

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

January 14, 2015 (Agenda)

January 14, 2015
Agenda Item 8

LAFCO 14-04 Reorganization 185 (Danville & Lafayette) – Annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD)

PROPONENT CCCSD by Resolution No. 2014-017 adopted June 19, 2014

SYNOPSIS The project site consists of 172.3± acres (20 parcels, including one partial parcel) in seven separate areas in Danville and unincorporated Lafayette as shown on the attached maps (Attachment 1a-f) and generally described below:

Area	Annexing Agency	Acreage/Parcels	Location
185-1	CCCSD	71.4± acres/10 parcel	Tassajara Lane - Danville
185-2	CCCSD	5.5± acres/one parcel	Sherburne Hills Road - Danville
185-3	CCCSD & EBMUD	1.5± acres/one parcel	Camino Tassajara - Danville
185-4	CCCSD & EBMUD	41.3± acres/one parcel	Diablo Road - Danville
185-5	CCCSD & EBMUD	1.6± acres/one parcel	Diablo Road - Danville
185-6	EBMUD	2.6± acres/one parcel	Diablo Road - Danville
185-7	CCCSD	48.4± acres/five parcels	Springhill Road - Lafayette

DISCUSSION

CCCSD filed an application with LAFCO to annex the properties to the districts. The purpose of the annexations is to facilitate water and sewer services to various properties as described below.

As proposed, the annexation will allow for the provision of sewer services to 11 properties, and the provision of sewer and water services to one property. The proposal includes two properties already served by CCCSD, and six properties already served by EBMUD; the remaining parcels are included to avoid creating islands or illogical boundaries.

Government Code §56668 sets forth factors that the Commission must consider in evaluating a proposed boundary change as discussed below. In the Commission's review, 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 the SOIs of both CCCSD and EBMUD. With the exception of three properties located in unincorporated Lafayette (west end of Springhill Road), all of the properties are within the County Urban Limit Line (ULL). One of the three properties outside the ULL is a long narrow-access property that is unbuildable. The other two are occupied and already receive water and sewer service; one is an East Bay Regional Park District property. The annexation of these properties would not be growth inducing. In October 2014, the Commission approved an expansion to CCCSD's SOI to include these three properties.

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

The General Plan and zoning designations, along with existing and surrounding land uses are shown on Attachment 2. 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 subject property is not Prime Agricultural Land as defined in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH). No portion of the proposal area is currently under a Williamson Act Land Conservation Act agreement. There is no impact to agricultural lands in conjunction with this proposal.

It should be noted that Area 185-7 contains two parcels owned by EBRPD that are considered parkland/open space. One of the parcels (APN 231-030-012), which is 1.57± acres, is proposed for annexation because it includes a portion of Springhill Road in which a CCCSD sewer is located and allows for a logical service boundary. No service is anticipated for this parcel.

Also proposed for annexation is a 31.8± acre portion of a 128.19± acre parcel (APN 365-230-009), as this area includes an already-sewered structure used as a caretaker residence for an adjacent Girl Scout camp. The portion of the property proposed for annexation is limited to that which is south of the point where Springhill Road approaches the property from the east. This delineation minimizes the area to be annexed, yet provides a reference point for the parcel division and allows space for EBRPD to establish a sewered trailhead parking on the property, if desired.

4. Topography, Natural Features and Drainage Basins:

The topography of the areas proposed for annexation and surrounding areas is summarized in the table below.

Area	Topography – Annexation Area	Topography – Surrounding Area
185-1	Slopes up to the southwest	Flat to the north, sloped to the south, east and west
185-2	Slopes down to the southwest	Sloped in all directions
185-3	Slopes down to the south	Slopes down in all directions
185-4	Slopes down in all directions	Sloped in all directions
185-5	Flat	Slopes down to the north
185-6	Slopes down to the north and south	Flat to the north, sloped to the south, east and west
185-7	Flat or slopes to north and south	Flat or slopes in all directions

5. Population:

There is a potential to add a maximum of 18 single family dwelling units (SFDUs) to the annexation areas, including 15 SFDUs to area 185-1, two SFDUs to area 185-4, and one SFDU to area 185-7. These additional SFDUs could result in a population increase of 50± persons based on 2014 California Department of Finance estimates of 2.77 persons per household for the Danville area, and 2.64 persons per household for the Lafayette area.

6. Fair Share of Regional Housing:

In its review of a proposal, LAFCO must consider 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:

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 (Gov. Code §56653). 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 District's Plan for Providing Services is on file in the LAFCO office. The annexation areas are served by various local agencies including, but not limited to, the Town of Danville, the City of Lafayette, Contra Costa County, the San Ramon Valley Fire Protection District and the Contra Costa County Fire Protection District.

The proposal before the Commission is to annex the property to CCCSD and EBMUD for the provision of sanitary sewer and water services, respectively.

CCCSD currently serves an estimated population of 471,000 residents in a 144-square-mile service area. CCCSD's wastewater collection system consists of 1,500 miles of sewer mains with 19 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 33.8 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a permitted discharge limit of 53.8 mgd.

Based on the maximum number of dwelling units, which includes four existing dwelling units not currently receiving sewer service, and a maximum of 18 potential new dwelling units, planned for the annexation area, the maximum demand for sewer service is approximately 4,290 gallons of wastewater per day. CCCSD has the capacity to serve the project.

CCCSD has infrastructure in the areas and serves a significant number of surrounding properties. Properties adjoining Annexation areas 185-3 through 185-6 are also proposed for annexation to CCCSD and/or EBMUD as part of reorganization 186 (Magee Ranch/Summerhill).

All gravity mains required to serve the affected parcels will be 8-inch diameter or up to 2-inch diameter for pressure mains (CCCSD's minimum size). All laterals will be 4-inch diameter

(CCCSO's minimum size for gravity laterals), or 1¼- to 2-inch diameter pump laterals (CCCSO's minimum size for pump laterals, depending on the specific pump type installed).

All capital costs including any required sewer main extensions, along with connections fees, will be borne by the property owner/developer. CCCSO funds the maintenance of all sewers through its annual sewer service charge.

8. Timely Availability of Water and Related Issues:

The proposal also includes annexation to EBMUD. EBMUD provides water services, along with wastewater collection and treatment services in portions of the District. The EBMUD service area is approximately 331 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.3 million people within the two-county service area. Within Contra Costa County, EBMUD provides water service to a 146± square mile service area, serving an estimated 477,212 residents.

EBMUD's water supply is distributed through a collection system consisting of aqueducts, reservoirs, and other components. The primary source of water supply for EBMUD is the Mokelumne River; this watershed accounts for 90 percent of EBMUD's water supply. EBMUD's existing water rights allow the delivery of up to 325 mgd or approximately 364,046 acre-feet per year of water from the Mokelumne River.

EBMUD's water rights are subject to variability, particularly during dry and multiple dry years. The availability of the Mokelumne River runoff is subject to senior water rights of other users, downstream fishery flow requirements, and other Mokelumne River water uses. Given the variability, EBMUD indicates that supplemental water supply sources are needed to meet future water demand during extended periods of drought.

The Freeport Regional Water Facility is a regional water supply project that provides supplemental water supply to EBMUD during dry years, as part of the Central Valley Project (CVP), a federal water management program. During periods of drought, EBMUD receives CVP water from its Freeport Regional Water Facility to augment its water supply. The U.S. Bureau of Reclamation (USBR) provides supplemental water supply during dry and multiple dry years to ensure the reliability of EBMUD's water supply. EBMUD is also seeking approval from the USBR in conjunction with this annexation proposal.

EBMUD has adequate capacity to serve the project. Water mains have already been installed for properties with development potential. Appropriately sized service laterals and water meters will be constructed for each lot as it develops. The expected water demand to serve potential development is 10,800 to 15,660 gallons per day, depending on dwelling size and extent of irrigated landscaping.

The costs associated with water supply infrastructure, as well as development impact and service connection fees, will be borne by the property owners. Ongoing maintenance of the system will be funded through usage fees collected by EBMUD.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation areas are within tax rate areas 16001, 16003, 14004, and 73012. The assessed value for the annexation areas is \$7,060,845 (2014-15 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:

CCCSD, as Lead Agency, determined that the project is Categorically Exempt – Class 19. A Notice of Exemption was filed by CCCSD. 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 fewer than 12 registered voters in the areas proposed for annexation; thus, the areas proposed for annexation are considered uninhabited.

CCCSD indicates that less than 100% of the affected landowners have provided written consent to the annexation. Thus, the Commission's action is subject to notice and hearing, as well as conducting authority (protest) proceedings. If the Commission approves the annexation, a subsequent notice and protest hearing will follow. Authority to conduct the protest hearing has been delegated to the LAFCO Executive Officer. 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 January 14, 2015 hearing.

12. Boundaries and Lines of Assessment:

The annexation areas are within the SOIs of CCCSD and EBMUD and are contiguous to the districts' service boundaries. Maps and legal descriptions to implement the proposed boundary changes have been received and are subject to approval by the County Surveyor.

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.

14. Disadvantaged Communities:

In accordance with recent legislation (SB 244), local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/amendments, and annexations must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County Planning Department, the annexation areas do not meet the criteria of a DUC.

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 actions:

Option 1 Approve the reorganization.

- A. Find that the CCCSD, as Lead Agency, found the project to be Categorically Exempt – Class 19, Section 15319.
- B. Adopt this report, approve LAFCO Resolution No. 14-04 (Attachment 3), and approve the proposal, to be known as Reorganization 185: Annexations to CCCSD and EBMUD 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.
 3. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
- C. Find that the subject territory is uninhabited and that LAFCO's approval is subject to a conducting authority (protest) proceeding.

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:

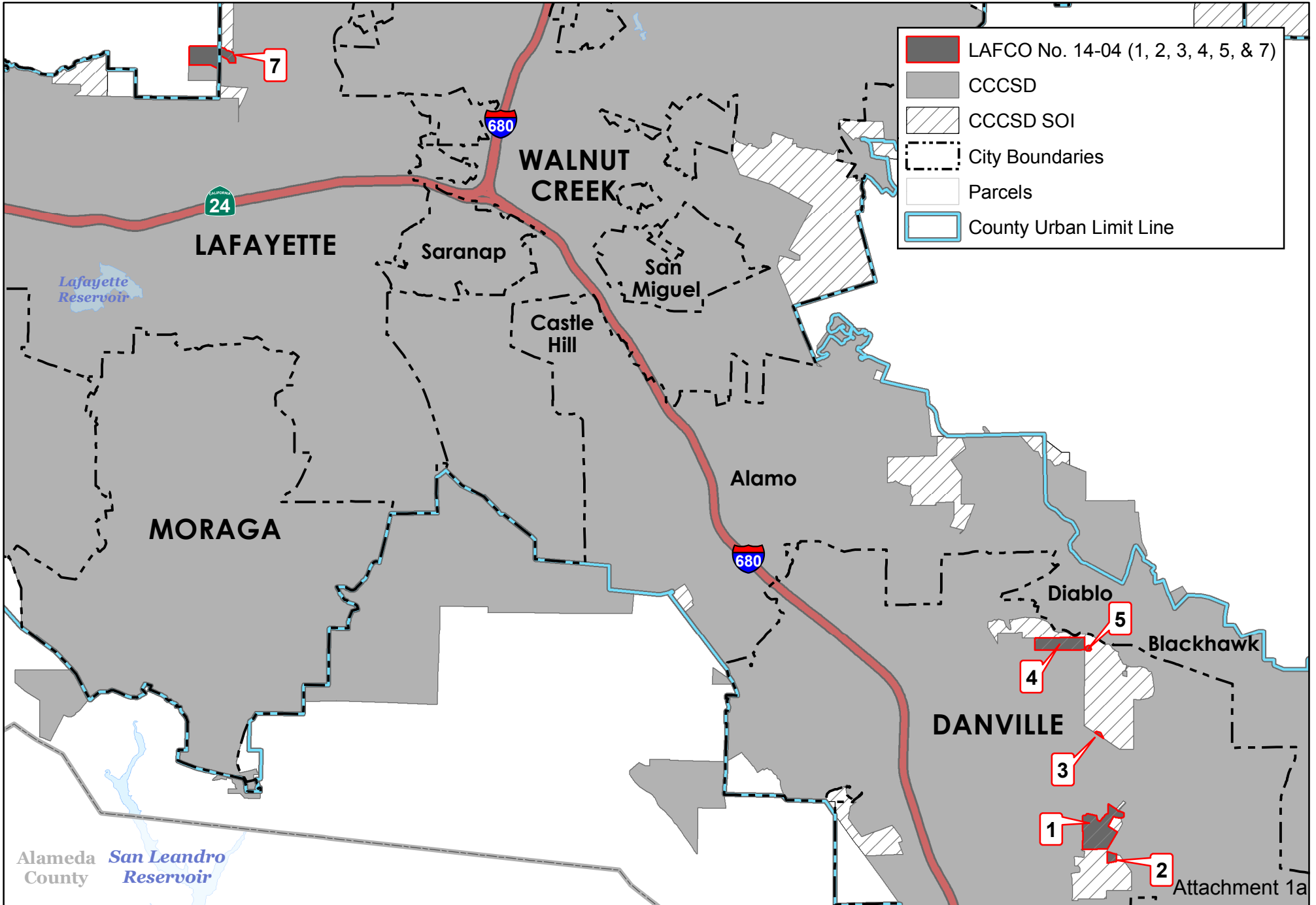
Approve Option 1.

LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Attachments

- 1a-f – CCCSD/EBMUD Annexation Maps
- 2 – Table Summarizing Land Uses in the Annexation Areas
- 3 - Draft LAFCO Resolution 14-04

LAFCO No. 14-04: Annexation 185 to Central Contra Costa Sanitary District Overview Map

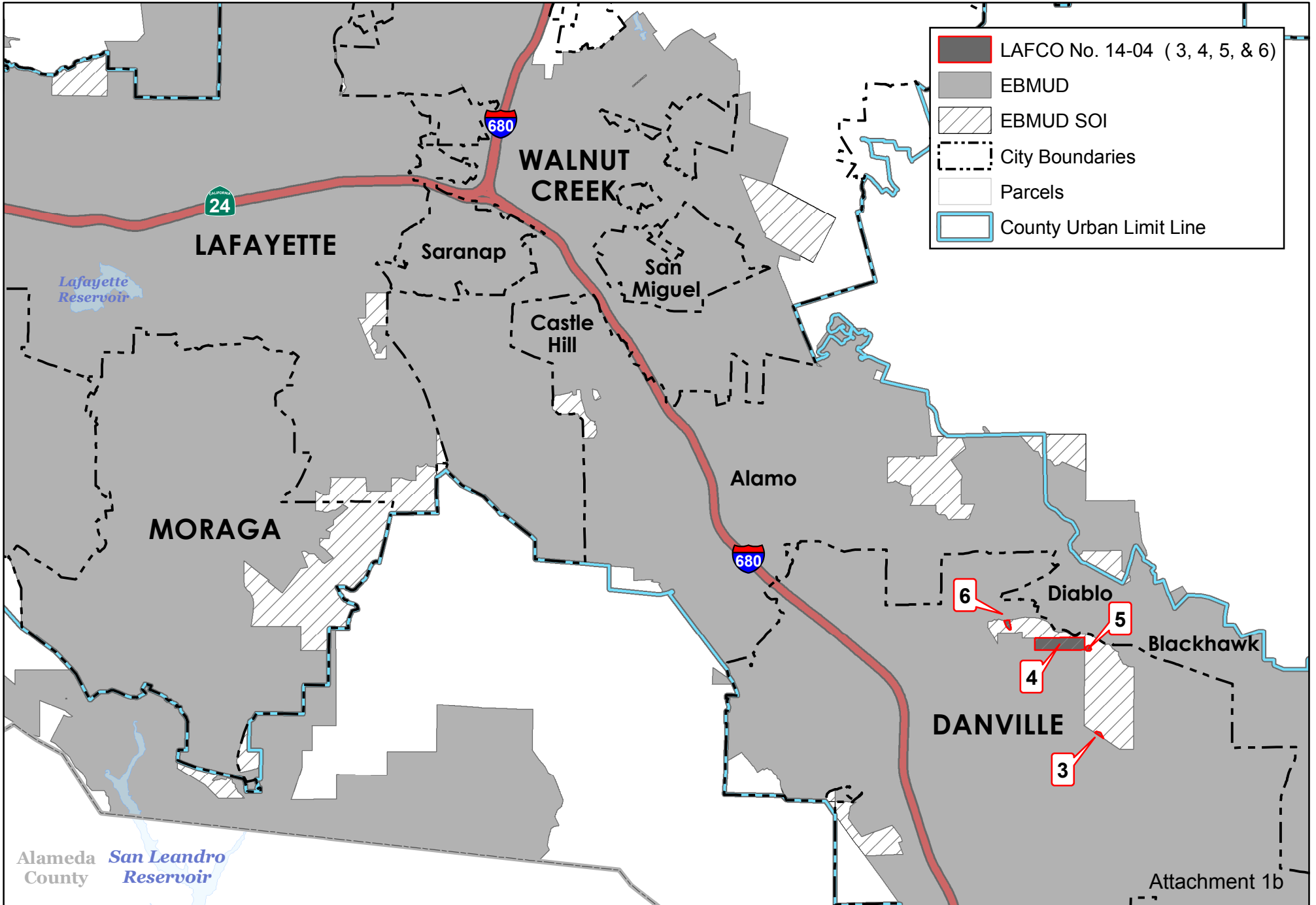


Alameda County San Leandro Reservoir

Attachment 1a



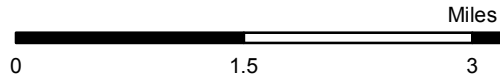
LAFCO No. 14-04: Annexation 185 to East Bay Municipal Utilities District Overview Map



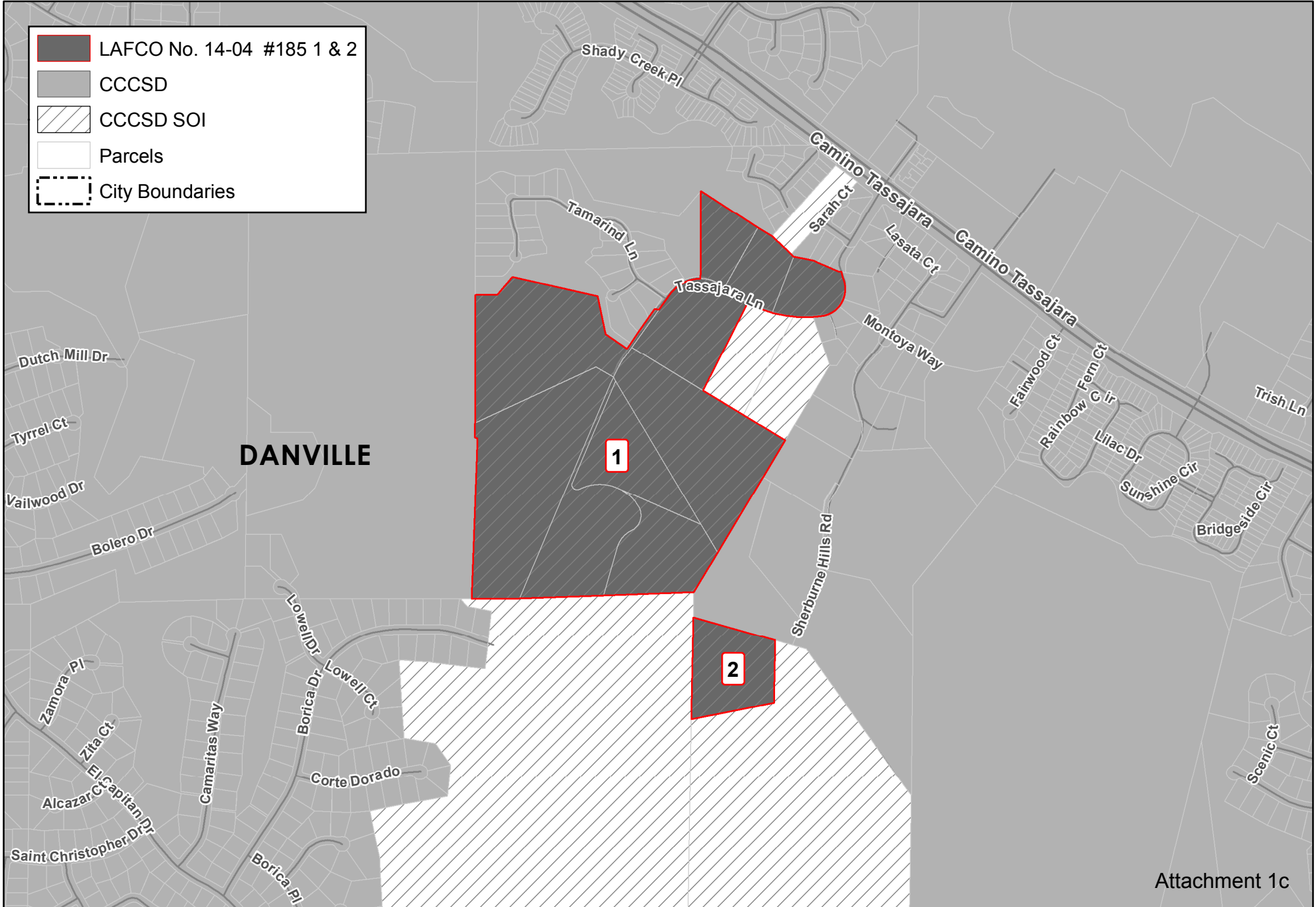
- LAFCO No. 14-04 (3, 4, 5, & 6)
- EBMUD
- EBMUD SOI
- City Boundaries
- Parcels
- County Urban Limit Line

Alameda County *San Leandro Reservoir*

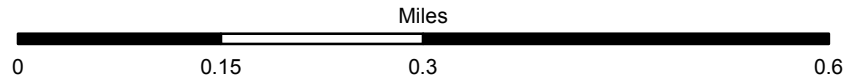
Attachment 1b



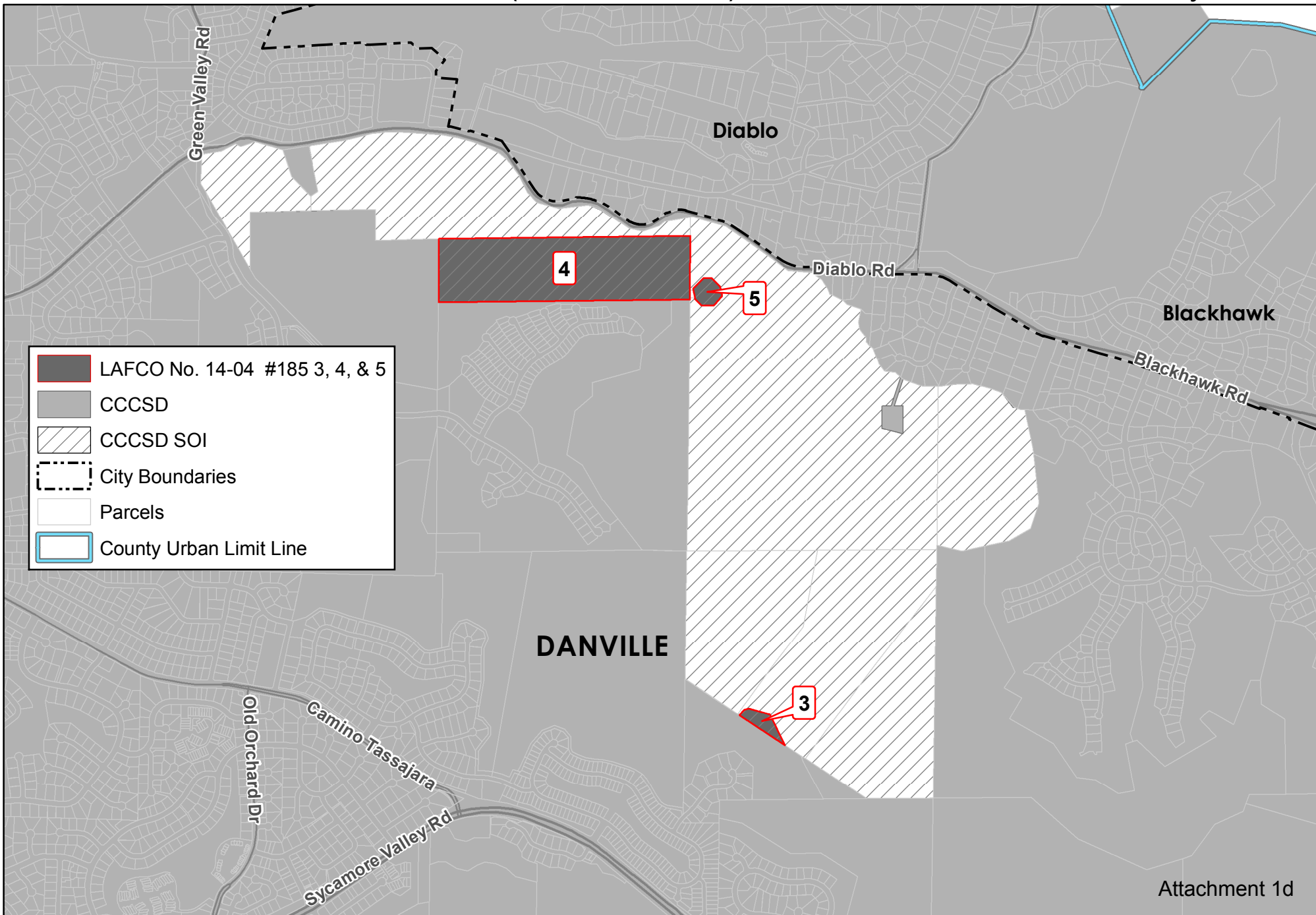
LAFCO No. 14-04: Annexation 185 (Areas 1 & 2) to Central Contra Costa Sanitary District



Attachment 1c



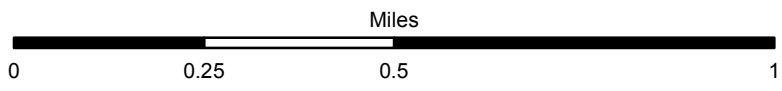
LAFCO No. 14-04: Annexation 185 (Areas 3, 4, & 5) to Central Contra Costa Sanitary District



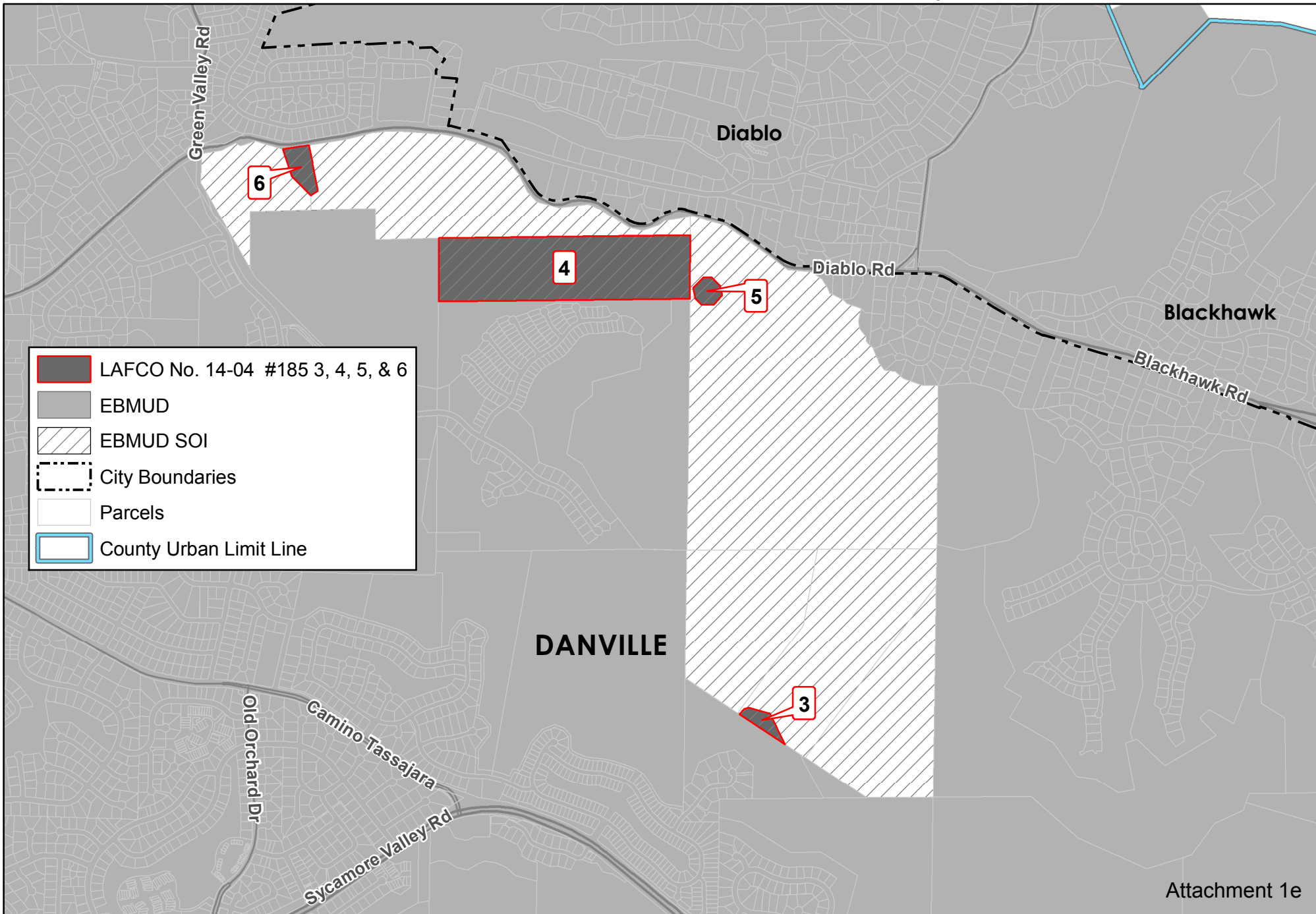
Attachment 1d

Map created 09/17/2014
 by Contra Costa County Department of
 Conservation and Development, GIS Group
 30 Muir Road, Martinez, CA 94553
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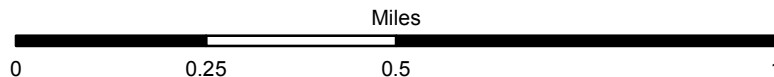
This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



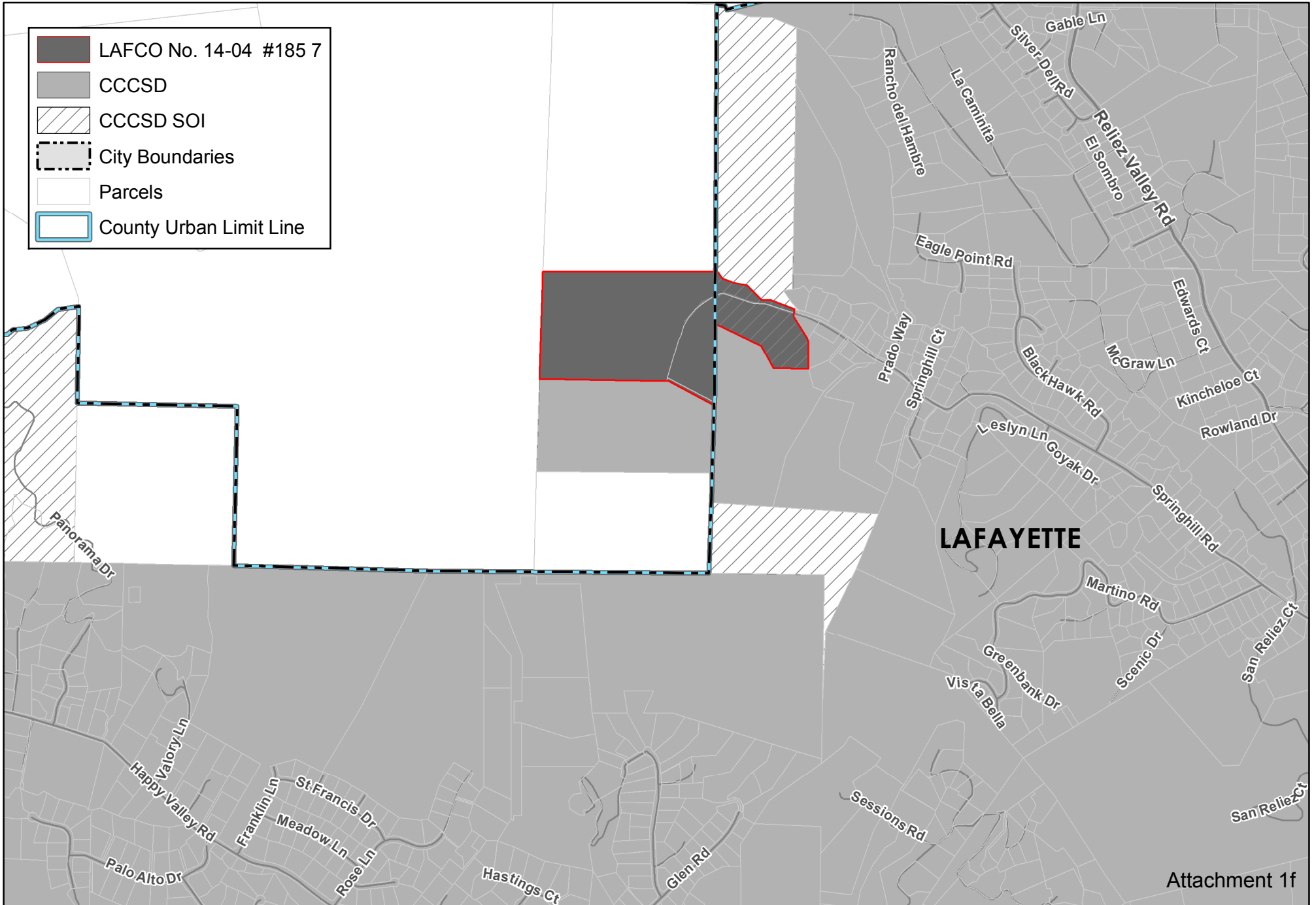
LAFCO No. 14-04: Annexation 185 (Areas 3, 4, 5, & 6) to East Bay Municipal Utilities District



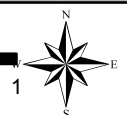
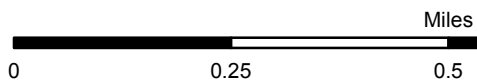
Attachment 1e



LAFCO No. 14-04: Annexation 185 (Area 7) to Central Contra Costa Sanitary District



Attachment 1f



LAFCO 14-04 REORGANIZATION 185: Annexations to CCCSD and EBMUD (Danville, Lafayette)

Annexation Area	Existing Land Uses	Surrounding Land Uses	General Plan Designation	Zoning Designation
185-1 Danville	three existing single family residences and seven undeveloped residential properties	East and West– single family residential (SFR), undeveloped; North – SFR; South – undeveloped.	Rural Residential (5-acre lot minimum), and Country Estates (one unit per acre minimum)	R-40 (SFR – 40,000 sq. ft. minimum lot size) and R-100 (SFR 100,000 sq. ft. minimum lot size)
185-2 Danville	one existing single family residence	East, West and South – undeveloped; North - SFR, undeveloped.	Country Estates	R-100
185-3 Danville	one undeveloped, common area parcel	East and West – undeveloped; North - SFR, undeveloped; and South – common area.	Rural Residential	A-2 (Agricultural)
185-4 Danville	one undeveloped, residential parcel	East and West – undeveloped; North – undeveloped, SFR; and South – common area and SFR.	Agricultural	A-4 (Agricultural)
185-5 Danville	one undeveloped municipally owned parcel (EBMUD water tank site)	East and South – undeveloped; West – undeveloped, common area; and North – undeveloped, SFR.	Agricultural	A-4 (Agricultural)
185-6 Danville	one developed municipally owned parcel (existing EBMUD water tank)	East and West – undeveloped; North – SFR; and South – SFR, undeveloped.	Rural Residential	A-2 (Agricultural)
185-7 Lafayette	One undeveloped, single-family residential parcel; one East Bay Regional Park District (EBRPD) park/road property; one undevelopable access property; one existing, single family residence; and one caretaker unit on a portion of EBRPD property	East – SFR, undeveloped; West and North – park; and South – undeveloped, girl scout camp.	Lafayette: R1 (Rural Residential Single Family, up to .1 dwelling unit per acre) County: AL (Agricultural Lands), and PR (Parks & Recreation)	Lafayette: LR-5 (Low Density Residential, 5-acre minimum lot size) and LR-10 (Low Density Residential, 10-acre minimum lot size) County: A-3 (Heavy Agricultural; parcel 10-acre minimum)

RESOLUTION NO. 14-04

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
 MAKING DETERMINATIONS AND APPROVING REORGANIZATION 185: ANNEXATIONS
 TO CENTRAL CONTRA COSTA SANITARY DISTRICT AND
 EAST BAY MUNICIPAL UTILITY DISTRICT

WHEREAS, a proposal to annex territory to both the Central Contra Costa Sanitary District (CCCSD) and the East Bay Municipal Utility District (EBMUD) was filed with Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code section 56000 et seq.); and

WHEREAS, the Executive Officer has examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; 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 Executive Officer has reviewed available information and prepared a report including her recommendations therein, and the report and related information have been presented to and considered by the Commission; and

WHEREAS, at a public hearing held on January 14, 2015, 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, consistency with the sphere of influence, contiguity with the districts' boundaries, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission has been presented that all the owners of land within the affected territory have given their written consent to the proposal; and

WHEREAS, the Local Agency Formation Commission finds the proposal to be in the best interest 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. The Commission finds that CCCSD, as Lead Agency, found the project to be Categorically Exempt – Class 19, Section 15319.
2. Said reorganization is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:
 REORGANIZATION 186: ANNEXATIONS TO CENTRAL CONTRA COSTA
 SANITARY DISTRICT AND EAST BAY MUNICIPAL UTILITY DISTRICT
4. Said territory is found to be uninhabited.
5. The proposal has less than 100% landowner consent and is subject to conducting authority proceedings.
6. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Attachments 1a – 1f, attached hereto and made a part hereof.
7. The subject territory shall be liable for any existing bonded indebtedness of the annexing agencies, if applicable.

Contra Costa LAFCO
Resolution No. 14-04

8. The subject territory shall be liable for any authorized or existing taxes, charges, and assessments comparable to properties within the annexing agencies.
9. CCCSD delivered an executed indemnification agreement providing for the District to indemnify LAFCO against any expenses arising from any legal actions challenging the reorganization.
10. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the U.S. Bureau of Reclamation (USBR), pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the Central Valley Project.
11. All subsequent proceedings in connection with this reorganization 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 JANUARY 2015, by the following vote:

- AYES:
NOES:
ABSTENTIONS:
ABSENT:

ROB SCHRODER, CHAIR, CONTRA COSTA LAFCO

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

Dated: January 14, 2015

Lou Ann Texeira, Executive Officer