

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

July 14, 2010 (Agenda)

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Agenda Item 8

LAFCO 10-03: Annexation 178 to Central Contra Costa Sanitary District (CCCSD)

PROPONENT: CCCSD by Resolution No. 2009-093 adopted October 1, 2009

ACREAGE & LOCATION The applicant proposes to annex 31.7± acres (36 parcels) in 10 separate areas located in the cities of Martinez and Pleasant Hill as generally described below:

Area 178-2: one parcel located at 4971 John Muir Rd, Martinez (0.7± acres)

Area 178-3: seven parcels located on Flora and C Streets, Martinez (9.1± acres)

Area 178-4: seven parcels located on Milden and Hampton Roads, Martinez (9.5± acres)

Area 178-5: two parcels located on Arreba and Hilmar Streets, Martinez (2.9± acres)

Area 178-6: one parcel located at 4884 John Muir Rd, Martinez (1.0± acres)

Area 178-7: five parcels located on Creekside Rd, Pleasant Hill (2.4± acres)

Area 178-8: nine parcels located on Alhambra Way and Walnut Ave, Martinez (1.9± acres)

Area 178-9: one parcel located on Grothman Lane, Martinez (0.4± acres)

Area 178-10: one parcel located on Alhambra Way, Martinez (0.5± acres)

Area 178-11: two parcels located on Milden Rd, Martinez (3.3± acres)

SYNOPSIS

CCCSD, on behalf of a number of property owners, filed an application with LAFCO to annex the properties into the District. Ten property owners have petitioned CCCSD for sewer service; the District has included the remaining in-fill parcels to avoid the creation of islands, provide for logical boundaries, and streamline CCCSD staff work.

The purpose of the annexation is to extend sanitary sewer service to the various parcels. The properties are a combination of existing single and multiple family dwelling units that have converted (or are converting) from septic systems to municipal sewer service, construction of new single family homes to be connected to the CCCSD municipal system, and parcels being included to eliminate islands and provide for logical service boundaries. Also, the density and proximity of the properties to the Nancy Boyd, Alhambra and Grayson creeks make municipal sewer service and annexation to CCCSD prudent to avoid despoiling the creeks with septic system effluent.

DISCUSSION

The Government Code sets forth factors that the Commission is required to consider in evaluating any proposed boundary change as discussed below (Gov. Code §56668). In the Commission's review and evaluation, no single factor is determinative. In reaching a decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence (SOI) of Any Local Agency:

The areas proposed for annexation are within CCCSD's SOI and within the County Urban Limit Line; 31 parcels are located in the City of Martinez and five parcels are located in the City of Pleasant Hill.

2. Land Use, Planning and Zoning - Present and Future:

The city General Plan and zoning designations are as follows. With the exception of area 178-7, all areas are within the City of Martinez.

Annexation Area	General Plan Designation	Zoning Designation
178-2	Single Family Residential - Low	RR-40 (one family residential - 40,000 sq. ft. minimum lot area)
178-3	Single Family Residential - Low	RR-40
178-4	Single Family Residential - Low	RR-40
178-5	Single Family Residential - Low	R-6.0 (single family residential - minimum lot size of 6,000 sq. ft.) ECD-R-40 (one family residential - 40,000 sq. ft. minimum lot area with Environmental Conservation District overlay)
178-6	Country Estates (Town of Danville)	RR-40
178-7	Country Estates (Town of Danville)	R-7 (Single Family Residential)
178-8	Single Family Residential - Low	R-6.0
178-9	Single Family Residential - Low	RR-20 (one family residential - 20,000 sq. ft. minimum lot area)
178-10	Single Family Residential - Low	RR-20
178-11	Single Family Residential - Low	RR-40

No changes are proposed to General Plan or zoning designations as part of this proposal.

3. The Effect on Maintaining the Physical and Economic Integrity of Agricultural Lands:

The properties proposed for annexation contain no prime farmland or land covered under Williamson Act Land Conservation Agreements.

4. Topography, Natural Features and Drainage Basins:

The topography of annexation and surrounding areas are as follows:

Area	Topography - Annexation Area	Topography - Surrounding Area
178-2	Rolling hillside	Rolling hillsides, up to the north and east; down to the south and west
178-3	Relatively steep hillside with ridgeline	Relatively flat to the north, south and west; gently sloped to the east
178-4	Rolling hillside, up to west, north and east; down to south	Rolling hillsides, up to ridgeline on north, up on east; down on south and west
178-5	Rolling hillside, up to west; down to north, east and south	Rolling hillsides, up to west; down to north, east and south
178-6	Rolling hillside	Rolling hillsides, up to west, north and east; down to the south
178-7	Relatively flat with creek between lots	Relatively flat to the north, east and south; steep hillside to the west

Area	Topography - Annexation Area	Topography - Surrounding Area
178-8	Relatively flat to the north and south; gently sloped to the west	Relatively flat to the north and south; gently sloping to the west; steep uphill to the east across Alhambra Way
178-9	Relatively flat in all directions	Relatively flat in all directions
178-10	Relatively flat in all directions	Relatively flat in all directions
178-11	Hilltop	Rolling hillside, away and down in each direction

5. Population:

There is a potential to add one single family dwelling unit (SFDU) to area 178-3, one SFDU to area 178-7, and one SFDU to area 178-11. These additional three homes could result in a population increase of approximately seven persons based on 2009 California Department of Finance estimates.

6. Fair Share of Regional Housing:

Pursuant to §56668 of the CKH Act, LAFCO must consider in the review of a proposal the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. The proposed annexation will have minimal effect on regional housing needs.

7. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

In accordance with Government Code §56653, whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall also submit a plan for providing services within the affected territory. The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The "Plan for Providing Services within the Affected Territory," as required by Government Code §56653, is on file in the LAFCO office. The properties proposed for annexation are served by various municipalities and agencies including, but not limited to, the cities of Martinez and Pleasant Hill, Contra Costa County Fire Protection District and Contra Costa Water District (CCWD).

The proposal before the Commission is to annex the properties to CCCSD for the provision of sanitary sewer service, including collection, treatment and disposal.

CCCSD currently serves an estimated population of 314,000 residents in a 142-square-mile service area. CCCSD's wastewater collection system consists of 1,500 miles of sewer mains with 18 pump stations. The majority of CCCSD's system operates with gravity flow with some pumping stations and force mains. All sewer connections to the subject property will be either gravity flow or individual residential pump systems.

CCCSD's wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 32.6 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a permitted capacity of 53.8 mgd.

The areas proposed for annexation could potentially extend service to a total of 26 existing single family and two multi family homes, plus three potential new single family homes. The maximum demand for service is approximately 7,000 gallons of wastewater per day.

CCCSD indicates that a number of the properties proposed for annexation are served by existing CCCSD facilities; others can extend sanitary sewer main lines to receive sewer services. It is not the current practice of CCCSD to compel property owners to connect their properties to the public sewer system involuntarily.

With regard to infrastructure and improvements, CCCSD indicates that all gravity mains required to serve the affected parcels will be 8-inch diameter for gravity mains or up to 2-inch diameter for pressure mains, which are CCCSD's minimums for mains. All laterals will be 4-inch diameter, which is CCCSD's minimum for gravity laterals, or 1-1/4- to 2-inch diameter pump laterals, which is CCCSD's minimum for pump laterals, depending on the specific pump type installed.

With regard to funding, all capital costs including any required sewer main extensions, along with connections fees, will be borne by the property owners. CCCSD funds the maintenance of all sewers through its annual sewer service charge.

8. Timely Availability of Water and Related Issues:

The areas proposed for annexation are within the CCWD service area. CCWD provides wholesale water, retail water, wastewater collection and wastewater treatment services for an area of 220± square miles in Contra Costa County, serving approximately 550,000 people. Water service includes production, distribution, retail, treatment, recycling and conservation services. The District's primary source of water supply is the United States Bureau of Reclamation's Central Valley Project.

CCCSD indicates that the proposed annexation would have a minor effect on water usage, and would not lead to the construction of new or expansion of existing water facilities.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation areas are within tax rate areas 05032, 05060 and 12007. The assessed value for the areas proposed for annexation is \$8,850,393 (2009-10 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies.

10. Environmental Impact of the Proposal:

As Lead Agency, CCCSD found all of the annexation areas categorically exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities. The LAFCO Environmental Coordinator reviewed the document and finds it adequate for LAFCO purposes.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are more than 12 registered voters in the area proposed for annexation. Thus, the area proposed for annexation is considered inhabited.

CCCSD indicates that less than 100% of the affected landowners/voters have provided written consent to the annexation. Thus, the Commission's action is subject to notice, hearing, as well as conducting

authority (protest) proceedings. All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundaries of the area(s) have received notice of the July 14 hearing.

As of this writing, LAFCO has received no communication from any affected landowner or registered voter. If no written objection is received from an affected party prior to the conclusion of the hearing on July 14, the Commission may waive the protest proceedings. However, if any objection is received at any time prior to or during the hearing, then a protest hearing is required (Gov. Code Section 56663).

12. Boundaries and Lines of Assessment:

The annexation areas are within CCCSD's SOI and are contiguous to existing CCCSD boundaries. The Central County Water/Wastewater Municipal Services Review (MSR), completed in April 2008, provided an assessment of CCCSD services. The MSR report noted that CCCSD was serving an estimated 180 parcels outside its service boundary; and that there were a number of small islands surrounded by the District and within its SOI. The MSR suggested annexing parcels receiving out of agency service, as well as islands and areas where there were concerns due to failing septic systems and related public health issues. Since 2008, CCCSD has made significant progress to validate sewer service connections and correct island and boundary irregularities. The proposed annexation would bring into CCCSD's boundaries additional parcels currently receiving out of agency service, and facilitate further clean up of pockets and islands.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals for changes of organization or reorganization will promote environmental justice. As defined by statute, "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. The proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

ALTERNATIVES FOR COMMISSION ACTION

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

Option 1

Approve the annexation as submitted.

- A. Determine that CCCSD, as Lead Agency, found all of the annexation areas categorically exempt pursuant to CEQA Guidelines Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities.
- B. The Commission determines the project is exempt pursuant to CEQA Guidelines, Section 15319, consistent with the determination of CCCSD acting as Lead Agency.
- C. Adopt this report and approve the proposal, to be known as Annexation 178, to CCCSD subject to the following terms and conditions:
 1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
 2. That CCCSD has delivered an executed indemnification agreement providing for CCCSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.

- D. Find that the subject territory is inhabited and that the annexing agency has consented to waiving the conducting authority proceedings. However, less than 100% of the affected landowners/registered voters have consented to the annexation. Should LAFCO receive any objection to the annexation from an affected party prior to or during the public hearing, then a subsequent protest hearing is required. Should no protest be received, then the Commission may waive the protest hearing and direct LAFCO staff to complete the proceedings.

Option 2 Adopt this report and DENY the proposal.

Option 3 If the Commission needs more information, CONTINUE this matter to a future meeting.

RECOMMENDED ACTION:

Approve Option 1.

LOU ANN TEXEIRA, EXECUTIVE OFFICER
LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 10-03

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING
ANNEXATION 178 TO CENTRAL CONTRA COSTA SANITARY DISTRICT**

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of the Commission's consideration of the proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, information satisfactory to the Commission has been presented that no affected landowners/registered voters within the reorganization area object to the proposal; and

WHEREAS, the Local Agency Formation Commission determines the proposal to be in the best interests of the affected area and the total organization of local governmental agencies within Contra Costa County;

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. Determines that CCCSD, as Lead Agency, found all of the annexation areas categorically exempt pursuant to CEQA Guidelines Section 15319, Annexation of Existing Facilities and Lots for Exempt Facilities.
2. The Commission determines the project is exempt pursuant to CEQA Guidelines, Section 15319, consistent with the determination of CCCSD acting as Lead Agency.
3. Said annexation is hereby approved.
4. The subject proposal is assigned the distinctive short-form designation:

ANNEXATION 178 TO CENTRAL CONTRA COSTA SANITARY DISTRICT

5. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
6. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.
7. That CCCSD delivered an executed indemnification agreement between the CCCSD and Contra Costa LAFCO providing for CCCSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.

Contra Costa LAFCO
Resolution No. 10-01

8. The territory proposed for annexation is inhabited.
9. The proposal has less than 100% landowner/registered voter consent; however, no affected landowners/registered voters opposed the annexation, and the annexing agency has given written consent to the waiver of conducting authority proceedings. Said conducting authority proceedings are hereby waived.
10. All subsequent proceedings in connection with this annexation shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

* * * * *

PASSED AND ADOPTED THIS 14th day of July 2010, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

MARTIN MCNAIR, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated.

Dated: July 14, 2010

Lou Ann Texeira, Executive Officer

LAFCO No. 10-03: Annexation 178 to Central Contra Costa Sanitary District

