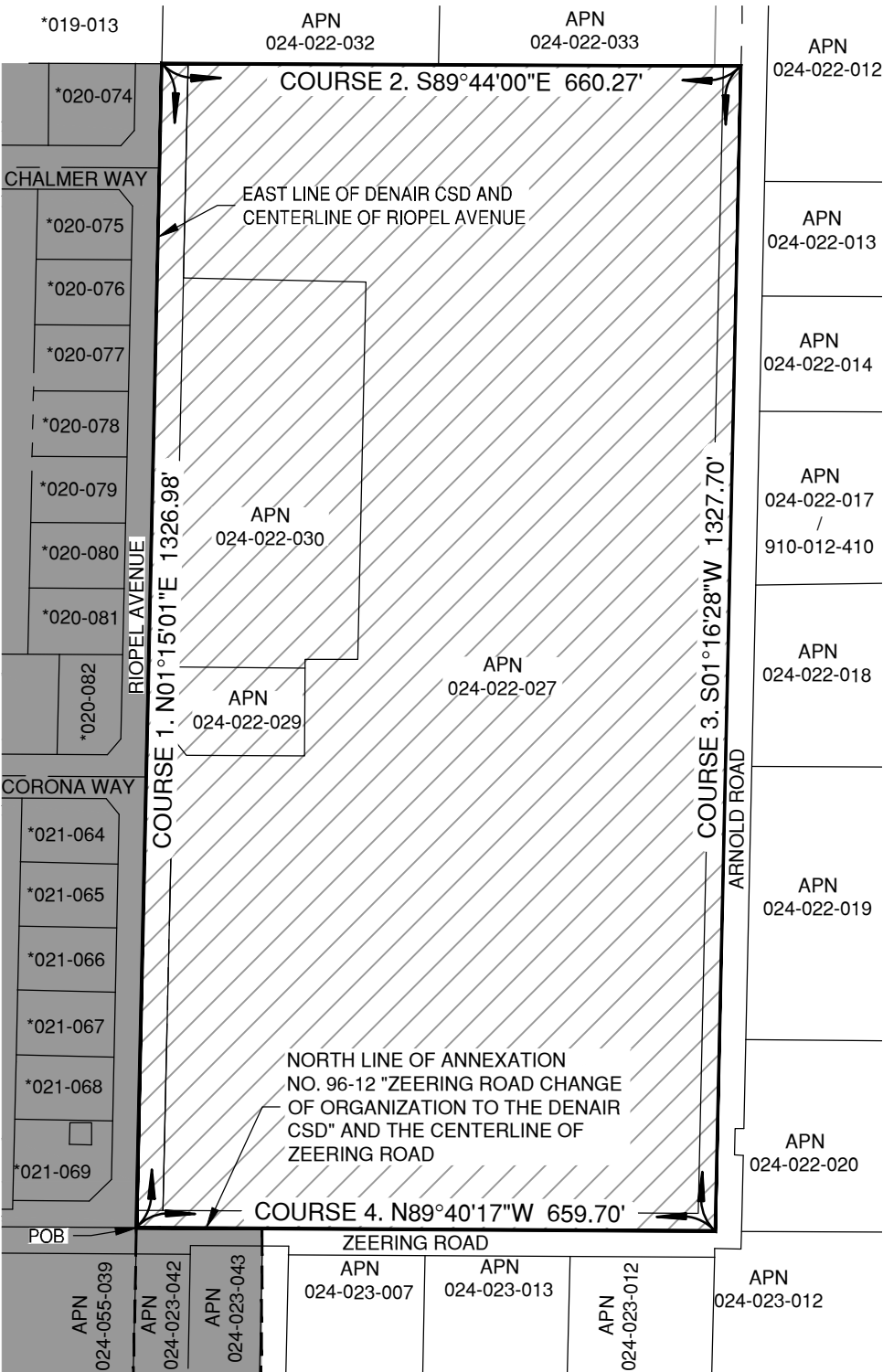


September 7, 2023

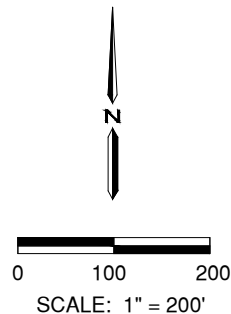
Date

LEGEND

NOTE: * = APN 024-



ANNEXATION LINE
ADJACENT PROPERTY LINE
RIGHT OF WAY LINE
CENTER LINE
EXISTING DENAIR CSD



ABBREVIATIONS

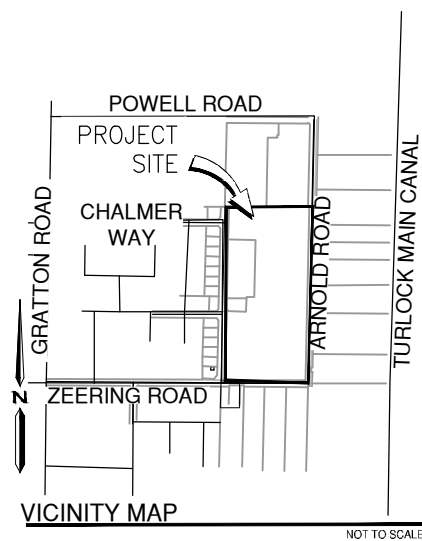
APN 024-022-017 / 910-012-410	CSD POB	COMMUNITY SERVICES DISTRICT POINT OF BEGINNING
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APN INFORMATION

	1	024-022-027 DUNKLEY ARTHUR W TRS
APN	2	024-022-029 COUNTY OF STANISLAUS
024-022-018	3	024-022-030 COUNTY OF STANISLAUS

ACRES

024-022-027 = 16.77 ACRES
024-022-029 = 0.339 ACRES
024-022-030 = 2.099 ACRES
RIOPEL ROAD = 0.899 ACRES
TOTAL = 20.107 ACRES



NOT TO SCALE



1165 Scenic Drive, Suite A
Modesto, CA 95350
odellengineering.com

HOFFMAN RANCH CHANGE OF ORGANIZATION TO DENAIR
COMMUNITY SERVICES DISTRICT

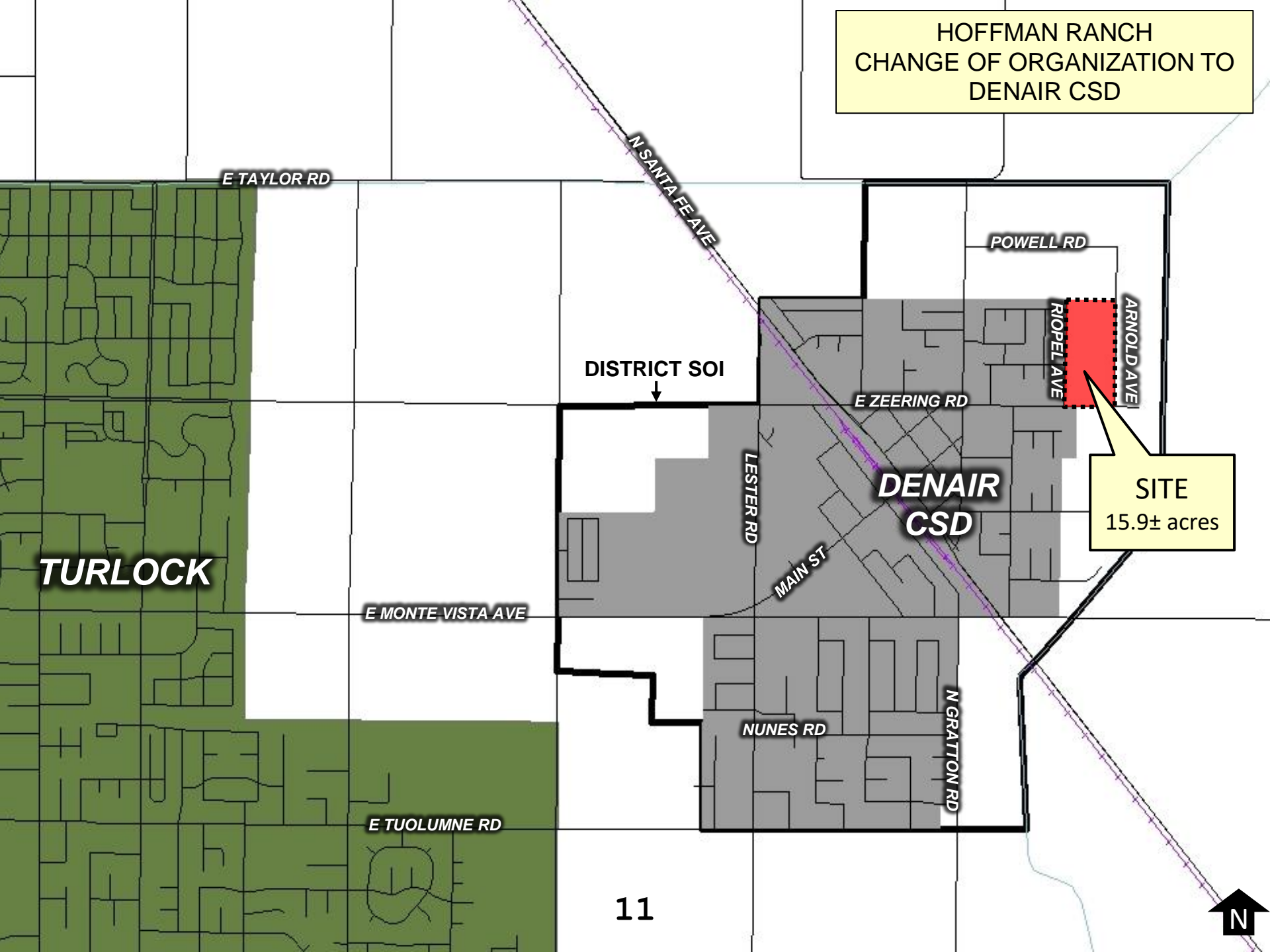
SCALE:	1"=200'	DATE:	2023-09-07
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JOB NO.:	39170
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FILE: 39170-EXH-ANNEXATION.DWG

1
of
1

HOFFMAN RANCH
CHANGE OF ORGANIZATION TO
DENAIR CSD



TURLOCK

DISTRICT SOI

E ZEERING RD

**DENAIR
CSD**

SITE
15.9± acres

E MONTE VISTA AVE

LESTER RD

MAIN ST

NUNES RD

N GRATTON RD

E TUOLUMNE RD

11



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EXHIBIT B

CEQA Initial Study Mitigation Monitoring Plan

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FILED

June 13, 2023

DONNA LINDER

STANISLAUS COUNTY
CLERK-RECORDERBy: *J. M. Leach*
Deputy Clerk

STANISLAUS COUNTY
DEPARTMENT OF PLANNING AND
COMMUNITY DEVELOPMENT
 1010 10th Street, Suite 3400
 Modesto, California 95354

NOTICE OF DETERMINATION

Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the Public Resources Code

Project Title: Rezone and Vesting Tentative Map Application No. PLN2021-0101 – Hoffman Ranch

Applicant Information: Dan Dunkley, 746 Division Street, Pleasanton, CA 94566 (209) 525-6330

Project Location: 4325 Arnold Road and 4302 Riopel Avenue, on the north side of East Zeering Road, between Riopel and Arnold Roads, in the Community of Denair. Stanislaus County (024-022-027).

Description of Project: Request to rezone a 15.9± acre parcel from Planned Development (P-D) (288) to a new P-D and to subdivide the project site into 76 parcels, ranging in size from 5,855 to 12,631 square feet and a 6,391± square foot park site expansion.

Name of Agency Approving Project: Stanislaus County Board of Supervisors

Lead Agency Contact Person: Kristen Anaya, Associate Planner

Telephone: (209) 525-6330

This is to advise that the Stanislaus County Board of Supervisors on June 6, 2023 has approved the above described project and has made the following determinations regarding the above described project:

1. The project **will not** have a significant effect on the environment.
2. A Mitigated Negative Declaration was prepared for this project pursuant to the provisions of CEQA.

The **Mitigated Negative Declaration** and record of project approval may be examined at:
Stanislaus County Department of Planning and Community Development
1010 10th Street, Suite 3400
Modesto, California 95354

3. Mitigation measures **were** made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan **was** adopted for this project.
5. A statement of Overriding Considerations **was not** adopted for this project.
6. Findings **were** made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the Negative Declaration, is available to the General Public at <http://www.stancounty.com/planning/agenda/agenda-min-2023.shtm>.

6/13/23
 Dated

Kristen Anaya
 Kristen Anaya
 Associate Planner



State of California - Department of Fish and Wildlife
2023 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
DFW 753.5a (REV. 01/01/23) Previously DFG 753.5a

Print

StartOver

Finalize&Email

RECEIPT NUMBER:

50-06/13/2023-093

STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY

STANISLAUS COUNTY DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

LEAD AGENCY EMAIL

DATE

06/13/2023

COUNTY/STATE AGENCY OF FILING

STANISLAUS COUNTY

DOCUMENT NUMBER

50-2023-119

PROJECT TITLE

REZONE AND VESTING TENTATIVE MAP APPLICATION NO PLN 2021-0101 - HOFFMAN RANCH

PROJECT APPLICANT NAME

DAN DUNKLEY

PROJECT APPLICANT EMAIL

PHONE NUMBER

(209) 525-6330

PROJECT APPLICANT ADDRESS

746 DIVISION STREET

CITY

PLEASANTON

STATE

CA

ZIP CODE

94566

PROJECT APPLICANT (Check appropriate box)

☐ Local Public Agency

☐ School District

☐ Other Special District

☐ State Agency

☒ Private Entity

CHECK APPLICABLE FEES:

☐ Environmental Impact Report (EIR)

\$ 3,839.25

☒ Mitigated/Negative Declaration (MND)(ND)

\$ 2,764.00

2,764.00

☐ Certified Regulatory Program (CRP) document - payment due directly to CDFW

\$ 1,305.25

☐ Exempt from fee

☐ Notice of Exemption (attach)

☐ CDFW No Effect Determination (attach)

☐ Fee previously paid (attach previously issued cash receipt copy)

☐ Water Right Application or Petition Fee (State Water Resources Control Board only)

\$ 850.00

☒ County documentary handling fee

\$ 57.00

57.00

☐ Other

\$

PAYMENT METHOD:

☐ Cash

☐ Credit

☒ Check

☐ Other 186

TOTAL RECEIVED

\$

2,821.00

SIGNATURE

X *Jennifer Mercado*

AGENCY OF FILING PRINTED NAME AND TITLE

Jennifer Mercado Deputy Clerk



2023 ENVIRONMENTAL DOCUMENT FILING FEE

CASH RECEIPT

DFW 753.5a (REV. 01/01/23) Previously DFG 753.5a

NOTICE

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

COUNTY DOCUMENTARY HANDLING FEE

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

COLLECTION PROCEDURES FOR COUNTY GOVERNMENTS

Filing Notice of Determination (NOD):

- ☐ Collect environmental filing fee or copy of previously issued cash receipt. *(Do not collect fee if project applicant presents a No Effect Determination signed by CDFW. An additional fee is required for each separate environmental document. An addendum is not considered a separate environmental document. Checks should be made payable to the county.)*
- ☐ Issue cash receipt to project applicant.
- ☐ Attach copy of cash receipt and, if applicable, previously issued cash receipt, to NOD.
- ☐ Mail filing fees for **CRP** document to CDFW prior to filing the NOD or equivalent final approval (Cal. Code Regs. Tit. 14, § 753.5 (b)(5)). The CRP should request receipt from CDFW to show proof of payment for filing the NOD or equivalent approval. Please mail payment to address below made attention to the Cash Receipts Unit of the Accounting Services Branch.

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

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

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

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

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

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

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

DOCUMENT RETENTION

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

RECEIPT NUMBER

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

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

Mail to:

California Department of Fish and Wildlife
Accounting Services Branch
P.O. Box 944209
Sacramento, California 94244-2090



DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

1010 10TH Street, Suite 3400, Modesto, CA 95354
Planning Phone: (209) 525-6330 Fax: (209) 525-5911
Building Phone: (209) 525-6557 Fax: (209) 525-7759

AMENDED CEQA INITIAL STUDY

Adapted from CEQA Guidelines APPENDIX G Environmental Checklist Form, Final Text, January 1, 2020
Amendments consisting of additions are reflected in bold text and deletions in strikethrough text.

1. **Project title:** Rezone and Vesting Tentative Subdivision Map Application No. PLN2021-0101 – Hoffman Ranch
2. **Lead agency name and address:** Stanislaus County
1010 10th Street, Suite 3400
Modesto, CA 95354
3. **Contact person and phone number:** Kristen Anaya, Associate Planner
(209) 525-6330
4. **Project location:** 4325 Arnold Road and 4302 Riopel Avenue, between East Zeering and Powell Roads, in the Community of Denair (APN: 024-022-027).
5. **Project sponsor's name and address:** Dan Dunkley
239 Main Street, Suite E
Pleasanton, CA 94566
6. **General Plan designation:** Planned Development
7. **Community Plan designation:** Low-Density Residential
8. **Zoning:** Planned Development (P-D) (288)
9. **Description of project:**

Request to rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development, to subdivide the project site into 76 parcels, ranging in size from 5,855 square-feet to 12,631 square-feet and a 6,391± square-foot park site expansion. The project site has a General Plan designation of Planned Development and a Denair Community Plan designation of Low-Density Residential. With the exception of lot coverage, development standards and permitted uses applicable to the lots will be consistent with those of the County's Single-Family Residential (R-1) zoning district. The 76 single-family lots are proposed to allow a maximum aggregate building coverage of 50% for each, a 10% increase of the current 40% maximum aggregate building coverage requirement within R-1 zoning district. A tree planting plan has been included with the proposed project for each lot, which will require submittal of a landscape and irrigation plan upon development of each lot. If approved, each lot could be developed with one single-family dwelling, an accessory dwelling unit, and junior accessory dwelling unit.

As part of the project, the developer will extend the existing County-maintained Corona and Chalmer Ways eastward, through the proposed subdivision, terminating into Arnold Way along the eastern boundary. Interior 50-foot-wide roadways, including three cul-de-sacs, will be developed as part of the subdivision's interior circulation. Each street frontage will be developed with curb, gutter, sidewalk, and street lighting. Stormwater is proposed to be managed by an existing dual use basin located on Assessor's Parcel Number (APN) 024-022-030, which also serves the adjacent subdivision to the west. "Lot A" is proposed to dedicate a 6,391-square-foot expansion to the existing County park parcel, Hunter's Pointe, located on APN 024-022-029, and develop park improvements consisting of a basketball court and shade structure, in accordance with the Stanislaus County Park Land In-Lieu Of Fees Policy. A "Can-Serve" letter for water and sewer services to serve the residential development has been issued from the Denair Community Services District (CSD) for the project, which included ~~requirements~~ **conditions of approval** that the project **annex into the CSD's boundaries, install all necessary water and sewer lines through the interior and outer boundary of the**

site, and pay all applicable connection fees. As part of the conditions for connection the development will also be required to pay its fair-share towards a required municipal well future capital improvement project consisting of a million gallon water tank, booster pumps, electrical upgrade, site work, and a backup generator.”.

P-D (288) was adopted by the Board of Supervisors on April 20, 2004 (General Plan Amendment 2003-01, Rezone 2003-03, and Tentative Map 2002-02 – Riopel Property (“Pope Subdivision”), which created the Rural Residential-zoned 53-lot subdivision located immediately west of the project site. The project site was included in creation of P-D (288), which was utilized to create two parcels, for development of a dual use drainage basin and park serving the subdivision to the west. The subsequent 15.9± acres parcel was not approved for further subdivision or use. Consequently, development of the site requires a new rezone and tentative map. If approved the applicant proposes for construction to begin within two years of project approval.

- | | |
|---|---|
| 10. Surrounding land uses and setting: | Single-family residential development to the west, scattered ranchette parcels and irrigated farmland to the north, east, and south; confined animal facility to the southeast. |
| 11. Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.): | Stanislaus County Department of Public Works
Department of Environmental Resources
Denair Community Services District |
| 12. Attachments: | <ul style="list-style-type: none">I. Central California Information Center Records, dated September 10, 2021II. California Emissions Estimator Model results, prepared by Insite Environmental, dated July 7, 2022III. Phase I Environmental Site Assessment, prepared by Krazan and Associates, Inc., dated May 14, 2021IV. Transportation Impact Assessment, prepared by Barrios Transportation Consulting, dated September 23, 2022V. Mitigation Monitoring and Reporting Program, dated February 22, 2023 |

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture and Forestry Resources | <input type="checkbox"/> Air Quality |
| <input checked="" type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Energy |
| <input type="checkbox"/> Geology / Soils | <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards and Hazardous Materials |
| <input type="checkbox"/> Hydrology / Water Quality | <input type="checkbox"/> Land Use / Planning | <input type="checkbox"/> Mineral Resources |
| <input type="checkbox"/> Noise | <input type="checkbox"/> Population / Housing | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Recreation | <input type="checkbox"/> Transportation | <input type="checkbox"/> Tribal Cultural Resources |
| <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Wildfire | <input type="checkbox"/> Mandatory Findings of Significance |

DETERMINATION: (To be completed by the Lead Agency)

On the basis of this initial evaluation:

- ☐ I find that the proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- ☐ I find that the proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.
- ☐ I find that the proposed project **MAY** have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature on File _____
 Prepared by Kristen Anaya, Associate Planner

February 22, 2023 (as updated on April 26, 2023) _____
 Date

EVALUATION OF ENVIRONMENTAL IMPACTS:

- 1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. “Potentially Significant Impact” is appropriate if there is substantial evidence that an effect may be significant. If there are one or more “Potentially Significant Impact” entries when the determination is made, an EIR is required.
- 4) “Negative Declaration: Less Than Significant With Mitigation Incorporated” applies where the incorporation of mitigation measures has reduced an effect from “Potentially Significant Impact” to a “Less Than Significant Impact.” The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from Section XVII, “Earlier Analyses,” may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration.

Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

- a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are “Less than Significant with Mitigation Measures Incorporated,” describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). References to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
 - 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
 - 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project’s environmental effects in whatever format is selected.
 - 9) The explanation of each issue should identify:
 - a) the significant criteria or threshold, if any, used to evaluate each question; and
 - b) the mitigation measure identified, if any, to reduce the impact to less than significant.

ISSUES

I. AESTHETICS – Except as provided in Public Resources Code Section 21099, could the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect on a scenic vista?			X	
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?			X	
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?			X	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			X	

Discussion: The site itself is not considered to be a scenic resource or unique scenic vista. The site is designated Low-Density Residential within the Denair Community Plan. Neither Stanislaus County nor Denair Community Plan standards generally dictate the need or desire for architectural review of agricultural or residential subdivisions. The proposed project will rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development and to subdivide the project site into 76 parcels, ranging in size from 5,855 square-feet to 12,631 square-feet and a 6,391± square-foot park site expansion.

The project site is currently vacant, but has been previously planted in row crops. The site is surrounded by single-family residential development to the west; scattered ranchettes and irrigated farmland to the north, east, and south; and confined animal facility to the southeast.

The applicant proposes to install street lighting, curb, gutter, and sidewalk for the entire subdivision. Additionally, the developer will extend the existing County-maintained Corona and Chalmer Ways eastward, through the proposed subdivision, terminating into Arnold Way. Interior 50-foot-wide roadways including three cul-de-sacs will be developed as part of the subdivision's interior circulation. Stormwater is proposed to be managed for the development through an existing 2.09 acres stormwater basin located on APN 024-022-030, which currently serves the existing residential development to the west. As part of the overall development plan, the proposed project includes a landscaping and tree planting plan. The applicant proposes to plant trees along the frontages of all lots and along the eastern frontage of the existing storm drainage basin, for an overall total of 137 trees. A referral response from the Department of Parks and Recreation provided a list of approved trees, requested that any street trees be planted at least three feet from hard surfaces such as curb, gutter, and sidewalk, and requested that the tree planting plan be submitted for review and approval. A basketball court and shade structure are proposed to be installed within Lot A, the Hunter's Pointe expansion. These project features will enhance the site's overall visual character as well as blending with the existing surrounding development.

A referral response was received from the County's Public Works Department requiring annexation of the project to the existing Community Service Area (CSA) #21 - *Riopele* and the Denair Highway Lighting and Landscaping District, to ensure future maintenance and eventual replacement of the storm drainage system and facilities, and any landscaped areas. Development standards have been added to the project addressing Public Works' requirements.

The project is not expected to degrade any existing visual character of the site or surrounding area. Lighting installed with the subdivision shall be designed to reduce any potential impacts of glare per the County's Public Works adopted Standards and Specifications.

Mitigation: None.

References: Referral Response from the Stanislaus County Department of Public Works, dated September 29, 2022; Referral Response from the Stanislaus County Department of Parks and Recreation, dated April 21, 2022; Application Information; Stanislaus County Zoning Ordinance; the Stanislaus County General Plan; and Support Documentation¹.

II. AGRICULTURE AND FOREST RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?			X	
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?			X	
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?			X	
d) Result in the loss of forest land or conversion of forest land to non-forest use?			X	
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?			X	

Discussion: The project site is 15.9± acres in size and presently unimproved, but in the past had been planted with row crops. The project site is classified by The California Department of Conservation Farmland Mapping and Monitoring Program as a being comprised of "Grazing Land." The United States Department of Agriculture Natural Resources Conservation Service (USDA NRCS) Web Soil Survey indicates that the project site's soil primarily consists of: Grade 3 Greenfield sandy loam, deep over hardpan, 0 to 3 percent slopes, Storie Index rating 47 (10.2± acres), Grade 4 Madera sandy loam, 0 to 2 percent slopes, Storie Index rating 30 (4.7± acres), and Grade 1 Hanford sandy loam, 0 to 3 percent slopes, Storie Index rating 93 (0.8± acres). Grade 1 soils are considered to be prime farmland; however, as the site's General Plan Designation and zoning were previously amended to Planned Development and includes a Denair Community Plan designation of Low-Density Residential, the site would not be considered Prime Farmland nor will the project convert any Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use.

The project was referred to the Turlock Irrigation District (TID), who provided a referral response indicating that an irrigation pipeline belonging to Improvement District (ID) 573A runs along the western edge of the subject project. There are no electrical facilities on the parcel; however, there are two conduit stub-outs to the west that will be fed to serve the proposed subdivision: one located within Chalmer Way that terminates west where the project parcel begins, and one located at the

north end of the existing Hunter's Pointe Park, that terminates west at the project parcel boundaries. TID requested the developer enter into an irrigation improvements agreement and submit both irrigation improvement plans for any irrigation facility modifications, and the final map including an application for electrical facility extensions for approval by TID's Engineering Department prior to recording of the final map. Additionally, TID indicated that the developer must apply for abandonment from ID 573A since the subsequent parcels will no longer have direct access to water or irrigate. The District also requested that a 10-foot Public Utility Easement be dedicated along all street frontages, and that development of the proposed lots have a minimum 15-foot building setback from both the front property line and from back-of-sidewalk. Development standards will be placed on the project reflecting these requirements.

Surrounding uses include single-family residential development to the west, ranchette parcels and irrigated farmland to the north, east, and south, and confined animal facility to the southeast. In December of 2007, Stanislaus County adopted an updated Agricultural Element which incorporated guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 Zoning District. Appendix A states: "All projects shall incorporate a minimum 150-foot-wide buffer setback. Projects which propose people intensive outdoor activities shall incorporate a minimum 300-foot-wide buffer setback." The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts such as spray drift and trespassing resulting from the interaction of agricultural and non-agricultural uses. Alternatives may be approved, provided the Planning Commission finds that the alternative provides equal or greater protection than the existing buffer standards. It is the opinion of staff that the proposed use is not a people intensive outdoor use. As mentioned, a residential subdivision is located west of the project site. Although the ranchette parcels to the east and south (all within approximately 50-feet from the project site) are agriculturally zoned, they are not in agricultural production, are designated as either Estate Residential or Low-Density Residential in the Denair Community Plan, and are improved with a single-family dwellings and accessory structures. Ranchettes are considered to be residential in nature as categorized under Goal Two of the Agriculture Element of the General Plan. Accordingly, the applicant is requesting an agricultural buffer alternative, consisting of a reduced distance of an at least 50-feet and physical separation of Arnold and East Zeering Roads, from the A-2 parcels to the east and south. The nearest parcels in agricultural production are two 5± acres ranchette parcels which bound the project site to the north but are designated Low Density Residential in the Denair Community Plan. Provision of 150-feet of distance is not feasible as the project site is immediately adjacent to the two northern parcels. Given the farming status of the two ranchette parcels to the north, the Agricultural Commissioner's Office has requested that an Agricultural Buffer alternative consisting of a solid eight-foot wood privacy fence be constructed along the northern property line of the proposed project. This requirement will be added as a development standard to the project.

The project parcel is not enrolled in a Williamson Act Contract. The nearest parcel enrolled under contract is a 326.4± acres parcel that is not in the Denair Community Plan and is located approximately 600+ feet away from the project site to the east, separated from the project site by ranchette parcels and a 100-foot-wide TID Main Canal. Therefore, the project is not anticipated to conflict with existing Williamson Act Contracts.

The Denair Community Plan outlines the future growth patterns of Denair and is used in conjunction with the General Plan to indicate the desired land use 'vision' for the town and to guide future growth patterns. Further residential development of the area would generally be confined within the Community Plan boundaries in areas with residential designations, or additional land use entitlements consisting of either Community Plan, General Plan, or zoning designation amendments would be required, subject to additional CEQA review. Residential development of land with a zoning or general plan designation of Agriculture also requires consistency with the Stanislaus County Zoning Ordinance Chapter 21.118 – 30-Year Land Use Restriction, or Measure E, which prohibits conversion of agriculturally designated land to residential without support of a majority vote by County voters at a special or general election. As residential development is limited to the current boundaries of the Denair Community Plan, the proposed project if approved is not anticipated to induce conversion of surrounding farmland to non-agriculture uses; nor will it conflict with existing zoning or a Williamson Act Contract. Additionally, although permits for spraying pesticides have been issued to the two parcels to the north of the project site, the proposed Agricultural Buffer will provide physical separation between the proposed subdivision and farming activities.

The project site is considered an in-fill development and will not contribute to the loss of farmland or forest land.

Mitigation: None.

References: E-mail correspondence from the Agricultural Commissioner's Office, dated May 17, 2022; Referral Response from Turlock Irrigation District, dated January 24, 2022; Natural Resources Conservation Service Soil Survey; application information; Stanislaus Soil Survey (1957); California State Department of Conservation Farmland Mapping and Monitoring Program - Stanislaus County Farmland 2018; Stanislaus County General Plan and Support Documentation¹.

III. AIR QUALITY: Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?			X	
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?			X	
c) Expose sensitive receptors to substantial pollutant concentrations?			X	
d) Result in other emissions (such as those odors adversely affecting a substantial number of people?			X	

Discussion: The proposed project is located within the San Joaquin Valley Air Basin (SJVAB) and, therefore, falls under the jurisdiction of the San Joaquin Valley Air Pollution Control District (SJVAPCD). In conjunction with the Stanislaus Council of Governments (StanCOG), the SJVAPCD is responsible for formulating and implementing air pollution control strategies. The SJVAPCD's most recent air quality plans are the 2007 PM₁₀ (respirable particulate matter) Maintenance Plan, the 2008 PM_{2.5} (fine particulate matter) Plan, and the 2007 Ozone Plan. These plans establish a comprehensive air pollution control program leading to the attainment of state and federal air quality standards in the SJVAB, which has been classified as "extreme non-attainment" for ozone, "attainment" for respirable particulate matter (PM-10), and "non-attainment" for PM 2.5, as defined by the Federal Clean Air Act.

The primary source of air pollutants generated by this project would be classified as being generated from "mobile" sources. Mobile sources would generally include dust from roads, farming, and automobile exhausts. Mobile sources are generally regulated by the Air Resources Board of the California EPA which sets emissions for vehicles and acts on issues regarding cleaner burning fuels and alternative fuel technologies. As such, the District has addressed most criteria air pollutants through basin wide programs and policies to prevent cumulative deterioration of air quality within the Basin. The project will increase traffic in the area and, thereby, impacting air quality.

Potential impacts on local and regional air quality are anticipated to be less than significant, falling below SJVAPCD thresholds, as a result of the nature of the proposed project and project's operation after construction. Implementation of the proposed project would fall below the SJVAPCD significance thresholds for both short-term construction and long-term operational emissions, as discussed below. Because construction and operation of the project would not exceed the SJVAPCD significance thresholds, the proposed project would not increase the frequency or severity of existing air quality standards or the interim emission reductions specified in the air plans.

A project referral response from the Air District indicated that the proposed project is below the District's thresholds of significance for criteria pollutants, but requested the applicant perform an assessment of project emissions from both project-specific permitted equipment and activities using the California Emission Estimator Model (CalEEMod), to determine if emissions will contribute or cause violation of ambient air quality standards, and recommended an Ambient Air Quality Assessment (AAQA) to be performed for the project if the project criteria pollutants emissions exceed 100 pounds per day. Insite Environmental prepared a CalEEMod analysis of the project, dated July 7, 2022, which indicated the project emissions will not exceed 100 pounds per day; therefore, the project is not expected to cause or contribute to air quality standard violations. The results were provided to Air District staff, who concurred with the findings.

The District's Small Project Analysis Level (SPAL) guidance identifies thresholds of significance for criteria pollutant emissions, which are based on the District's New Source Review (NSR) offset requirements for stationary sources. Using project type and size, the District has pre-qualified emissions and determined a size below which it is reasonable to conclude that a project would not exceed applicable thresholds of significance for criteria pollutants. In the interest of streamlining CEQA requirements, projects that fit the descriptions and are less than the project sizes provided by the District are deemed to have a less than significant impact on air quality due to criteria pollutant emissions and as such are excluded from quantifying criteria pollutant emissions for CEQA purposes. The District's threshold of significance for residential projects is identified as 155 units, and less than 800 additional trips per day. The project proposes 76 residential lots, and one lot (Lot A) that is proposed to be dedicated as a park expansion. The proposed project has the potential to develop a maximum of 152 new dwelling units, inclusive of each new lot able to be developed with one single-family dwelling, and one accessory

dwelling unit (ADU). One junior accessory dwelling unit (JADU) per lot is also permitted under a single-family residential Planned Development zoning district; however, the JADU would not count as a separate dwelling unit, as the JADU consists of living space within the primary home. According to the Federal Highway Administration the average daily vehicle trips per household is 5.11, which would equal approximately 776.72 additional trips per-day as a result of project approval (152 new units x 5.11 = 776.72), which would be below the District's threshold of significance.

Construction activities associated with new development can temporarily increase localized PM10, PM2.5, volatile organic compound (VOC), nitrogen oxides (NOX), sulfur oxides (SOX), and carbon monoxide (CO) concentrations a project's vicinity. The primary source of construction related CO, SOX, VOC, and NOX emission is gasoline and diesel powered, heavy-duty mobile construction equipment. Primary sources of PM10 and PM2.5 emissions are generally clearing and demolition activities, grading operations, construction vehicle traffic on unpaved ground, and wind blowing over exposed surfaces. Construction activities associated with the proposed project would consist primarily of constructing the dwelling units and installing road and sidewalk improvements. These activities would not require any substantial use of heavy-duty construction equipment and would require little or no demolition or grading as the site is presently unimproved and considered to be topographically flat. As evaluated in the project's CalEEMod results, emissions would be minimal. Furthermore, all construction activities would occur in compliance with all SJVAPCD regulations; therefore, construction emissions would be less than significant without mitigation. Potential impacts on local and regional air quality are anticipated to be less than significant, falling below SJVAPCD thresholds, as a result of the nature of the potential construction of up to 152 new residential units and project's operation after construction.

For these reasons discussed above, the proposed project would be consistent with the applicable air quality plans. Also, the proposed project would not conflict with applicable regional plans or policies adopted by agencies with jurisdiction over the project and would be considered to have a less than significant impact.

Mitigation: None.

References: Application information; California Emissions Estimator Model results, prepared by Insite Environmental, dated July 7, 2022; San Joaquin Valley Air Pollution Control District's Small Project Analysis Level (SPAL) guidance, November 13, 2020; Federal Highway Administration, Summary of Travel Trends: 2017 National Household Travel Survey; Referral Response from the San Joaquin Valley Air Pollution Control District, dated January 26, 2022; E-mail correspondence from the San Joaquin Valley Air Pollution Control District, dated January 23, 2022 and May 23, 2022; San Joaquin Valley Air Pollution Control District - Regulation VIII Fugitive Dust/PM-10 Synopsis; www.valleyair.org; and the Stanislaus County General Plan and Support Documentation¹.

IV. BIOLOGICAL RESOURCES -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?			X	

d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?		X		
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?			X	

Discussion: The project is located within the Denair Quad of the California Natural Diversity Database based on the U.S. Geographical quadrangle map series. According to aerial imagery and application materials, the surrounding area to the west is built up almost entirely with urban uses, and the area to the east is improved with ranchettes, and agricultural parcels, which are routinely disturbed in conjunction with farming practices.

Based on search results from the California Natural Diversity Database (CNDDDB), there are two animals, one insect and one plant species, which are state or federally listed, threatened, or identified as species of special concern or a candidate of special concern within the Denair CNDDDB Quad. These species include the Swainson's hawk, steelhead – Central Valley DPS, valley elderberry longhorn beetle, and San Joaquin Valley Orcutt grass. There are no reported sightings of any of the aforementioned species on the project site; however, a Swainson's hawk nesting site was observed on June 7, 1994, 1.25± miles northeast of the project site according to the CNDDDB. There is no known sensitive or protected species or natural community located on the site.

An early consultation was referred to the California Department of Fish and Wildlife (CDFW) and no response was received. In follow-up correspondence, CDFW staff requested a mitigation measure to Swainson's hawk foraging habitat and requested that mitigation regarding no-disturbance active nest buffers, and temporal restrictions on construction during bird non-nesting season be applied to the project. A mitigation measure has been added to the project requiring pre-construction surveys by a qualified biologist, implementation of no-disturbance buffers, temporal restrictions on construction, and requiring an Incidental Take Permit be obtained if take cannot be avoided. CDFW staff reviewed and accepted the proposed mitigation. With mitigation in place, it does not appear this project will result in impacts to endangered species or habitats, locally designated species, or wildlife dispersal or mitigation corridors.

The project will not conflict with a Habitat Conservation Plan, a Natural Community Conservation Plan, or other locally approved conservation plans. Impacts to endangered species or habitats, locally designated species, or wildlife dispersal or mitigation corridors are considered to be less than significant.

Mitigation: If ground disturbing activity or construction commences between March 1 and September 15, pre-construction surveys for nesting Swainson's hawks (SWHA) shall be conducted by a qualified biologist. SWHA surveys shall be conducted a maximum of 10 days prior to the onset of grading or construction activities, within 0.5 miles of the project site area, in accordance with protocol developed by the Swainson's Hawk Technical Advisory Committee (SWHA TAC, 2000). If active nests are found, a qualified biologist, in consultation with the California Department of Fish and Wildlife (CDFW), shall determine the need (if any) for temporal restrictions on construction, including but not limited to a minimum no-disturbance buffer of 0.5 miles to be maintained around active nests prior to and during any ground-disturbing activities until the breeding season has ended or until a qualified biologist has determined that the birds have fledged and are no longer reliant upon the nest or parental care for survival. If take cannot be avoided, take authorization through the issuance of an Incidental Take Permit (ITP), pursuant to Fish and Game Code section 2081 subdivision (b) is necessary to comply with the California Endangered Species Act (CESA). The determination shall utilize criteria set forth by CDFW (CDFG, 1994).

References: E-mail correspondence from the California Department of Fish and Wildlife, dated June 28, 2022 and January 13, 2023; California Department of Fish and Wildlife's Natural Diversity Database Quad Species List; Stanislaus County General Plan and Support Documentation¹.

V. CULTURAL RESOURCES -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource pursuant to in § 15064.5?			X	
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?			X	
c) Disturb any human remains, including those interred outside of formal cemeteries?			X	

Discussion: A records search conducted by the Central California Information Center (CCIC) for the project site indicated that there are no historical, cultural, or archeological resources recorded on-site and that the site has a low sensitivity for the discovery of such resources. The report from the CCIC indicated that historic buildings and structure have been recorded within Denair and the surrounding vicinity. Since the project area has not been subject to previous investigations, there may be unidentified features involved in the project area that are 45 years or older and considered as historical resources requiring further study. The CCIC recommend further review for the possibility of identifying prehistoric or historic-era archaeological resources if ground disturbance is considered a part of the current project. If archaeological resources are encountered during project-related activities, work should be halted in the vicinity of the discovered materials until a qualified professional archaeologist has evaluated the situation and provided appropriate recommendations. If Native American remains are found, the County Coroner and the Native American Heritage Commission are to be notified immediately for recommended procedures. If human remains are uncovered, all work within 100 feet of the find should halt in compliance with Section 15064.5(e) (1) of the CEQA Guidelines and Public Resources Code Section 7060.5. Development standards will be added to the project to ensure these requirements are met.

The County does not use age as an indication of historic resources. Further, as the site is presently unimproved with any structures, demolition or impact on existing buildings is not considered a significant impact to cultural resources.

Mitigation: None.

References: Central California Information Center Report for the project site, dated September 10, 2021; Stanislaus County General Plan, and Support Documentation¹.

VI. ENERGY -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			X	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?			X	

Discussion: The CEQA Guidelines Appendix F states that energy consuming equipment and processes, which will be used during construction or operation such as: energy requirements of the project by fuel type and end use, energy conservation equipment and design features, energy supplies that would serve the project, total estimated daily vehicle trips to be generated by the project, and the additional energy consumed per trip by mode, shall be taken into consideration when evaluating energy impacts. Additionally, the project's compliance with applicable state or local energy legislation, policies, and standards must be considered.

The project proposes to rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development and to allow for its subdivision into 76 single-family lots. All subsequent building permits for single-family dwellings would need to be in compliance with Title 24, Green Building Code, which includes energy efficiency requirements.

All proposed street lighting will be required to meet Public Works' standards and specifications as part of the improvement plans prior to acceptance of the improvement plans.

The project was referred to the Turlock Irrigation District (TID), who provided a referral response indicating that an irrigation pipeline belonging to Improvement District (ID) 573A runs along the western edge of the subject project. There are no electrical facilities on the parcel; however, there are two conduit stub-outs to the west that will be fed to serve the proposed subdivision: one located within Chalmer Way that terminates west where the project parcel begins, and one located at the north end of the existing Hunter's Pointe Park, that terminates west at the project parcel boundaries. TID requested the developer enter into an irrigation improvements agreement and submit both irrigation improvement plans for any irrigation facility modifications, and the final map including an application for electrical facility extensions for approval by the District's Engineering Department prior to recording of the final map. Additionally, TID indicated that the developer must apply for abandonment from ID 573A since the subsequent parcels will no longer have direct access to water or irrigate. TID also requested that a 10-foot Public Utility Easement be dedicated along all street frontages, and that development of the proposed lots have a minimum 15-foot building setback from both the front property line and from back-of-sidewalk. Development standards will be placed on the project reflecting these requirements.

It does not appear this project will result in significant impacts to the wasteful, inefficient, or unnecessary consumption of energy resources. A condition of approval will be added to this project to address compliance with Title 24, Green Building Code, for projects that require energy efficiency.

Mitigation: None.

References: Application Information; CEQA Guidelines; Title 16 of County Code; CA Building Code; Stanislaus County Zoning Ordinance (Title 21); Referral Response from Turlock Irrigation District, dated January 24, 2022; Stanislaus County 2016 General Plan EIR; Stanislaus County General Plan and Support Documentation¹.

VII. GEOLOGY AND SOILS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			X	
iv) Landslides?			X	
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?			X	

e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?			X	
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?			X	

Discussion: The USDA Natural Resources Conservation Service's Eastern Stanislaus County Soil Survey indicates that the property is made up of: Greenfield sandy loam, deep over hardpan, 0 to 3 percent slopes (10.2± acres), Madera sandy loam, 0 to 2 percent slopes (4.7± acres), and Hanford sandy loam, 0 to 3 percent slopes (0.8± acres). As contained in Chapter 5 of the General Plan Support Documentation, the areas of the County subject to significant geologic hazard are located in the Diablo Range, west of Interstate 5; however, as per the California Building Code, all of Stanislaus County is located within a geologic hazard zone (Seismic Design Category D, E, or F) and a soils test may be required at building permit application. Department of Environmental Resources (DER), Public Works, and the Building Permits Division review and approve any building permit to ensure their standards are met. Any earth moving must be approved by Public Works as complying with adopted Standards and Specifications, which consider the potential for erosion and run-off prior to permit approval. The project was referred to Public Works who responded that prior to the recording of the final map, a complete set of improvement plans that are consistent with the Stanislaus County Standards and Specifications and the tentative map shall be submitted and approved by Stanislaus County Public Works. A soils report for the drainage basin was prepared in conjunction with this request, to determine whether the existing basin is adequately sized, and if deepening the basin was feasible. Based on the information, Public Works determined that the basin may be deepened, as needed to accommodate the drainage needs of the additional 76 residential lots; however, a current soils report for the project site and a grading, drainage, and erosion/sediment control plan shall be submitted prior to acceptance of the improvement plans. Public Works' requirements will be placed on the project as Development Standards.

The Building Division may utilize the results from the soils test, or require additional soils tests, to determine if unstable or expansive soils are present. If such soils are present, special engineering of any structures will be required to compensate for the soil deficiency. Any structures resulting from this project will be required to be designed and built according to building standards appropriate to withstand shaking for the area in which they are constructed. Likewise, any addition or expansion of a septic tank or alternative wastewater disposal system would require the approval of DER through the building permit process, which also takes soil type into consideration within the specific design requirements.

The project proposes creation of 76-lots for single-family dwelling units. The site will be served public water and sewer by the Denair Community Services District (CSD). The Denair CSD provided a "can-serve" letter indicating their ability to serve the project site with public water and sewer on the condition that the project pay its fair-share towards a planned municipal well in the future. The letter indicated that the Denair CSD will require the owner/developer to enter into an agreement with the Denair CSD to construct and pay for necessary infrastructure to enable the Denair CSD to provide water and sewer services to the project. The agreement will require the infrastructure be constructed to Denair CSD specifications, and that security be given to the Denair CSD to guarantee performance and payment for the infrastructure, and that all current connection fees be paid in full prior to issuance of a formal "Will-Serve" letter to the property owner/developer. Additionally, the applicant may be required to pay a fair-share fee for future facilities for Denair CSD services. The formal Will-Serve letter must be presented to the Stanislaus County Building Permits Division prior to issuance of a building permit for any residential structure. The CSD's comments will be applied to the project as development standards. No septic facilities are proposed as part of the project request. A referral response was received from DER requiring the development obtain a formal Will-Serve letter from the CSD for sewer and water services.

The project site is not located near an active fault or within a high earthquake zone. Landslides are not likely due to the flat terrain of the area. Compliance with the Storm Water Pollution Prevention Program (SWPPP), with the Alquist-Priolo Earthquake Fault Zoning Act, and the California Building Code are all required through the building and grading permit review process which would reduce the risk of loss, injury, or death due to earthquake or soil erosion to less than significant.

Mitigation: None.

References: Application information; USDA – NRCS Web Soil Survey; Referral Response received from Stanislaus County Department of Public Works, dated September 29, 2022; Letter received from Denair Community Services District, dated May 5, 2022; Referral Response from the Stanislaus County Department of Environmental Resources, dated January 25, 2022; Stanislaus County General Plan and Support Documentation¹.

VIII. GREENHOUSE GAS EMISSIONS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

Discussion: The principal Greenhouse Gasses (GHGs) are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and water vapor (H₂O). CO₂ is the reference gas for climate change because it is the predominant greenhouse gas emitted. To account for the varying warming potential of different GHGs, GHG emissions are often quantified and reported as CO₂ equivalents (CO₂e). In 2006, California passed the California Global Warming Solutions Act of 2006 (Assembly Bill [AB] No. 32), which requires the California Air Resources Board (ARB) design and implement emission limits, regulations, and other measures, such that feasible and cost-effective statewide GHG emissions are reduced to 1990 levels by 2020. Two additional bills, SB 350 and SB32, were passed in 2015 further amending the states Renewables Portfolio Standard (RPS) for electrical generation and amending the reduction targets to 40% of 1990 levels by 2030. GHGs emissions resulting from residential projects include emissions from temporary construction activities, energy consumption, and additional vehicle trips.

This project is a request to rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development and to subdivide the project site into 76 parcels, ranging in size from 5,855 square-feet to 12,631 square-feet and a 6,391± square-foot park site expansion. With the exception of lot coverage, development standards and permitted uses applicable to the lots will be consistent with those of the County's Single-Family Residential (R-1) zoning district. The 76 single-family lots are proposed to allow a maximum aggregate building coverage of 50% for each, a 10% increase of the current 40% maximum aggregate building coverage requirement within R-1 zoning district. The developer has proposed to dedicate "Lot A" as a 6,391-square-foot expansion to the existing County park parcel, Hunter's Pointe, located on Assessor's Parcel Number (APN) 024-022-029, and develop park improvements. The proposed project has the potential to develop a maximum of 152 new dwelling units, inclusive of each new lot able to be developed with one single-family dwelling, and one accessory dwelling unit (ADU). One junior accessory dwelling unit (JADU) per lot is also permitted under a single-family residential Planned Development zoning district; however, the JADU would not count as a separate dwelling unit, as the JADU consists of converted living space within the primary home.

As required by CEQA Guidelines Section 15064.3, potential impacts regarding Green House Gas Emissions should be evaluated using Vehicle Miles Traveled (VMT). Stanislaus County has currently not adopted any significance thresholds for VMT, and projects are treated on a case-by-case basis for evaluation under CEQA. However, the State of California – Office of Planning and Research (OPR) has issued guidelines regarding VMT significance under CEQA. The CEQA Guidelines identify vehicle miles traveled (VMT), which is the amount and distance of automobile travel attributable to a project, as the most appropriate measure of transportation impacts.

The project was referred to the Stanislaus County Environmental Review Committee, who responded to the project requesting a traffic impact study to quantify project specific impacts to local roads and intersections. A Transportation Impact Assessment, dated May 17, 2022, was prepared by Barrios Transportation Consulting. Using the Institute of Transportation Engineers (ITE) Trip Generation Manual (11th Edition), the project's trip generation was estimated to result in 717 new daily vehicle trips, including approximately 58 morning peak hour trips and 77 evening peak hour trips. While vehicle miles of travel (VMT) is the current metric for which projects' traffic impacts must be evaluated under CEQA, the Stanislaus County General Plan still has a policy to maintain level of service (LOS) C or better operations at intersections during the peak hour. LOS is a method to qualify traffic flow based on factors such as speed, travel time, delay, and freedom to maneuver. Six levels of service are defined ranging from LOS A (free-flow conditions) to LOS F (over capacity conditions). LOS E corresponds to operations "at capacity". When volumes exceed capacity, stop-and-go conditions result, and operations are designated LOS F.

The Assessment quantified the project's traffic impacts through both Level of Service (LOS). Six intersections in Denair were evaluated for conditions during both morning and evening peak hours (7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m.), including: Santa Fe Avenue and Zeering Road; Gratton and Zeering Roads; Riopel Avenue and Zeering Road; Santa Fe Avenue and Main Street; Lester Road and Main Street; and Santa Fe Avenue and Monte Vista Avenue. Based on the

assessment of both existing cumulative conditions, the project is not expected to add a substantial number of trips to the roadway network and therefore, intersection operations are anticipated to remain relatively unchanged compared to baseline cumulative conditions. All intersections that were evaluated will continue to operate at LOS C or better conditions. With respect to VMT, the project is considered an infill residential project, as the project site was already identified in the Denair Community Plan for residential uses and were therefore accounted for under previous environmental analysis. Additionally, projects within one-half mile of either an existing major transit stop or a stop along an existing high-quality transit corridor should be presumed to cause a less than significant transportation impact. A major transit stop is defined as a site containing an existing rail transit station. The Turlock-Denair Amtrak station, a passenger transit line, is located approximately .46± miles to the southwest of the project site. Accordingly, VMT impacts are considered to be less than significant.

The proposed project will result in short-term emissions of GHGs during construction. These emissions, primarily CO₂, CH₄, and N₂O, are the result of fuel combustion by construction equipment and motor vehicles. The other primary GHGs (HFCs, PFCs, and SF₆) are typically associated with specific industrial sources and are not expected to be emitted by the proposed project. Use of heavy-duty construction equipment would be very limited as the site is considered relatively topographically flat. As described above in Section III - *Air Quality* of this report, the project was referred to the San Joaquin Valley Air Pollution Control District, who requested that the California Emissions Estimator Model (CalEEMod) be used to quantify the project's emissions resulting from both permitted and non-permitted, station and mobile, sources. Based on the CalEEMod results performed by, the project will result in less than 100 pounds of project emissions per day and therefore will not contribute or cause violations to air quality emission standards. Additionally, the Air District indicated the project is below the District's thresholds of significance for criteria pollutants; therefore, the emissions of CO₂ from construction would be less than significant. Additionally, the construction of the proposed buildings is subject to the mandatory planning and design, energy efficiency, water efficiency and conservation, material conservation and resources efficiency, and environmental quality measures of the California Green Building Standards (CALGreen) Code (California Code of Regulations, Title 24, Part 11). All proposed construction activities associated with this project are considered to be less than significant as they are temporary in nature and are subject to meeting SJVAPCD standards for air quality control. Accordingly, no significant impacts to GHG emissions are anticipated.

Mitigation: None.

References: Application Materials; Referral Response from the Environmental Review Committee, dated January 26, 2022; California Emissions Estimator Model results, prepared by Insite Environmental, dated July 7, 2022; Transportation Impact Assessment, prepared by Barrios Transportation Consulting, dated May 17, 2022; San Joaquin Valley Air Pollution Control District's; Referral Response from the San Joaquin Valley Air Pollution Control District, dated January 26, 2022; E-mail correspondence from the San Joaquin Valley Air Pollution Control District, dated January 23, 2022 and May 23, 2022; County General Plan and Support Documentation¹.

IX. HAZARDS AND HAZARDOUS MATERIALS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?			X	
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?			X	

e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?			X	
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?			X	
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?			X	

Discussion: The project was referred to the Department of Environmental Resources (DER) Hazardous Materials Division, which is responsible for overseeing hazardous materials. The Hazardous Materials Division (HazMat) requested that should the project involve installation of monitoring wells or borings, the developer must submit a permit application to HazMat, as well as notify DER staff should any underground storage tanks, buried chemicals, buried refuse, or contaminated soil be discovered during grading or construction. A Phase I Environmental Site Assessment, dated May 14, 2021, was prepared by Krazan & Associates, Inc. in conjunction with this project. The Assessment identified 6,000-square-foot, 3-foot-high mounded soil present on the project site of unknown origin. Per the report, upon site reconnaissance, no odors, staining, discoloration stressed vegetation, or other obvious signs of hazardous materials were noted in connection with the soil mounds. However, the composition of the soil with respect to potential contaminants is unknown at this time. The Assessment recommended that a Phase II Limited Soils Assessment be conducted at the time of development. Additionally, HazMat staff responded to the assessment, requiring that the soil mounds be fully investigated prior to issuance of grading permit, including testing for various chemicals and volatile organic compounds/hydrocarbons in accordance with Environmental Protection Agency guidance and policies. These comments will be added as development standards for the project.

Pesticide exposure is a risk in areas located in the vicinity of agricultural uses. Sources of exposure include contaminated groundwater, which is consumed and drift from spray applications. Application of sprays are strictly controlled by the Agricultural Commissioner and can only be accomplished after first obtaining permits. Additionally, agricultural buffers are intended to reduce the risk of spray exposure to surrounding people. In December of 2007, Stanislaus County adopted an updated Agricultural Element which incorporated guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 Zoning District. Appendix A states: "All projects shall incorporate a minimum 150-foot-wide buffer setback. Projects which propose people intensive outdoor activities shall incorporate a minimum 300-foot-wide buffer setback." The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts such as spray drift and trespassing resulting from the interaction of agricultural and non-agricultural uses. Alternatives may be approved, provided the Planning Commission finds that the alternative provides equal or greater protection than the existing buffer standards. The project proposes to create 76 residential lots which is not considered to be a people intensive outdoor use. It is the opinion of staff that the proposed use is not a people intensive outdoor use. As mentioned, a residential subdivision is located west of the project site which does not trigger any Agricultural Buffer requirements. Although the ranchette parcels to the east and south, all within approximately 50-feet from the project site are agriculturally zoned, they are not in agricultural production, are designated as either Estate Residential or Low-Density Residential in the Denair Community Plan, and are improved with a single-family dwellings and accessory structures. Ranchettes are considered to be residential in nature as categorized under Goal Two of the Agriculture Element of the General Plan. The nearest parcels in agricultural production are two 5± acres ranchette parcels which bound the project site to the north but are designated Low Density Residential in the Denair Community Plan. Accordingly, the County's requirement for an agricultural buffer is required between the project site and the parcels to the north only. Provision of 150-feet of distance is not feasible as the project site is immediately adjacent to the two northern parcels, which requires an alternative to be proposed. Given the farming status of the two ranchette parcels to the north, the Agricultural Commissioner's Office has requested that an Agricultural Buffer alternative consisting of a solid eight-foot wood privacy fence be constructed along the northern property line of the proposed project. This requirement will be added as a development standard to the project.

The project site is not listed on the EnviroStor database managed by the CA Department of Toxic Substances Control or within the vicinity of any airport. HazMat notified the Stanislaus County Planning Department of the presence of an open Central Valley Regional Water Quality Control Board (CVRWQCB) case (T0609997924) for a Leaking Underground Storage Tank (LUST) located 0.3± miles to the west of the project site at 4740 Main Street; however, groundwater is not known to

be contaminated within the project site area. The site is not known to be within the vicinity of any mining activities, past or present. The project will be served by the Denair Community Services District for their domestic water and sewer services. The Hazardous Material Division indicated that the project will not have a significant effect on the environment. Additionally, the project was referred to the Stanislaus County Environmental Review Committee (ERC), which did not expand on the comments provided by HazMat that were discussed previously.

The project was referred to the Department of Toxic Substances Control (DTSC), who responded to the project indicating that tailpipe emissions from vehicles using leaded gasoline resulted in aerially deposited lead (ADL) being deposited in and along roadways throughout California. Due to the potential for ADL-contaminated soil, DTSC recommended that soil samples be collected and analyzed prior to issuance of a grading or building permit. Their response also indicated that any imported soil utilized for backfill should be sampled to ensure the imported soil is free from contamination, and that due to the site's past agricultural usage, proper investigation for organochlorinated pesticides should occur via a Phase 2 Study prior to issuance of a grading or building permit. These recommendations will be added as a Development Standards to the project. DTSC also recommended that sites which were used for mining activities, or in the vicinity of past or present mining activities, should be investigated for mine waste. The project site has no known history of mining, nor is there any known mining activities in the vicinity of the project site. Further, they recommended surveys be conducted for presence of lead-based paint products, mercury, asbestos, and polychlorinated biphenyl caulk in the event that buildings are to be demolished on the project site. The project site is presently unimproved and therefore, no demolition is proposed to occur.

The site is located in a Local Responsibility Area (LRA) for fire protection and is served by Denair Fire Protection District. The project was referred to the District; however, no response has been received to date. Each subsequent building permit for the residential development will be required to meet any relevant State of California Fire Code requirement prior to issuance.

The project site is not within the vicinity of any airstrip or wildlands. With development standards in place, no significant impacts associated with hazards or hazardous materials are anticipated to occur as a result of the proposed project.

Mitigation: None.

References: Phase I Environmental Site Assessment, dated May 14, 2021, was prepared by Krazan & Associates, Inc.; Referral Response from the Environmental Review Committee, dated January 21, 2022; Referral Responses from Department of Environmental Resources – Hazardous Materials Division, dated January 21, 2022; Referral Response from the Department of Toxic Substances Control, dated January 20, 2022; Stanislaus County General Plan and Support Documentation¹.

X. HYDROLOGY AND WATER QUALITY -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?			X	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?			X	
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:				
i) result in substantial erosion or siltation on- or off-site;			X	
ii) substantially increase the rate of amount of surface runoff in a manner which would result in flooding on- or off-site.			X	

iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or			X	
iv) impede or redirect flood flows?			X	
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?			X	
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?			X	

Discussion: Areas subject to flooding have been identified in accordance with the Federal Emergency Management Act (FEMA). The project site is located in FEMA Flood Zone X, which includes areas determined to be outside the 0.2% annual chance floodplains. All flood zone requirements are addressed by the Building Permits Division during the building permit process.

The project is a request to rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development and to subdivide the project site into 76 parcels, ranging in size from 5,855 square-feet to 12,631 square-feet and a 6,391± square-foot park site expansion. As required by the Stanislaus County General Plan's Land Use Element Sphere of Influence (SOI) Policy No. 27, projects within the sphere of influence of a sanitary sewer district, domestic water district, or community services district, shall be forwarded to the district board for comment regarding the ability of the district to provide services. Although the project site is not within the Denair Community Service District (CSD) boundaries, it is located within the CSD's Local Agency Formation Commission's (LAFCO) adopted Sphere of Influence (SOI). The applicant has provided a "Can-Serve" letter issued by the CSD, stating their ability to serve the proposed ~~lots~~ **residential development** with sewer and water services. As a condition of service, the CSD will require the owner/developer to enter into an agreement to construct and pay for necessary infrastructure to enable the District to provide water and sewer services to the project. The agreement will require the infrastructure be constructed to District specifications, and that security be given to the District to guarantee performance and payment for the infrastructure, and that all current connection fees be paid in full. Additionally, the applicant ~~may be~~ **will be** required to pay a fair-share fee for future facilities for District services. **While the development will be required to install new water and sewer lines within the interior and western boundary of the project site for service, no new facilities are required in order for the proposed development to be served under the CSD's existing capacity. However, the CSD has identified a planned capital improvement project consisting of installation of a million-gallon water tank, booster pumps, electrical upgrade, site work and a backup generator, and an 1,800-foot tank fill line, which all new development projects will contribute a fair-share payment towards.** Development standards will be added to the project to reflect the CSD's conditions for services. In accordance with the implementation measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area. There is an existing 12-inch water main in East Zeering Road that stops at Riopel Avenue, which will need to be extended east to Arnold Road and then north to the edge of the project site boundaries; however, this is needed to maintain adequate water pressure and fire flow conditions. Otherwise, 8-inch pipes will be routed through the interior roadways of the project site to serve the proposed subdivision. The project was referred to LAFCO who responded to the project requiring the developer to annex into the CSD's boundaries and obtain LAFCO approval prior to extension of services. Additionally, a referral response was received from the Department of Environmental Resources (DER) who will require the project site obtain a "Will-Serve" letter for water and sewer services to serve the development issued from the Denair CSD prior to issuance of a building permit. These requirements will be reflected in the development standards for this project.

Water quality in Stanislaus County is regulated by the Regional Water Quality Control Board, Central Valley Region, (RWQCB) under a Water Quality Control Plan (Basin Plan) for the Sacramento and San Joaquin River Basins. Under the Basin Plan, the RWQCB issues Waste Discharge Requirements (WDRs) to regulate discharges with the potential to degrade surface water and/or groundwater quality. In addition, the RWQCB issues orders to cease and desist, conduct water quality investigations, or implement corrective actions. The Stanislaus County Department of Public Works manages compliance with WDRs for some projects under a Memorandum of Understanding with the RWQCB. A response was received from the Department of Environmental Resources Hazardous Materials Division as previously mentioned in Section IX - *Hazards and Hazardous Materials*, which indicated the presence of an open Central Valley Regional Water Quality Control Board (CVRWQCB) case (T0609997924) for a Leaking Underground Storage Tank (LUST) located 0.3± miles to the southwest of the project site at 4740 Main Street; however, groundwater is not known to be contaminated within

the project site area. The CSD would be subject to regulatory requirements related to efforts to address any future water contamination issues. The project was referred to RWQCB who responded to the project with a list of regulatory programs and permits that may apply to the project. A development standard will be added to the project requiring the applicant contact and coordinate with RWQCB to determine if any permits or Water Board requirements be obtained/met prior to issuance of a building permit.

By virtue of the proposed paving for the roadways, building pads, driveways, and sidewalk improvements, the current absorption patterns of water upon this property will be altered, and as such, a Grading and Drainage Plan shall be approved prior to issuance of any building permit as required by Public Works. Stormwater is proposed to be managed by the existing basin located on Assessor Parcel Number (APN) 024-022-030, which currently serves the existing residential development to the west. The basin is currently planted in turf and is dual use for recreational purposes. A soils report for the drainage basin was prepared in conjunction with this request, to determine whether the existing basin is adequately sized, and if deepening the basin was feasible. Based on the information, Public Works determined that the basin may be deepened, as needed to accommodate the drainage needs of the additional 76 residential lots. Prior to recording of the final map, the developer will be required to submit improvement plans demonstrating the required modifications to the existing basin.

A referral response was received from the County's Public Works Department requiring annexation of the project to the existing Community Service Area (CSA) #21 - *Riopel* and the Denair Highway Lighting and Landscaping District to ensure future maintenance and eventual replacement of the storm drainage system and facilities, and any landscaped areas. Development standards have been added to the project addressing Public Works' requirements. Prior to the recording of the final map, a complete set of improvement plans that are consistent with the Stanislaus County Standards and Specifications and the tentative map shall be submitted and approved by Stanislaus County Public Works; additionally, a current soils report for the area to be subdivided and grading, drainage, and erosion/sediment control plan shall be submitted prior to acceptance of the improvement plans. Public Works' requirements will be placed on the project as Development Standards.

Groundwater management in California is regulated under the 2014 California Sustainable Groundwater Management Act (SGMA), which requires the formation of local Groundwater Sustainability Agencies (GSAs) to oversee the development and implementation of Groundwater Sustainability Plans (GSPs). SGMA defines sustainable groundwater management as the prevention of "undesirable results," including significant and unreasonable chronic groundwater levels, reduction of groundwater storage, degraded water quality, land subsidence, and/or depletions of interconnected surface water. GSPs define minimum thresholds and measurable objectives for sustainable groundwater management, designate monitoring networks to assess compliance with these management criteria and prescribe management actions and projects to achieve sustainability objectives within 20 years of their adoption.

Public and private water agencies and user groups within each of the four groundwater subbasins underlying the County work together as GSAs to implement SGMA. DER is a participating member in five GSAs. GSPs were adopted in January 2020 for the portions of the County underlain by the Eastern San Joaquin and Delta-Mendota Groundwater Subbasins and were adopted for the Turlock and Modesto Subbasins as required by January 31, 2022. The subject project is located within the West Turlock Groundwater Subbasin and the jurisdiction of the Turlock GSA; any modification, expansion, or addition of a municipal well by the Denair CSD is subject to meeting any applicable requirements of the Turlock GSP.

Groundwater management in Stanislaus County is also regulated under the County Groundwater Ordinance, adopted in 2014. In addition to GSPs and the Groundwater Ordinance, the County General Plan includes goals, policies, and implementation measures focused on protecting groundwater resources. The Groundwater Ordinance is aligned with SGMA in its objective to prevent "undesirable results". To this end, the Groundwater Ordinance requires that applications for new wells that are not exempt from the Ordinance are accompanied by substantial evidence that operation of the new well will not result in unsustainable groundwater extraction. Further, the owner of any well from which the County reasonably concludes groundwater may be unsustainably withdrawn, is required to provide substantial evidence of sustainable extraction. No new wells are anticipated to be installed as a result of this project. However, if a new well were developed in the future by the CSD, the drilling of a new well would be regulated by DER and the Turlock GSP, which would include an environmental analysis consistent with the California Environmental Quality Act (CEQA) with the CSD acting as lead agency. Additionally, projects with a potential to affect groundwater recharge or that involve the construction of new wells are referred to the DER for review. DER evaluates projects which for compliance with the County Groundwater Ordinance and refers projects to the applicable GSAs for determination whether or not they are compliance with an approved GSP.

No new septic systems are proposed under this request.

The project was referred to the Turlock Irrigation District (TID), who provided a referral response indicating that an irrigation pipeline belonging to Improvement District (ID) 573A runs along the western edge of the subject project. TID requested the developer enter into an irrigation improvements agreement and submit both irrigation improvement plans for any irrigation facility modifications for approval by the District's Engineering Department prior to recording of the final map. Additionally, TID indicated that the developer must apply for abandonment from ID 573A since the subsequent parcels will no longer have direct access to water or irrigate. Development standards will be placed on the project reflecting these requirements. As a result of the development standards required for this project, impacts associated with drainage, water quality, and runoff are expected to have a less than significant impact.

Mitigation: None.

References: Can-Serve Letter received from Denair Community Services District, dated May 5, 2022; Referral Response from the Stanislaus County Department of Environmental Resources, dated January 25, 2022; Referral Response received from Stanislaus County Department of Environmental Resources - Hazardous Materials Division, dated January 21, 2022; Referral Response received from Stanislaus County Department of Public Works, dated September 29, 2022; Referral Response from Turlock Irrigation District, dated January 26, 2022; Referral Response from Regional Water Quality Control Board, dated January 29, 2022; Stanislaus County General Plan and Support Documentation¹.

XI. LAND USE AND PLANNING -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Physically divide an established community?			X	
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			X	

Discussion: Request to rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development and to subdivide the project site into 76 parcels, ranging in size from 5,855 square-feet to 12,631 square-feet and a 6,391± square-foot park site expansion. The project site has a General Plan designation of Planned Development and a Denair Community Plan designation of Low-Density Residential. With the exception of lot coverage, development standards and permitted uses applicable to the lots will be consistent with those of the County's Single-Family Residential (R-1) zoning district. The 76 single-family lots are proposed to allow a maximum aggregate building coverage of 50% for each, a 10% increase of the current 40% maximum aggregate building coverage requirement within R-1 zoning district. A tree planting plan has been included with the proposed project for each lot, which will require submittal of a landscape and irrigation plan upon development of each lot. A tree planting plan has been included with the proposed project for each lot, which will require submittal of a landscape and irrigation plan upon development of each lot. A referral response from the Department of Parks and Recreation provided a list of approved trees, requested that any street trees be planted at least three feet from hard surfaces such as curb, gutter, and sidewalk, and requested that the tree planting plan be submitted for review and approval. The land dedicated for the Hunter's Pointe park expansion will include improvements consisting of a basketball court, shade structure, and picnic table and be dedicated to Stanislaus County in accordance with the Stanislaus County Park Land In-Lieu Of Fees Policy, pursuant to General Plan Amendment No. 2003-02.

P-D (288) was adopted by the Board of Supervisors on April 20, 2004 (General Plan Amendment 2003-01, Rezone 2003-03, and Tentative Map 2002-02 – *Riopel Property* ("Pope Subdivision"), which created the Rural Residential zoned 53 lot subdivision located immediately west of the project site. The project site was included in creation of P-D (288), which was utilized to create two parcels, for development of a dual use drainage basin and park serving the subdivision to the west. The subsequent 15.9± acres parcel was not approved for further subdivision or use. Consequently, development of the site requires a new rezoning and tentative map. If approved the applicant proposes for construction to begin within two years of project approval.

The project site is designated as Low-Density Residential (LDR) in the Denair Community Plan of the County General Plan. The project site is situated near the northeast corner of the Community Plan, buffered from the edge of the Community Plan boundaries by approximately 600-feet of distance consisting of the parcels zoned A-2 and designated Estate Residential in the Denair Community Plan fronting on Arnold Road to the east. The project site is surrounded by single-family residential development to the west, scattered ranchette parcels and irrigated farmland to the north, east, and south, and confined animal facility to the southeast. All immediately surrounding parcels zoned A-2, consisting of the adjacent parcels to the

north, east, and south are designated as Urban Transition under the Land Use Element and either Low-Density Residential or Estate Residential under the Denair Community Plan. The project is considered consistent with the LDR Community Plan designation and similar to development immediately west of the project site. The site is not anticipated to divide an established community, nor is it anticipated to be growth inducing. While residential development of the parcels with these Community Plan designations was considered in the Denair Community Plan Environmental Impact Report (EIR), a zoning change would need to be approved prior to any subdivision and residential development occurring, which will require project-level CEQA analysis and consistency with the Stanislaus County Zoning Ordinance Chapter 21.118 – *30-Year Land Use Restriction* (“Measure E”). Measure E prohibits conversion from agricultural zoning to residential without approval by a majority vote of county voters at a general or special election, which will further limit urban growth beyond the project site.

The LDR Community Plan designation allows for zero to eight units per net acre. If approved, each lot could be developed with one single-family dwelling, an accessory dwelling unit, and junior accessory dwelling unit; however, maximum density restrictions are not considered when developing accessory dwelling units in accordance with Senate Bill (SB) 13. The project proposes to create 76 lots ranging in size from 5,855 square-feet to 12,631 square-feet in size on 15.7± net acres (excepting the park dedication and street development), near the northeastern border of the community of Denair, which equates to a total net density of 4.8± units per net acre. The proposed Planned Development zoning district will include all uses and development standards permitted in the Stanislaus County Single-Family Residential (R-1) zoning district, with the exception of lot coverage. The applicant has proposed the resulting parcels be permitted to develop a cumulative building footprint of up to 50% of the total lot size, an increase of 10% from the current R-1 zoning district allowances. The applicant has requested this to achieve a greater flexibility in siting the housing product offered. The proposed lots will be served by the Denair Community Service District (CSD) for public water and sewer services. The proposed lot configuration and density will be consistent with the General Plan and zoning designations of Planned Development, and with the Community Plan designation of Low Density Residential, the zoning designation of the R-1 zoning district, and the Subdivision Map Act.

The intent of the LDR Community Plan designation is to provide appropriate locations and adequate areas for single-family detached homes in either conventional or clustered configurations. Under the LDR designation, residential building intensity, when served by a community services district or sanitary sewer district and public water district, is zero to eight units per acre. The project proposes a density of 4.8 units per net acre for the project site, which is consistent with the site's General Plan Designation of LDR. The General Plan and Community Plan designations do not factor in increased densities associated with the development of an Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit (JADU). If approved, each of the 76 developable residential parcels would be able to develop one single-family dwelling, one ADU, and one JADU. Section 21.74.040(D) of the County's Zoning Ordinance does not consider ADU's, developed in accordance with County regulations, as a part of the allowed overall density of a parcel's General Plan designation.

As required by the Stanislaus County General Plan's Land Use Element Sphere of Influence (SOI) Policy No. 27, projects within the sphere of influence of a sanitary sewer district, domestic water district, or community services district, shall be forwarded to the district board for comment regarding the ability of the district to provide services. As previously mentioned, the project site is not within the Denair CSD district boundaries, but is located within the CSD's Local Agency Formation Commission's (LAFCO) adopted Sphere of Influence (SOI). The applicant has provided a “Can-Serve” letter issued by the CSD, stating their ability to serve the proposed lots with sewer and water services. As a condition of service, the CSD will require the owner/developer to enter into an agreement to construct and pay for necessary infrastructure to enable the District to provide water and sewer services to the project. The agreement will require the infrastructure be constructed to District specifications, and that security be given to the District to guarantee performance and payment for the infrastructure, and that all current connection fees be paid in full. Additionally, the applicant may be required to pay a fair share fee for future facilities for District services. Development standards will be added to the project to reflect the CSD's conditions for services. In accordance with the implementation measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area. The project was referred to LAFCO who responded to the project requiring the developer to annex into the CSD's boundaries and obtain LAFCO approval prior to extension of services. Additional information provided by the CSD indicated that the existing sewer and water pipelines are sufficient size to serve the proposed subdivisions.

The SOI Policy No. 27 also requires that projects located within the boundaries of a Municipal Advisory Council (MAC) shall be referred to the MAC and the decision-making body give consideration to any comments received from the MAC. The proposed project is located within the Denair MAC boundaries and, accordingly, has been referred to the Denair MAC and no formal response has been received to date. The Denair MAC has requested to hear the project proposal and make a recommendation at a regularly scheduled monthly meeting following circulation of this environmental document.

In December of 2007, Stanislaus County adopted an updated Agricultural Element which incorporated guidelines for the implementation of agricultural buffers applicable to new and expanding non-agricultural uses within or adjacent to the A-2 Zoning District. Appendix A states: "All projects shall incorporate a minimum 150-foot-wide buffer setback. Projects which propose people intensive outdoor activities shall incorporate a minimum 300-foot-wide buffer setback." The purpose of these guidelines is to protect the long-term health of agriculture by minimizing conflicts such as spray drift and trespassing resulting from the interaction of agricultural and non-agricultural uses. Alternatives may be approved, provided the Planning Commission finds that the alternative provides equal or greater protection than the existing buffer standards. It is the opinion of staff that the proposed use is not a people intensive outdoor use. As mentioned, a residential subdivision is located west of the project site. Although the ranchette parcels to the east and south, all within approximately 50-feet from the project site are agriculturally zoned, they are not in agricultural production, are designated as either Estate Residential or Low-Density Residential in the Denair Community Plan, and are improved with a single-family dwellings and accessory structures. Ranchettes are considered to be residential in nature as categorized under Goal Two of the Agriculture Element of the General Plan. Accordingly, the applicant is requesting an agricultural buffer alternative, consisting of a reduced distance of an at least 50-feet and physical separation of Arnold and East Zeering Roads, from the A-2 parcels to the east and south. The nearest parcels in agricultural production are two 5± acres ranchette parcels which bound the project site to the north but are designated Low Density Residential in the Denair Community Plan. Provision of 150-feet of distance is not feasible as the project site is immediately adjacent to the two northern parcels. Given the farming status of the two ranchette parcels to the north, the Agricultural Commissioner's Office has requested that an Agricultural Buffer alternative consisting of a solid eight-foot wood privacy fence be constructed along the northern property line of the proposed project. This requirement will be added as a development standard to the project.

The General Plan and the Denair Community Plan requires at least three net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. The project site abuts the County's Hunter's Pointe Park. Currently, Hunter's Pointe Park is approximately 0.34± acres in size. The Stanislaus County Parks and Recreation Park Land In-Lieu Of Fees Policy ("Policy") requires new subdivisions creating 53 parcels or more to build a park with amenities. Options to the developer include, land dedication, installation of equipment, park site development, payment of in-lieu fees or combination thereof. Based on the Policy, a 76-lot subdivision is required to dedicate 0.70 acres of land to serve the additional residents, payment of a \$2,050 in-lieu fee per lot, development of park improvements of equivalent value, or a combination thereof. Given the County's existing Hunter's Pointe Park abuts the project site to the west, the applicant has agreed to dedicate 0.15± acres at the easterly portion of the park, to serve as a park expansion (which is equivalent to a required park acreage dedication for 16 lots), leaving 0.56± acres remaining required to be dedicated. In-lieu of additional land dedication, the applicant has opted to develop the park expansion site with a basketball court and shade structure, bids for which have been provided and meet the equivalent cost of the in-lieu fees for 60 lots/0.56 acres. The proposed dedication would be consistent with General Plan and Community Plan parks goals.

The Denair Community Plan outlines the future growth patterns of Denair and is used in conjunction with the General Plan to indicate the desired land use 'vision' for the town and to guide future growth patterns. Any request for a General Plan amendment or rezoning of the property must be consistent with the proposed use category on the Community Plan map and the Community Plan in general. Community Plans on a whole must be consistent with the overall General Plan. In this case, the project is consistent with both the General Plan and Community Plan designations of Planned Development and Low-Density Residential, respectively. Further residential development of the area would generally be confined within the Community Plan boundaries in areas with residential designations, or additional land use entitlements consisting of either Community Plan, General Plan, or zoning designation amendments would be required, subject to additional California Environmental Quality Act (CEQA) review. Residential development of land with a zoning or general plan designation of Agriculture also requires consistency with the Stanislaus County Zoning Ordinance Chapter 21.118 – 30-Year Land Use Restriction, or Measure E, which prohibits conversion of agriculturally designated land to residential without support of a majority vote by County voters at a special or general election. The proposed project will not create significant service extensions or new infrastructure which could be considered as growth inducing, as the Denair Community Service District's (CSD) Local Agency Formation Commission (LAFCO) adopted district boundaries and Sphere of Influence (SOI) identify the extent of the existing and planned service areas, with areas outside these boundaries generally considered unsuitable for growth and provision of services. Additionally, in accordance with the implementation measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area. There is an existing 12-inch water main in East Zeering Road that stops at Riopel Avenue, which will need to be extended east to Arnold Road and then north to the edge of the project site boundaries to maintain adequate water pressure and fire flow conditions. An existing eight inch water main at Riopel Avenue with a stub-out at Corona Way will be extended throughout the proposed roads within the proposed subdivision. An existing eight inch sewer main that will also be extended throughout the development. None of the existing pipelines will need to be upgraded or increased in size to serve the

development. Accordingly, the project is not anticipated to be growth inducing. The Land Use section of the Denair Community Plan states that the future growth forecasted for Denair translates into demand for a variety of housing types. The four Goals of the Denair Community Plan are:

- Goal One – Reinforce Denair's small rural town character;
- Goal Two – Provide a well-defined community edge between Denair and adjacent agricultural land, as well as between Denair and the City of Turlock;
- Goal Three – Provide for non-motorized transportation needs of the Denair community; and
- Goal Four – Provide for the recreational needs of residents of the Denair community.

The project is proposing development at a scale consistent with other residential development within the community, is providing sidewalk improvements aimed at improving nonmotorized transportation and providing a park expansion that will benefit both the project and the greater community. The proposed tree planting will serve to enhance the character of the community

Mitigation: None.

References: Letter from Denair Community Services District, dated May 5, 2022; E-mail correspondence from the Denair Community Services District, dated February 17, 2023; E-mail correspondence from the Agricultural Commissioner's Office, dated May 17, 2022; Stanislaus County Parks and Recreation Park Land In-Lieu Of Fees Policy, adopted by General Plan Amendment No. 2003-02; Referral Response from the Department of Parks and Recreation, dated April 21, 2022 and February 9, 2022; Referral Response from Local Agency Formation Commission, dated January 14, 2022; Stanislaus County General Plan and Support Documentation¹.

XII. MINERAL RESOURCES -- Would the project:				
	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?			X	
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?			X	

Discussion: The location of all commercially viable mineral resources in Stanislaus County has been mapped by the State Division of Mines and Geology in Special Report 173. There are no known significant resources on the site, nor is the project site located in a geological area known to produce resources.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

XIII. NOISE -- Would the project result in:				
	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Generation of excessive groundborne vibration or groundborne noise levels?			X	

c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?			X	
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Discussion: The Stanislaus County General Plan identifies noise levels up to 55 dB Ldn (or CNEL) as the normally acceptable level of noise for Residential uses during daytime hours from 7:00 a.m. to 10:00 p.m. and 45 dB Ldn during nighttime hours between 10:00 p.m. and 7:00 a.m. The nearest sensitive noise receptors adjacent to the project site are the single-family dwellings abutting the project site to the west. The proposed project is required to comply with the noise standards included in the General Plan and Noise Control Ordinance. On-site grading and construction resulting from this project may result in a temporary increase in the area's ambient noise levels; however, noise impacts associated with on-site activities and traffic are not anticipated to exceed the normally acceptable level of noise. The site itself is impacted by the noise generated from adjacent roadways.

The site is not located within an airport land use plan. Noise impacts associated with the proposed project are considered to be less than significant.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

XIV. POPULATION AND HOUSING -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			X	
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?			X	

Discussion: The vacant sites inventory for the 2016 Stanislaus County Housing Element, which covers the 5th cycle Regional Housing Needs Allocation (RHNA) for the County, identified Denair as having a realistic capacity for producing an additional 35 housing units, made up of 17 above moderate units and 18 moderate and below moderate units. Although the project site is not included in the vacant sites inventory, the project would produce 76 new single-family above moderate residential units, which will assist the County in producing a portion of the above moderate units identified as being needed within Stanislaus County.

The proposed project will not create significant service extensions or new infrastructure which could be considered as growth inducing, as services are available to neighboring properties. The Denair Community Plan outlines the future growth patterns of Denair and is used in conjunction with the General Plan to indicate the desired land use 'vision' for the town and to guide future growth patterns. Further residential development of the area would generally be confined within the Community Plan boundaries in areas with residential designations, or additional land use entitlements consisting of either Community Plan, General Plan, or zoning designation amendments would be required, subject to additional CEQA review. Residential development of land with a zoning or general plan designation of Agriculture also requires consistency with the Stanislaus County Zoning Ordinance Chapter 21.118 – *30-Year Land Use Restriction*, or Measure E, which prohibits conversion of agriculturally-designated land to residential without support of a majority vote by County voters at a special or general election. As residential development is limited to the current boundaries of the Denair Community Plan, the proposed project if approved is not anticipated to induce conversion of surrounding farmland to non-agriculture uses; nor will it conflict with existing zoning or a Williamson Act Contract. Additionally, although permits for spraying pesticides have been issued to the two parcels to the north of the project site, the proposed Agricultural Buffer will provide physical separation between the proposed subdivision and farming activities. Additionally, in accordance with the implementation

measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area.

The project site is designated as Planned Development (P-D) in the Land Use Element of the General Plan and Low-Density Residential (LDR) in the Denair Community Plan. The intent of the LDR designation is to provide appropriate locations and adequate areas for single-family detached homes in either conventional or clustered configurations. The LDR designation is the same for the General Plan and the Denair Community Plan. Under the LDR designation, residential building intensity, when served by a community services district or sanitary sewer district and public water district, is zero to eight units per acre. The maximum number of residential units the proposed project could develop is 76 units, with each new lot capable of being developed with one single-family dwelling and one accessory dwelling unit (ADU) each; as mentioned in Section XI - *Land Use and Planning*, maximum density restrictions are not considered when developing accessory dwelling units in accordance with Senate Bill (SB) 13 and the Stanislaus County Zoning Ordinance. The project proposes a density of 4.8 units per net acre for the project site, which is consistent with the site's General Plan Designation of Planned Development and Community Plan designation of LDR.

The extension of Denair CSD water and sewer services will not induce any further growth as the development is an infill project. The nearest existing water mains are 12-inches within East Zeering Road and 8-inches at Corona Way. The existing sewer main is 8-inches at Riopel Avenue. No increase in the sizes of pipelines is needed to serve the development; however, existing pipelines will be extended east through the proposed subdivision to serve the development. The site is located adjacent to urban development to the west, and agriculturally zoned parcel to the north, east, and south.

Mitigation: None.

References: E-mail correspondence from the Denair Community Services District, dated February 17, 2023; Stanislaus County General Plan and Support Documentation¹.

XV. PUBLIC SERVICES --	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Would the project result in the substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?			X	
Police protection?			X	
Schools?			X	
Parks?			X	
Other public facilities?			X	

Discussion: The project site is served by Denair Rural Fire District, the Denair Unified and Turlock Unified School District, Stanislaus County Sheriff Department for police protections, the Denair Community Services District for public water and sewer, Stanislaus County Parks and Recreation Department for parks facilities, and the Turlock Irrigation District (TID) for power. County adopted Public Facilities Fees, as well as fire and school fees are required to be paid based on the development type prior to issuance of a building permit. Payment of the applicable district fees will be required prior to issuance of a building permit. All new dwellings will be required to pay the applicable Public Facility Fees through the building permit process. The Sheriff's Department also uses a standardized fee for new dwellings that will be incorporated into the Development Standards.

The project was referred to the Denair Fire Protection District, but no comments have been received to date. All improvements will be reviewed by the Stanislaus County Fire Prevention Bureau and will be required to meet all State and Local fire code requirements.

As discussed in Section XI – *Land Use and Planning*, the General Plan and the Denair Community Plan requires at least three net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. The General Plan and the Denair Community Plan requires at least three net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. The project site abuts the County's Hunter's Pointe Park. Currently, Hunter's Pointe Park is approximately 0.34± acres in size. The Stanislaus County Parks and Recreation Park Land In-Lieu Of Fees Policy ("Policy") requires new subdivisions creating 53 parcels or more to build a park with amenities. Options to the developer include, land dedication, installation of equipment, park site development, payment of in-lieu fees or combination thereof. Based on the Policy, a 76-lot subdivision is required to dedicate 0.70 acres of land to serve the additional residents, payment of a \$2,050 in-lieu fee per lot, development of park improvements of equivalent value, or a combination thereof. Given the County's existing Hunter's Pointe Park abuts the project site to the west, the applicant has agreed to dedicate 0.15± acres at the easterly portion of the park, to serve as a park expansion (which is equivalent to a required park acreage dedication for 16 lots), leaving 0.56± acres remaining required to be dedicated. In-lieu of additional land dedication, the applicant has opted to develop the park expansion site with a basketball court and shade structure, bids for which have been provided and meet the equivalent cost of the in-lieu fees for 60 lots/0.56 acres. The proposed dedication would be consistent with General Plan and Community Plan parks goals.

A referral response was received from the County's Public Works Department requiring annexation of the project to the existing Community Service Area (CSA) #21 - Riopel and the Denair Highway Lighting and Landscaping District to ensure future maintenance and eventual replacement of the storm drainage system and facilities, and any landscaped areas and requirements regarding connection to the Denair CSD prior to the final map being recorded. The applicant proposes to install street lighting, curb, gutter, and sidewalk for the entire subdivision including in the development of the residential subdivision, the developer will extend the existing County-maintained Corona and Chalmer Ways eastward, through the proposed subdivision, terminating into Arnold Way. Interior 50-foot-wide roadways including three cul-de-sacs will be developed as part of the subdivision's interior circulation. Development standards have been added to the project addressing Public Works' requirements.

The project was referred to the Turlock Irrigation District (TID), who provided a referral response indicating that an irrigation pipeline belonging to Improvement District (ID) 573A runs along the western edge of the subject project. There are no electrical facilities on the parcel; however, there are two conduit stub-outs to the west that will be fed to serve the proposed subdivision: one located within Chalmer Way that terminates west where the project parcel begins, and one located at the north end of the existing Hunter's Pointe Park, that terminates west at the project parcel boundaries. TID requested the developer enter into an irrigation improvements agreement and submit both irrigation improvement plans for any irrigation facility modifications, and the final map including an application for electrical facility extensions for approval by the District's Engineering Department prior to recording of the final map. Additionally, TID indicated that the developer must apply for abandonment from ID 573A since the subsequent parcels will no longer have direct access to water or irrigate. The District also requested that a 10-foot Public Utility Easement be dedicated along all street frontages, and that development of the proposed lots have a minimum 15-foot building setback from both the front property line and from back-of-sidewalk. Development standards will be placed on the project reflecting these requirements.

Although the project site is not within the Denair CSD district boundaries, it is located within the CSD's Local Agency Formation Commission's (LAFCO)-adopted Sphere of Influence. The applicant has provided a "Can Serve" letter issued by the CSD, stating their ability to serve the proposed lots with sewer and water services. As a condition of service, the CSD will require the owner/developer to enter into an agreement to construct and pay for necessary infrastructure to enable the District to provide water and sewer services to the project. The agreement will require the infrastructure be constructed to District specifications, and that security be given to the District to guarantee performance and payment for the infrastructure, and that all current connection fees be paid in full. Additionally, the applicant may be required to pay a fair share fee for future facilities for District services. Development standards will be added to the project to reflect the CSD's conditions for services. In accordance with the implementation measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area. There is an existing 12-inch water main in East Zeering Road that stops at Riopel Avenue, which will need to be extended east to Arnold Road and then north to the edge of the project site boundaries; however, this is needed to maintain adequate water pressure and fire flow conditions. Otherwise, 8-inch pipes will be routed through the interior roadways of the project site to serve the proposed subdivision. The project was referred to LAFCO who responded to the project requiring the developer to annex into the CSD's boundaries

and obtain LAFCO approval prior to extension of services. Additionally, a referral response was received from the Department of Environmental Resources who will require the project site obtain a "Will-Serve" letter for water and sewer services to serve the development issued from the Denair CSD prior to issuance of a building permit. These requirements will be reflected in the development standards for this project.

Mitigation: None.

References: Referral Response received from Stanislaus County Department of Public Works, dated September 29, 2022; Referral Response from Turlock Irrigation District, dated January 24, 2022; Letter from Denair Community Services District, dated May 5, 2022; Stanislaus County General Plan and Support Documentation¹.

XVI. RECREATION --	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?			X	
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?			X	

Discussion: The General Plan and the Denair Community Plan requires at least three net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. The project site abuts the County's Hunter's Pointe park and a 2.09± acres dual use stormwater drainage basin.

The General Plan and the Denair Community Plan requires at least three net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. The General Plan and the Denair Community Plan requires at least three net acres of developed neighborhood parks, or the maximum number allowed by law, to be provided for every 1,000 residents. The project site abuts the County's Hunter's Pointe Park. Currently, Hunter's Pointe Park is approximately 0.34± acres in size. The Stanislaus County Parks and Recreation Park Land In-Lieu Of Fees Policy ("Policy") requires new subdivisions creating 53 parcels or more to build a park with amenities. Options to the developer include, land dedication, installation of equipment, park site development, payment of in-lieu fees or combination thereof. Based on the Policy, a 76-lot subdivision is required to dedicate 0.70 acres of land to serve the additional residents, payment of a \$2,050 in-lieu fee per lot, development of park improvements of equivalent value, or a combination thereof. Given the County's existing Hunter's Pointe Park abuts the project site to the west, the applicant has agreed to dedicate 0.15± acres at the easterly portion of the park, to serve as a park expansion (which is equivalent to a required park acreage dedication for 16 lots), leaving 0.56± acres remaining required to be dedicated. In-lieu of additional land dedication, the applicant has opted to develop the park expansion site with a basketball court and shade structure, bids for which have been provided and meet the equivalent cost of the in-lieu fees for 60 lots/0.56 acres. The proposed dedication would be consistent with General Plan and Community Plan parks goals.

Mitigation: None.

References: Stanislaus County Parks and Recreation Park Land In-Lieu Of Fees Policy, adopted by General Plan Amendment No. 2003-02; E-mail correspondence from the Department of Parks and Recreation, dated November 13, 2022; Stanislaus County General Plan and Support Documentation¹.

XVII. TRANSPORTATION -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?			X	

b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?			X	
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
d) Result in inadequate emergency access?			X	

Discussion: This project is a request to rezone a 15.9± acres parcel from Planned Development (P-D) (288) to a new Planned Development and to subdivide the project site into 76 parcels, ranging in size from 5,855 square-feet to 12,631 square-feet and a 6,391± square-foot park site expansion. The project site has a General Plan designation of Planned Development and a Denair Community Plan designation of Low-Density Residential. As part of the subdivision development, the applicant proposes to install street lighting, curb, gutter, and sidewalk for the entire subdivision, as well as the extension of the existing County-maintained Corona and Chalmer Ways eastward, through the proposed subdivision, terminating into Arnold Way. Interior 50-foot-wide roadways including three cul-de-sacs will be developed as part of the subdivision's interior circulation.

A referral response was received from the County's Public Works Department, which included requirements for site development standards that would account for the County's Standards and Specifications for subdivisions. Development standards were also included for: right-of-way dedication for Zeering and Arnold Roads; requirements for final map recordation; requirements for submission of improvement plans; grading and drainage plan requirements, including removal or relocation of existing irrigation facilities and provision of a soil report; inclusion of a 10-foot Public Utilities Easement along the frontage of each parcel; annexation of the project to the existing Community Service District and Lighting and Landscaping District for funding of improvement maintenance; and annexation of the project to the Ripel county service area (CSA) to provide funds to ensure future maintenance and eventual replacement of the storm drainage system, and any landscaped areas. These requirements will be added to the project as development standards.

The project was referred to the Stanislaus County Environmental Review Committee (ERC), who responded to the project requesting a traffic impact study to quantify project-specific impacts to local roads and intersections. A Transportation Impact Assessment, dated May 17, 2022, was prepared by Barrios Transportation Consulting. Using the Institute of Transportation Engineers (ITE) Trip Generation Manual (11th Edition), the project's trip generation was estimated to result in 717 new daily vehicle trips, including approximately 58 morning peak hour trips and 77 evening peak hour trips.

As required by the California Environmental Quality Act (CEQA) Guidelines Section 15064.3, potential impacts to transportation should be evaluated using Vehicle Miles Traveled (VMT). Stanislaus County has currently not adopted any significance thresholds for VMT, and projects are treated on a case-by-case basis for evaluation under CEQA. However, the State of California Office of Planning and Research (OPR) has issued guidelines regarding VMT significance under CEQA. The CEQA Guidelines identify vehicle miles traveled (VMT), which is the amount and distance of automobile travel attributable to a project, as the most appropriate measure of transportation impacts. According to the same technical advisory from OPR, projects that generate or attract fewer than 110 trips per-day generally or achieves a 15% reduction of VMT may be assumed to cause a less than significant transportation impact. The VMT increase associated with the proposed project is proposed to exceed 110 trips per-day; however, the project is considered an infill residential project, as the project site was already identified in the Denair Community Plan for residential uses, which was accounted for under previous environmental analysis. Accordingly, an analysis of VMT is not triggered due to the project's consistently with previously adopted land use plans. Additionally, projects within one-half mile of either an existing major transit stop or a stop along an existing high-quality transit corridor should be presumed to cause a less than significant transportation impact. A major transit stop is defined as a site containing an existing rail transit station. The Turlock-Denair Amtrak station, a passenger transit line, is located .46± miles to west of the project site and provides connection from Bakersfield, through Denair and Stockton, to both the Sacramento Valley Station in Sacramento and the Jack London Square Station in Oakland. Accordingly, VMT impacts are considered to be less than significant.

While vehicle miles of travel (VMT) is the current metric for which projects' traffic impacts must be evaluated under CEQA, the Stanislaus County General Plan still has a policy to maintain level of service (LOS) C or better operations at intersections during the peak hour. LOS is a method to qualify traffic flow based on factors such as speed, travel time, delay, and freedom to maneuver. Six levels of service are defined ranging from LOS A (free-flow conditions) to LOS F (over capacity conditions). LOS E corresponds to operations "at capacity". When volumes exceed capacity, stop-and-go conditions result, and operations are designated LOS F. The Assessment quantified the project's traffic impacts through both Level of Service (LOS) and Vehicle Miles Traveled (VMT). Six intersections in Denair were evaluated for conditions during both morning

and evening peak hours (7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m.). Based on the assessment of both existing cumulative conditions, the project is not expected to add a substantial number of trips to the roadway network and therefore, intersection operations are anticipated to remain relatively unchanged compared to baseline cumulative conditions. To mirror existing signage, the Assessment recommended that a "STOP" sign and associated striping be installed at the westbound approach to the Chalmer Way extension/Riopel Avenue intersection, at the eastbound approach to the Chalmer Way extension/Arnold Road intersection, and to the westbound approach to Corona Way extension/Riopel Avenue intersection. Additionally, as two new connections to Arnold Road (identified as "Court D" and "Street B" on the associated site plan) are proposed, the Assessment recommends that a side street stop sign and striping be installed at the eastbound approach to proposed "Court D"/Arnold Road intersection, and at the eastbound approach to proposed "Street B"/Arnold Road intersection. Public Works reviewed the Transportation Impact Assessment and accepted the findings. These recommendations will be added as development standards under Public Works' requirements. **Additionally, although not identified in the traffic study as a project-specific area of concern, the Department of Public Works is adding a development standard requiring installation of two radar speed feedback signs to be installed by the developer along East Zeering Way to help deter speeding and respond to concerns raised by the public during community meetings.**

Frontage improvements proposed for the development include curb, gutter, and sidewalk for the entire subdivision. As part of the map design, two new County-maintained roadways will be installed by the developer, and existing Corona and Chalmer Ways will be extended to provide the subdivision two outlets to Arnold Road and Riopel Avenue. Three cul-de-sacs will be utilized in the map design.

All development on-site will be required to pay applicable County PFF fees, which will be utilized for maintenance and traffic congestion improvements to all County roadways.

The proposed project is not anticipated to conflict with any transportation program, plan, ordinance or policy.

Mitigation: None.

References: Application Materials; Referral Response from the Environmental Review Committee, dated January 26, 2022; Referral Response from the Stanislaus County Department of Public Works, dated September 29, 2022; Transportation Impact Assessment, prepared by Barrios Transportation Consulting, dated May 17, 2022; Referral Response from the Environmental Review Committee, dated January 26, 2022; Transportation Impact Assessment, prepared by Barrios Transportation Consulting, dated May 17, 2022; Federal Highway Administration, Summary of Travel Trends: 2017 National Household Travel Survey; Stanislaus County General Plan and Support Documentation¹.

XVIII. TRIBAL CULTURAL RESOURCES -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California native American tribe, and that is:				
i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or			X	

ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set for the in subdivision (c) of Public Resource Code section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.			X	
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Discussion: It does not appear this project will result in significant impacts to any tribal cultural resource. The site is currently vacant; however, the surrounding area has been developed with single-family dwellings and residential and agricultural accessory structures. As discussed in Section V – *Cultural Resources* of this report, the records search indicated there may be unidentified features involved in the project area that are 45 years or older and considered as historical resources requiring further study. The Central California Information Center (CCIC) recommend further review for the possibility of identifying prehistoric or historic-era archaeological resources if ground disturbance is considered a part of the current project. The CCIC recommendations as mentioned in the “Cultural Resources” section of this report will be applied to the project.

In accordance with SB 18 and AB 52, this project was not referred to the tribes listed with the Native American Heritage Commission (NAHC) as the project is not a General Plan Amendment and no tribes have requested consultation or project referral noticing.

It does not appear that this project will result in significant impacts to any tribal cultural resources

Mitigation: None.

References: Application Information; Central California Information Center Report for the project site, dated September 10, 2021; Stanislaus County General Plan and Support Documentation¹.

XIX. UTILITIES AND SERVICE SYSTEMS -- Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?			X	
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?			X	
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?			X	
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?			X	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			X	

Discussion: Limitations on providing services have not been identified. Stormwater is proposed to be managed by the existing basin located on Assessor Parcel Number (APN) 024-022-030, which currently serves an existing residential development to the west. A referral response was received from the County's Public Works Department requiring annexation of the project to the existing Community Service Area (CSA) #21 - Riopel and the Denair Highway Lighting and Landscaping District to ensure future maintenance and eventual replacement of the storm drainage system and facilities, and any landscaped areas.

The project was referred to the Turlock Irrigation District (TID), who provided a referral response indicating that an irrigation pipeline belonging to Improvement District (ID) 573A runs along the western edge of the subject project. There are no electrical facilities on the parcel; however, there are two conduit stub-outs to the west that will be fed to serve the proposed subdivision: one located within Chalmer Way that terminates west where the project parcel begins, and one located at the north end of the existing Hunter's Pointe Park, that terminates west at the project parcel boundaries. TID requested the developer enter into an irrigation improvements agreement and submit both irrigation improvement plans for any irrigation facility modifications, and the final map including an application for electrical facility extensions for approval by the District's Engineering Department prior to recording of the final map. Additionally, TID indicated that the developer must apply for abandonment from ID 573A since the subsequent parcels will no longer have direct access to water or irrigate. The District also requested that a 10-foot Public Utility Easement be dedicated along all street frontages, and that development of the proposed lots have a minimum 15-foot building setback from both the front property line and from back-of-sidewalk. Development standards will be placed on the project reflecting these requirements.

Although the project site is not within the Denair CSD district boundaries, it is located within the CSD's Local Agency Formation Commission's (LAFCO) adopted Sphere of Influence (SOI). The applicant has provided a "Can-Serve" letter issued by the Denair CSD, stating their ability to serve the proposed lots with sewer and water services. As a condition of service, the CSD will require the owner/developer to enter into an agreement to construct and pay for necessary infrastructure to enable the District to provide water and sewer services to the project. The agreement will require the infrastructure be constructed to District specifications, and that security be given to the District to guarantee performance and payment for the infrastructure, and that all current connection fees be paid in full. Additionally, the applicant may be required to pay a fair share fee for future facilities for District services. Development standards will be added to the project to reflect the CSD's conditions for services. In accordance with the implementation measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area. The nearest existing water mains are 12-inches within East Zeering Road and eight inches at Corona Way. The existing sewer main is eight inches at Riopel Avenue. No increase in the sizes of pipelines is needed to serve the development; however, the existing 12-inch water main in East Zeering Road that stops at Riopel Avenue, will need to be extended east to Arnold Road and then north to the edge of the project site boundaries in order to maintain adequate water pressure and fire flow conditions. Otherwise, 8-inch pipes will be routed through the interior roadways of the project site to serve the proposed subdivision. The project was referred to LAFCO who responded to the project requiring the developer to annex into the Denair CSD's boundaries and obtain LAFCO approval prior to extension of services. Additionally, a referral response was received from the Department of Environmental Resources (DER) who will require the project site obtain a "Will-Serve" letter for water and sewer services to serve the development issued from the Denair CSD prior to issuance of a building permit. The Department of Public Works will review and approve grading and drainage plans prior to construction. Development standards will be added to the project to reflect these requirements. These requirements will be reflected in the development standards for this project.

Mitigation: None.

References: Referral Response from Local Agency Formation Commission, dated January 14, 2022; Letter received from Denair Community Services District, dated May 5, 2022; Referral Response from the Stanislaus County Department of Environmental Resources, dated January 25, 2022; Referral Response received from Stanislaus County Department of Public Works, dated September 29, 2022; Referral Response from Turlock Irrigation District, dated January 26, 2022; Stanislaus County General Plan and Support Documentation¹.

XX. WILDFIRE – If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?			X	

b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?			X	
c) Require the installation of maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?			X	
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?			X	

Discussion: The Stanislaus County Local Hazard Mitigation Plan from the Department of Emergency Services, identifies risks posed by disasters and identifies ways to minimize damage from those disasters. With the Wildfire Hazard Mitigation Activities of this plan in place, impacts to an adopted emergency response plan or emergency evacuation plan are anticipated to be less than significant. The terrain of the site is relatively flat, and the site has access to a County-maintained road. The site is located in a Local Responsibility Area (LRA) for fire protection and is served by the Denair Fire Protection District. The project was referred to the Denair Fire Protection District, but no comments have been received to date. All improvements will be reviewed by the Stanislaus County Fire Prevention Bureau and will be required to meet all state and local fire code requirements.

Mitigation: None.

References: Stanislaus County General Plan and Support Documentation¹.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE --	Potentially Significant Impact	Less Than Significant With Mitigation Included	Less Than Significant Impact	No Impact
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?		X		
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)			X	
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

Discussion: Review of this project has not indicated any features which might significantly impact the environmental quality of the site and/or the surrounding area. The project site is currently vacant, was previously planted in row crops, and is surrounded by single-family residential development to the west, ranchette parcels and irrigated farmland to the north, east, and south; and confined animal facility to the southeast.

The project site is designated as Low-Density Residential (LDR) in the Denair Community Plan of the County General Plan, Planned Development in the Stanislaus County General Plan, and has a zoning designation of P-D 288. The project site is situated near the northeast corner of Denair, buffered from the edge of the Community Plan boundaries by approximately 600-feet of distance consisting of the parcels zoned A-2 and designated Estate Residential in the Denair Community Plan fronting on Arnold Road to the east. All immediately surrounding parcels zoned A-2, consisting of the adjacent parcels to the north, east, and south are designated as Urban Transition under the Land Use Element and either Low-Density Residential or Estate Residential under the Denair Community Plan; however, the adjacent agriculturally zoned parcels, with the exception of two 5± acres parcels to the north, are not actively farmed. While residential development of the parcels with these Community Plan designations was considered in the Denair Community Plan Environmental Impact Report (EIR), a zoning change would need to be approved prior to any subdivision and residential development occurring, which will require project-level CEQA analysis and consistency with the Stanislaus County Zoning Ordinance Chapter 21.118 – 30-Year Land Use Restriction (“Measure E”). Measure E prohibits conversion from agricultural zoning to residential without approval by a majority vote of county voters at a general or special election, which will further limit urban growth beyond the project site, which will further limit urban growth beyond the project site. Any development of the surrounding area would be subject to the permitted uses of the applicable zoning district the property is located within or would require additional land use entitlements and environmental review.

No cumulative impacts are anticipated as a result of this project. Based on the Transportation Impact Assessment prepared for the project for both existing cumulative conditions and cumulative conditions with consideration of the proposed project, the project is not expected to add a substantial number of trips to the roadway network and therefore, intersection operations are anticipated to remain relatively unchanged compared to baseline cumulative conditions. The proposed project will not create significant service extensions or new infrastructure which could be considered as growth inducing, as services are available to neighboring properties. Additionally, in accordance with the implementation measures listed under Goal Two, Policy Two of the Denair Community Plan, the sizing of sewer and water lines should be reduced as they approach the northerly, westerly and easterly periphery of the Denair Community Plan area to limit growth influences beyond the Plan area. The nearest existing water mains are 12-inches within East Zeering Road and eight inches at Corona Way. The existing sewer main is eight inches at Riopel Avenue. Although the existing pipelines will be extended east through the proposed subdivision to serve the development, including a new water and sewer main within Arnold Road terminating at the northern boundary of the project site, the existing pipeline infrastructure will not be upgraded or increased in size to accommodate the proposed subdivision. The 12-inch pipe will be extended along the project site periphery in order to maintain adequate water pressure and fire flow conditions As discussed in Section IV – *Biological Resources* above, the project has potential to impact Swainson’s Hawk due to the site being potential foraging habitat; however, mitigation requiring pre-construction surveys, temporal limits on construction, avoidance, and if necessary, require the applicant to obtain an Incidental Take Permit from the California Department of Fish and Wildlife, have been added to the project.

Mitigation: See Mitigation Measure No. 1.

References: Initial Study; Stanislaus County General Plan and Support Documentation¹.

¹Stanislaus County General Plan and Support Documentation adopted in August 23, 2016, as amended. **Housing Element** adopted on April 5, 2016.



MITIGATED NEGATIVE DECLARATION

NAME OF PROJECT: Rezone and Vesting Tentative Map Application No. PLN2021-0101 – Hoffman Ranch

LOCATION OF PROJECT: East Keyes Road, between North Golden State Boulevard and State Route 99, in the Community of Keyes.
APN: 024-022-027

PROJECT DEVELOPER: Dan Dunkley

DESCRIPTION OF PROJECT: This is a request to rezone a 15.9± ac parcel from (P-D) (288) to a new P-D & to subdivide the project site into 76 parcels, ranging in size from 5,855 sq-ft to 12,631 sq-ft & a 6,391± sq-ft park site expansion.

Based upon the Initial Study, dated **February 22, 2023 (as updated on April 26, 2023)**, the Environmental Coordinator finds as follows:

1. This project does not have the potential to degrade the quality of the environment, nor to curtail the diversity of the environment.
2. This project will not have a detrimental effect upon either short-term or long-term environmental goals.
3. This project will not have impacts which are individually limited but cumulatively considerable.
4. This project will not have environmental impacts which will cause substantial adverse effects upon human beings, either directly or indirectly.

The aforementioned findings are contingent upon the following mitigation measures (if indicated) which shall be incorporated into this project:

1. If ground disturbing activity or construction commences between March 1 and September 15, pre-construction surveys for nesting Swainson's hawks (SWHA) shall be conducted by a qualified biologist. SWHA surveys shall be conducted a maximum of 10 days prior to the onset of grading or construction activities, within 0.5 miles of the project site area, in accordance with protocol developed by the Swainson's Hawk Technical Advisory Committee (SWHA TAC, 2000). If active nests are found, a qualified biologist, in consultation with the California Department of Fish and Wildlife (CDFW), shall determine the need (if any) for temporal restrictions on construction, including but not limited to a minimum no-disturbance buffer of 0.5 miles to be maintained around active nests prior to and during any ground-disturbing activities until the breeding season has ended or until a qualified biologist has determined that the birds have fledged and are no longer reliant upon the nest or parental care for survival. If take cannot be avoided, take authorization through the issuance of an Incidental Take Permit (ITP), pursuant to Fish and Game Code section 2081 subdivision (b) is necessary to comply with CESA. The determination shall utilize criteria set forth by CDFW (CDFG, 1994).

The Initial Study and other environmental documents are available for public review at the Department of Planning and Community Development, 1010 10th Street, Suite 3400, Modesto, California, 95354.

Initial Study prepared by: Kristen Anaya, Associate Planner

Submit comments to: Stanislaus County
Planning and Community Development Department
1010 10th Street, Suite 3400
Modesto, California, 95354

DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

1010 10th Street, Suite 3400, Modesto, CA 95354

Planning Phone: (209) 525-6330 Fax: (209) 525-5911

Building Phone: (209) 525-6557 Fax: (209) 525-7759

Stanislaus County

Planning and Community Development

Mitigation Monitoring and Reporting Program

Adapted from CEQA Guidelines sec. 15097 Final Text, October 26, 1998

February 22, 2023

1. Project title and location: Rezone and Vesting Tentative Subdivision Map Application No. PLN2021-0101 – Hoffman Ranch

4325 Arnold Road & 4302 Riopel Avenue, between East Zeering and Powell Roads, in the Community of Denair (APN: 024-022-027).
2. Project Applicant name and address: Dan Dunkley
239 Main Street, Suite E
Pleasanton, CA 94566
3. Person Responsible for Implementing Mitigation Program (Applicant Representative): Dan Dunkley
4. Contact person at County: Kristen Anaya, Associate Planner (209) 525-6330

MITIGATION MEASURES AND MONITORING PROGRAM:

List all Mitigation Measures by topic as identified in the Mitigated Negative Declaration and complete the form for each measure.

IV. BIOLOGICAL RESOURCES

Mitigation Measure No. 1: If ground disturbing activity or construction commences between March 1 and September 15, pre-construction surveys for nesting Swainson's hawks (SWHA) shall be conducted by a qualified biologist. SWHA surveys shall be conducted a maximum of 10 days prior to the onset of grading or construction activities, within 0.5 miles of the project site area, in accordance with protocol developed by the Swainson's Hawk Technical Advisory Committee (SWHA TAC, 2000). If active nests are found, a qualified biologist, in consultation with the California Department of Fish and Wildlife (CDFW), shall determine the need (if any) for temporal restrictions on construction, including but not limited to a minimum no-disturbance buffer of 0.5 miles to be maintained around active nests prior to and during any ground-disturbing activities until the breeding season has ended or until a qualified biologist has determined that the birds have fledged and are no longer reliant upon the nest or parental care for survival. If take cannot be avoided, take authorization through the issuance of an Incidental Take Permit (ITP), pursuant to Fish and Game Code section 2081 subdivision (b) is necessary to comply with CESA. The determination shall utilize criteria set forth by CDFW (CDFG, 1994).

Who Implements the Measure:	Applicant/Developer
When should the measure be implemented:	Prior to ground disturbing activities
When should it be completed:	Upon completion of ground-disturbing activities
Who verifies compliance:	Stanislaus County Planning Department, in consultation with California Department of Fish & Wildlife

Other Responsible Agencies:

California Department of Fish & Wildlife

I, the undersigned, do hereby certify that I understand and agree to be responsible for implementing the Mitigation Program for the above listed project.

Signature on file.

Person Responsible for Implementing
Mitigation Program

February 22, 2023

Date

SUMMARY OF RESPONSES FOR ENVIRONMENTAL REVIEW REFERRALS

PROJECT: REZ TM APP NO. PLN2021-0101 - HOFFMAN RANCH

REFERRED TO:				RESPONDED		RESPONSE			MITIGATION MEASURES		CONDITIONS	
	2 WK	30 DAY	PUBLIC HEARING NOTICE	YES	NO	WILL NOT HAVE SIGNIFICANT IMPACT	MAY HAVE SIGNIFICANT IMPACT	NO COMMENT NON CEQA	YES	NO	YES	NO
CA DEPT OF FISH & WILDLIFE	X	X	X		X							
CA OPR STATE CLEARINGHOUSE	X	X	X		X							
CA WATER RESOURCES CONTROL BOARD: DIV 10.	X	X	X		X							
CA RWQCB CENTRAL VALLEY REGION	X	X	X	X				X		X	X	
CITY OF: TURLOCK	X	X	X		X							
COMMUNITY SERVICES DIST: DENAIR	X	X	X	X				X		X	X	
COOPERATIVE EXTENSION	X	X	X		X							
FIRE PROTECTION DIST: DENAIR	X	X	X		X							
GSA: TURLOCK	X	X	X		X							
IRRIGATION DISTRICT: TID	X	X	X	X				X		X	X	
MOSQUITO DISTRICT: TURLOCK	X	X	X		X							
MT VALLEY EMERGENCY MEDICAL	X	X	X		X							
MUNICIPAL ADVISORY COUNCIL: DENAIR	X	X	X	X				X		X	X	
PACIFIC GAS & ELECTRIC	X	X	X		X							
POSTMASTER: DENAIR	X	X	X		X							
RAILROAD: BNSF	X	X	X		X							
SAN JOAQUIN VALLEY APCD	X	X	X	X			X				X	
SCHOOL DISTRICT 1: DENAIR UNIFIED	X	X	X		X							
STAN CO AG COMMISSIONER	X	X	X		X							
STAN CO BUILDING PERMITS DIVISION	X	X	X	X				X		X	X	
STAN CO CEO	X	X	X		X							
STAN CO DER	X	X	X	X				X		X	X	
STAN CO ERC	X	X	X	X			X			X		X
STAN CO HAZARDOUS MATERIALS	X	X	X	X				X		X	X	
STAN CO PARKS & RECREATION	X	X	X	X				X		X	X	
STAN CO PUBLIC WORKS	X	X	X	X			X		X		X	
STAN CO SHERIFF	X	X	X		X							
STAN CO SUPERVISOR DIST 2: CHIESA	X	X	X		X							
STAN COUNTY COUNSEL	X	X	X		X							
STANISLAUS FIRE PREVENTION BUREAU	X	X	X		X							
STANISLAUS LAFCO	X	X	X		X							
SURROUNDING LAND OWNERS		X	X	X				X		X		X
TELEPHONE COMPANY: ATT	X	X	X		X							
TRIBAL CONTACTS												
(CA Government Code §65352.3)	X	X	X		X							

I:\Planning\Staff Reports\REZ\2021\PLN2021-0101 - Hoffman Ranch\Planning Commission\Meeting Date\Staff Report\Exhibit I - Environmental Review Referrals.xls

EXHIBIT I

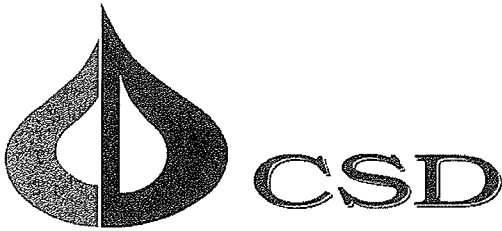
Please see additional CEQA information at:

<https://www.stanislauslafco.org/PDF/Notices/DenairCSD.Hoffman.CEQA.pdf>

EXHIBIT C

Will Serve Letter

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Denair Community
Service District

3850 N. Gratton Road
P.O. Box 217
Denair, California 95316

March 1, 2023

Stanislaus County
Planning & Community Development
1010 10th St.
Modesto CA 95354

Phone: 209-634-4986
Fax: 209-634-9805

Re: Applicant's Name: **Vionna Adams**
 Arthur & Anne Dunkley
 Project Name: **Dunkley Denair**
 Location: **North of Zeering Rd. Between Riopel Rd. & Arnold Rd.**
 APN: **024-022-027**

Valid Until: 3-1-2024

Dear Reader:


The Denair Community Services District can provide water and sewer services to the location noted above after approval from LAFCO that the proposed property falls within the Denair Community Services District boundary.

Before any project begins, approval must first be obtained from the appropriate departments(s) at Stanislaus County, in addition to verifying availability of services from the Denair Community Services District.

When the owner does choose to develop this parcel, they must enter into an Agreement with the Denair Community Services District to construct and pay for the necessary infrastructure to enable the District to provide water and sewer services to the project. The Agreement will require, among other things that the infrastructure be constructed to the District specifications, that security be given to the District to guarantee performance and payment for the infrastructure and that all current connections fees be paid in full. Once all fees are paid, a "Will Serve Letter" will be submitted to the applicant. The "Will Serve Letter" must be presented to the Stanislaus County Building Department before a Building Permit will be issued.

Any substantial revision to the Tentative Map during Stanislaus County processing may require additional conditions by Denair Community Services District.

A "Will Serve Letter" is required for all additions, remodels, and swimming pool construction. This letter is valid until 3-1-2024, and pending Board review of the Public Facilities may be renewed.

Sincerely, 

David Odom, General Manager
Denair Community Services District.

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EXHIBIT D

Draft LAFCO Resolution No. 2023-11

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**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: September 27, 2023

NO. 2023-11

**SUBJECT: LAFCO APPLICATION NO. 2023-02 - HOFFMAN RANCH CHANGE OF
ORGANIZATION TO THE DENAIR COMMUNITY SERVICES DISTRICT**

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

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

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, the Denair Community Services District has requested to annex located at 4325 Arnold Road, south of Powell Road, west of Arnold Road, north of East Zeering Road, and east of Riopel Avenue in the Denair area;

WHEREAS, the Denair Community Services District has provided a “Will Serve Letter” stating that the district is willing to provide water and sewer services to the project site;

WHEREAS, the territory is considered uninhabited as it contains less than 12 registered voters;

WHEREAS, the territory is within the current sphere of influence of the Denair Community Services District;

WHEREAS, the purpose of the proposal is to allow the subject territory to receive water and sewer services from the Denair Community Services District;

WHEREAS, Stanislaus County, as Lead Agency, prepared and subsequently approved Mitigated Negative Declarations for the proposal in compliance with the California Environmental Quality Act (CEQA);

WHEREAS, in the form and manner provided by law pursuant to Government Code Sections 56153 and 56157, the Executive Officer has given notice of the public hearing by the Commission on this matter;

WHEREAS, the Commission has conducted a public hearing to consider the proposal on September 27, 2023, and notice of said hearing was given at the time and in the form and manner provided by law; and

WHEREAS, the Commission has, in evaluating the proposal, considered the report submitted by the Executive Officer, which included determinations and factors set forth in Government Code Sections 56668 and 56668.3, and any testimony and evidence presented at the meeting held on September 27, 2023.

NOW, THEREFORE, BE IT RESOLVED that the Commission:

1. Certifies, in accordance with CEQA, as a Responsible Agency, that it has considered the Mitigated Negative Declarations prepared by Stanislaus County.
2. Determines that: (a) the subject territory is within the Denair Community Services District's Sphere of Influence; (b) approval of the proposal is consistent with all applicable spheres of influence, overall Commission policies and local general plans; (c) there are less than twelve (12) registered voters within the territory and it is considered uninhabited; (d) all the owners of land within the subject territory have given their written consent to the annexation; (e) no subject agencies have submitted written protest to a waiver of protest proceedings; and (f) the proposal is in the interest of the landowners within the territory.
3. Approves the proposal subject to the following terms and conditions:
 - a. The applicant shall pay State Board of Equalization fees, pursuant to Government Code Section 54902.5.
 - b. The applicant agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding brought against any of them, the purpose of which is to attack, set aside, void or annul LAFCO's action on a proposal or any action relating to or arising out of such approval, and provide for the reimbursement or assumption of all legal costs in connection with that approval.
 - c. In accordance with Government Code Sections 56886(t) and 57330, the subject territory shall be subject to the levying and collection of all previously authorized charges, fees, assessments or taxes of the Denair Community Services District.
 - d. The effective date of the change of organization shall be the date of recordation of the Certificate of Completion.
 - e. The application submitted has been processed as a change of organization consisting of annexation to the Keyes Community Services District.
4. Designates the proposal as the "Hoffman Ranch Change of Organization to the Denair Community Services District".
5. Waives the protest proceedings pursuant to Government Code Section 56662(d) and orders the change of organization subject to the requirements of Government Code Section 57200 et. seq.

6. Authorizes and directs the Executive Officer to prepare and execute a Certificate of Completion in accordance with Government Code Section 57203, upon receipt of a map and legal description prepared pursuant to the requirements of the State Board of Equalization and accepted to form by the Executive Officer, subject to the specified terms and conditions.

ATTEST:

Sara Lytle-Pinhey
Executive Officer