

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

July 11, 2018 (Agenda)

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Agenda Item 8

LAFCO 18-05 Chang Property – Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) Sphere of Influence (SOI) Amendments

APPLICANT Vicky Chang, Property Owner

ACREAGE & LOCATION The applicant proposes to expand the CCCSD and EBMUD SOIs by 63.5± acres, which includes a 60.56± acre portion of the Chang property (195± acres), plus two other parcels including the Mast property (0.44± acres) and Panetta property (2.5± acres).

The subject area is located northwest of the intersection of Bollinger Canyon Road and Crow Canyon Road in unincorporated San Ramon, is inside the City of San Ramon's SOI and Urban Growth Boundary (UGB), and within the Contra Costa County Urban Limit Line (ULL) - see attached map (Exhibit A). The applicant has also submitted a corresponding proposal to annex these properties to the City of San Ramon, CCCSD and EBMUD.

PURPOSE The purpose of the proposal is to allow for the extension of municipal wastewater and water services to facilitate the development of 43 single-family large lot homes and 18 accessory dwelling units on the Chang property, which is consistent with the City of San Ramon's Northwest Specific Plan (NWSP). The Mast property is developed with one single family residence and related structures; and the Panetta property contains structures consistent with the current agricultural uses on the property. The Mast and Panetta properties are included in the application to avoid the creation of islands. No anticipated changes in land use on the Mast and Panetta properties will result from the proposed SOI and boundary changes.

On June 26, 2018, the San Ramon City Council adopted Resolution No. 2018-079 in support of the proposed SOI amendments and corresponding annexations to the City of San Ramon, CCCSD and EBMUD.

BACKGROUND The Chang property consists of open space utilized for agriculture and rangeland. The Mast property is developed with one single family residence and related structures; and the Panetta property contains structures consistent with the current agricultural uses on the property. The purpose of the proposed SOI and boundary changes is to facilitate development of the Chang property. The proposed development includes 43 single-family large lot homes, 18 accessory dwelling units, a tot lot, neighborhood park, and trail connections, along with landscaping, utilities and street improvements. Surrounding land uses include open space and agricultural uses to the north and west, multi- and single-family residential to the east, and single-family to the south.

The remainder of the Chang property (131± acres) will remain outside of the proposal area as unincorporated land with open space, agricultural and scenic uses. The 131± acres will be permanently preserved for these uses via the recordation of a perpetual open space easement.

In March 2018, the landowner submitted applications to Contra Costa LAFCO to amend the SOIs of CCCSD and EBMUD and annex the subject area to the City of San Ramon, CCCSD and EBMUD. Included with the application was a request that Alameda LAFCO transfer jurisdiction to Contra Costa LAFCO to process these

applications, as Alameda is designated the principal county for LAFCO proceedings, as defined by Gov. Code §56066 (i.e., the county having the greatest portion of the assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within the district). Contra Costa LAFCO submitted a request to Alameda LAFCO for transfer of jurisdiction, which Alameda LAFCO approved on March 8, 2018.

DISCUSSION The Cortese-Knox-Hertzberg Act (CKH Act) empowers LAFCO with the responsibility for developing and determining the SOI of each local agency within the County, and for enacting policies designed to promote the logical and orderly development of areas within the spheres.

An SOI is defined as *a plan for the probable physical boundaries and service area of a local agency, as determined by LAFCO*. The intent of an SOI is to identify the most appropriate area for an agency’s extension of services in the foreseeable future (e.g., 10-20 year horizon). Accordingly, territory included in an agency’s SOI is an indication that the probable need for service has been established, and that the subject agency has been determined by LAFCO to be the most logical service provider for the area.

Pursuant to Government Code section 56425, when amending an SOI for a local agency, LAFCO is required to consider and prepare a written statement of determinations with respect to the following:

1. ***The present and planned uses in the area, including agricultural and open space lands*** – The project site is actively grazed. The County and City General Plan (GP) and zoning designations for the subject parcels are summarized in the table below:

Property	County GP	County Zoning	City GP	City Zoning
Chang	Agricultural Land (AL)	A-4 (Agricultural Preserve – parcel 40 acre minimum)	Hillside/Residential/ Parks/Open Space	Hillside/Residential/ Parks/Open Space
Mast	AL	A-2 (General Agricultural – parcel 5 acre minimum)	Open Space	Open Space
Panetta	AL	A-2	Parks	Parks

The subject area is inside the City’s Urban Growth Boundary (UGB) and inside the County’s Urban Limit Line (ULL). However, the remaining portion of the Chang parcel (131± acres) is outside the UGB and ULL. The project site is not under an active Williamson Act contract. There are lands under Williamson Act contract approximately one mile to the northwest of the site and one mile to the south. Based on the applicant’s assessment, the site does not meet the definition of “prime agricultural land” (Gov. Code section 56064), but does qualify as “agricultural” land” (Gov. Code section 56016) due to active grazing on the property. The landowner has agreed to execute and record a perpetual open space easement to preserve 177± acres as permanent open space which will allow for continuation of existing land uses.

The proposed SOI amendment and pending annexation will facilitate changes in land use and will have an impact on agricultural land. Although no mitigation measures were included in the environmental documents for the project, the landowner has agreed to permanently preserve 177± acres as permanent open space. In addition, the project includes dedication of a public access trail easement to the East Bay Regional Park District (EBRPD) for a potential future trail.

2. ***The present and probable need for public facilities and services in the area*** – The existing land use (grazing) does not require public services or facilities.

Development of the subject area will require a full range of public facilities and municipal services, including water and wastewater services to enable development of the property. The City, in its environmental review, reviewed the provision of municipal services to the area, including water services through EBMUD and wastewater services through CCCSD.

3. ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*** – Regarding **wastewater service**, CCCSD currently serves an estimated population of 484,200 residents in a 145 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. Wastewater is conveyed to CCCSD’s wastewater treatment plant in Martinez. CCCSD’s wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 35.6 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a design capacity of 54 mgd.

Based on the proposed development of 43 single-family residential units, 18 accessory dwelling units, and related amenities and improvements in the subject area, the estimated demand for sewer service is approximately 9,810 gallons of wastewater per day. This volume equates to an increase of approximately 0.1 mgd. CCCSD has infrastructure in the area and serves surrounding properties. CCCSD has the capacity to serve the project.

Regarding **water service**, EBMUD provides potable water services and limited wastewater collection and treatment services in portions of the District’s service area. The EBMUD service area is approximately 332 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.4 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. In conjunction with the request to annex the property, EBMUD must seek approval from the USBR

for inclusion. Furthermore, the District may be required to obtain approval to update the District’s Place-in-Use with the California Water Resources Control Board.

Based on the proposed development of 43 single-family residential units, 18 accessory dwelling units, and related amenities and improvements in the subject area, the estimated demand for service is approximately 43 acre-feet of water per year. This water demand was accounted for in EBMUD’s demand forecast, as projected in the District’s 2015 Urban Water Management Plan (UWMP). Also, water conservation measures are included with the Chang project. The project will include a network of water mains, fire hydrants, and water laterals to serve the proposed development. The project will be served by a looped water distribution system consisting of pressurized mains and laterals, and will connect to the EBMUD system at the new Faria Pressure Zone. The water distribution system is under construction and timing of water service is contingent upon the completion of the Faria development and water distribution pipelines in Faria Parkway by the developer (Lennar), in addition to the Faria facilities by EBMUD. The cost for water supply, water main extensions, and system capacity charges (connection fees) will be borne by the project sponsor. Ongoing maintenance will be paid for through water rates collected by EBMUD. As noted in their will serve letter, EBMUD has the capacity to serve the project.

The Plan for Service indicates that for water, wastewater and drainage services the Homeowners Association (HOA) will be responsible for maintenance of on-site infrastructure to the extent the infrastructure is private.

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 64-acre subject area falls within the City of San Ramon’s SOI and is within the boundaries of the City’s NWSP. This plan sets forth a development program that incorporates a variety of residential neighborhoods with community open spaces and facilities, and provides enhancement of wildlife and riparian habitats. Of the 64 acres, approximately 16 acres (“Neighborhood E”) was identified for future residential develop at a density of 2 dwelling units per acre. This portion of the project site is outside the City limits but within the City’s UGB. Access to the project site is through Bollinger Canyon Road. Development of these three properties was envisioned in the NWSP with the goal of creating a balanced community composed of public facilities, open space, and residential neighborhoods within the area. The surrounding areas to the east and south are developments and served by CCCSD and EBMUD. The subject area will benefit from services provided by CCCSD and EBMUD.
5. ***Nature, location, extent, functions & classes of services to be provided*** – CCCSD provides wastewater collection, treatment, and disposal services for Danville, Lafayette, Moraga, Orinda, Pleasant Hill, and Walnut Creek, as well as to portions of Martinez, San Ramon and unincorporated areas within Central Contra Costa County. The District also provides wastewater treatment for the cities of Concord and Clayton, and is a partner in the Household Hazardous Waste Collection Facility that serves the central portion of the county. CCCSD is expected to provide wastewater collection, treatment, and disposal services to the subject area.

EBMUD provides wholesale water, retail water, wastewater collection and wastewater treatment services for an area of 332± square miles in Contra Costa and Alameda Counties. EBMUD provides potable water to over 1.4 million customers within the two-county service area, and wastewater treatment to over 685,000 residential, business and industrial customers. In Contra Costa County, water service is provided to Crockett, Rodeo, Hercules, Pinole, Richmond, El Sobrante, San Pablo, Orinda, Moraga, Lafayette, Pleasant Hill, Walnut Creek, Alamo, Danville, Diablo, Blackhawk and San Ramon; and wastewater

services are provided to El Cerrito and Kensington. EBMUD is expected to provide water service to the subject area.

Environmental Impact of the Proposal – In 2017, the City of San Ramon, as Lead Agency, prepared and approved an Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMRP) in conjunction with the Chang Property Project. The City also approved a Vesting Tentative Map for the project. The environmental factors potentially affected by this project include Aesthetics, Biological Resources, Cultural Resources, Hazards/Hazardous Materials, Hydrology/Water Quality, and Noise. The MMRP address these factors and reduces the impacts to less than significant.

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** Adopt the attached resolution (Exhibit B) approving the proposed expansions to the SOIs of CCCSD and EBMUD adding 63.5± acres to the SOIs as depicted on the attached map (Exhibit A).
- A. Determine that the City of San Ramon, as Lead Agency, prepared and certified an Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program in conjunction with the Chang Property Project.
 - B. Adopt this report and amend the SOIs of CCCSD and EBMUD as described herein and shown on the attached map.

Option 2 Adopt this report and DENY the proposal.

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

RECOMMENDATION **Option 1 – approve the SOI amendments as proposed.**

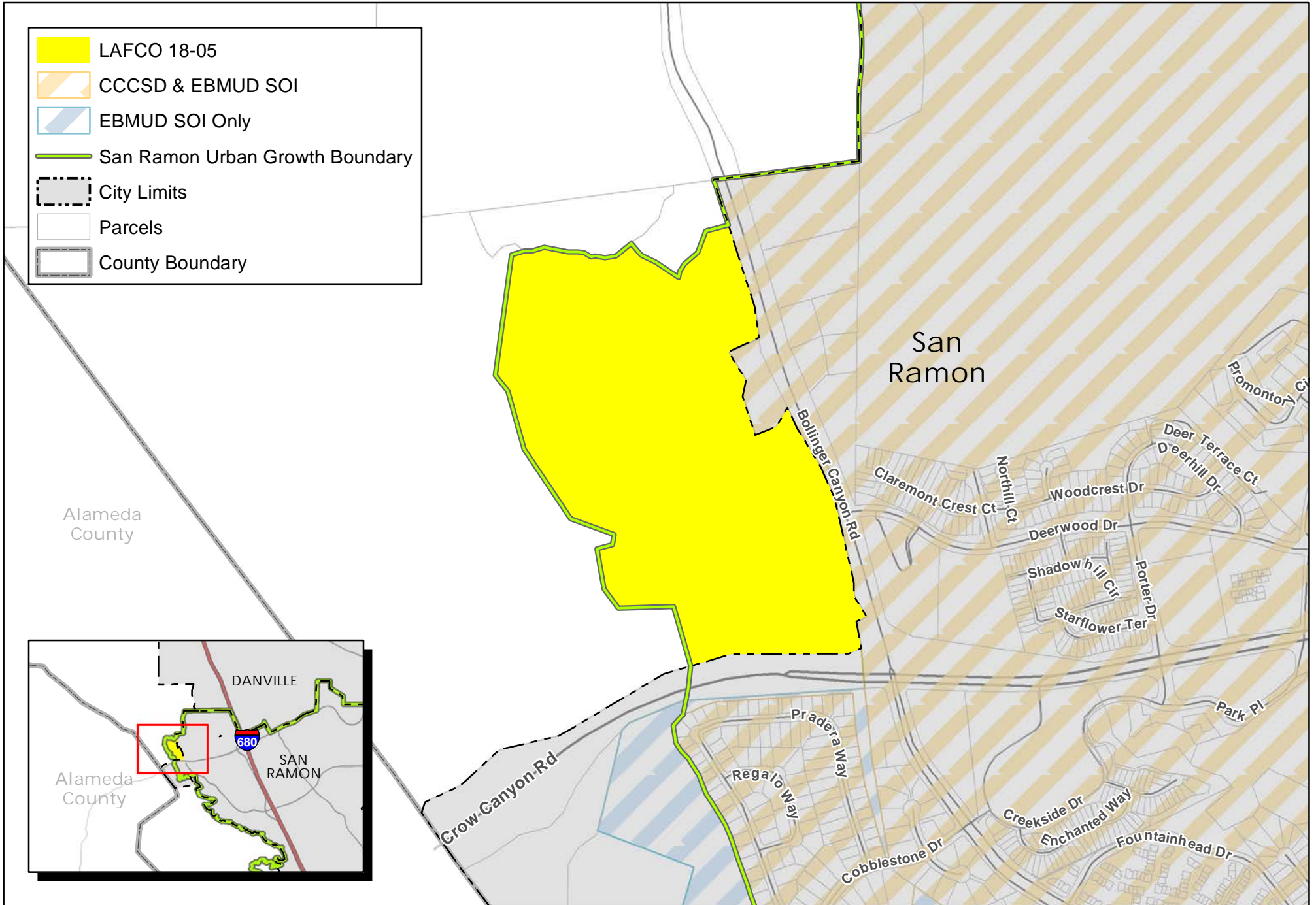
LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Exhibits

- A - Map – Proposed CCCSD and EBMUD SOI Amendments
- B - Draft LAFCO Resolution – CCCSD and EBMUD SOI Amendments

c: Vicky Chang, Landowner
Cindy Yee, City of San Ramon
Russell Leavitt, CCCSD
Andrew Lee, EBMUD
David Bowlby, The Bowlby Group, Inc.
Nadia Costa, Miller Starr Regalia

LAFCO 18-05 Chang Property SOI Amendment (CCCSD, EBMUD)



SPHERE OF INFLUENCE RESOLUTION NO. 18-05

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND EXPANDING THE SPHERES OF INFLUENCE
OF CENTRAL CONTRA COSTA SANITARY DISTRICT AND
EAST BAY MUNICIPAL UTILITY DISTRICT (CHANG PROPERTY)

WHEREAS, a proposal to expand the spheres of influence (SOI) of Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) was filed with the Contra Costa Local Agency Formation Commission (LAFCO) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56425); 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, SOIs and applicable General and Specific Plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included herein by reference;

NOW, THEREFORE, the Contra Costa LAFCO DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The matter before the Commission is the proposed expansion of the SOIs of the Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) to include 63.5± acres located at the intersection of Bollinger Canyon Road and Crow Canyon Road in unincorporated San Ramon. The landowner has also submitted a corresponding application to annex the area to the City of San Ramon, CCCSD and EBMUD.
2. LAFCO is a Responsible Agency under the California Environmental Quality Act (CEQA). The City of San Ramon, as Lead Agency, prepared and certified the *Chang Property Development Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program*. In accordance with CEQA, the Commission certifies it has reviewed and considered the information contained in the City's CEQA documents; and finds that there are no direct or indirect environmental effects that would result from LAFCO's approval of the SOI amendments; and therefore, no additional mitigation measures are required beyond those already included in the CEQA document certified by the City of San Ramon.
3. The SOIs of CCCSD and EBMUD are hereby expanded to include the area as shown on the attached map (Exhibit A).
4. The Commission has considered the criteria set forth in Government Code §56425 and determines as follows:

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

Approximately 63.5± acres are added to the SOIs of CCCSD and EBMUD (APNs 208-240-038/039/009). The subject area is located at the intersection of Bollinger Canyon Road and Crown Canyon Road in the unincorporated San Ramon Area. The subject area includes a portion of the Chang property and the Mast and Panetta parcels. The project site is actively grazed. The Chang property consists of open space utilized for agriculture and rangeland. The Mast property is developed with one single family residence and related structures; and the Panetta property contains structures consistent with the current agricultural uses on the property.

The proposed development for the Chang property includes 43 single-family large lot homes, 18 accessory dwelling units, a tot lot, neighborhood park, and trail connections, along with landscaping, utilities and street improvements. No development is proposed for the Mast and Panetta parcels. Surrounding land uses include open space and agricultural uses to the north and west, multi- and single-family residential to the east, and single-family to the south.

The County's General Plan and Zoning designations for the subject property are Agricultural Lands, and A-2 (General Agricultural) and A-4 (Agricultural Preserve), respectively. The City's land use designations include Hillside/Residential/ Parks/Open Space (Chang) and Open Space/Parks (Mast and Panetta). The proposed SOI amendment and pending annexation of the property will have no change in land use designations.

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

With the proposed residential development on the Chang property, there will be the need for public facilities and services in the area, including water, wastewater, and other municipal services. Services necessary to serve the project are described in the City of San Ramon's CEQA documents and Plan for Service.

Preliminary estimates indicate that the water demand for the project will be approximately 43 acre-feet of water per year. The estimated demand for sewer service is approximately 9,810 gallons of wastewater per day (Chang and Mast properties).

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

EBMUD provides potable water services and limited wastewater collection and treatment services in portions of the District's service area. The EBMUD service area is approximately 332 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.4 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% 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, subject to approval.

CCCSD currently serves an estimated population of 484,200 residents in a 145 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. Wastewater is conveyed to CCCSD's wastewater treatment plant in Martinez. CCCSD's wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 35.6 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a design capacity of 54 mgd.

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 63.5-acre subject area falls within the City of San Ramon’s SOI and is within the boundaries of the City’s NWSP. This plan sets forth a development program that incorporates a variety of residential neighborhoods with community open spaces and facilities, and provides enhancement of wildlife and riparian habitats. Of the 63.5 acres, approximately 16 acres (“Neighborhood E”) was identified for future residential develop at a density of 2 dwelling units per acre. This portion of the project site is outside the City limits but within the City’s UGB. Access to the project site is through Bollinger Canyon Road. Development of these three properties was envisioned in the NWSP with the goal of creating a balanced community composed of public facilities, open space, and residential neighborhoods within the area. The surrounding areas to the east and south are developments and served by CCCSD and EBMUD. The subject area will benefit from services provided by CCCSD and EBMUD.

The nature, location, and extent of any functions or classes of services provided by the existing districts.

EBMUD provides wholesale water, retail water, wastewater collection and wastewater treatment services for an area of 332± square miles in Contra Costa and Alameda Counties. EBMUD provides potable water to over 1.4 million customers within the two-county service area, and wastewater treatment to over 685,000 residential, business and industrial customers. In Contra Costa County, water service is provided to Crockett, Rodeo, Hercules, Pinole, Richmond, El Sobrante, San Pablo, Orinda, Moraga, Lafayette, Pleasant Hill, Walnut Creek, Alamo, Danville, Diablo, Blackhawk and San Ramon; and wastewater services are provided to El Cerrito and Kensington. EBMUD is expected to provide water service to the subject area.

CCCSD provides wastewater collection, treatment, and disposal services for Danville, Lafayette, Moraga, Orinda, Pleasant Hill, and Walnut Creek, as well as to portions of Martinez, San Ramon and unincorporated areas within Central Contra Costa County. The District also provides wastewater treatment for the cities of Concord and Clayton, and is a partner in the Household Hazardous Waste Collection Facility that serves the central portion of the county. CCCSD is expected to provide wastewater collection, treatment, and disposal services to the subject area.

* * * * *

PASSED AND ADOPTED THIS 11th day of July 2018, by the following vote:

- AYES:
- NOES:
- ABSTENTIONS:
- ABSENT:

MICHAEL R. MCGILL, 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 above

Dated: July 11, 2018

Lou Ann Texeira, Executive Officer