LAFCO 18-13  Santiago Village – Contra Costa Water District (CCWD) and Diablo Water District (DWD) Sphere of Influence (SOI) Amendments

APPLICANT  Diablo Water District – Resolution 2018-11, October 24, 2018

ACREAGE & LOCATION  The applicant proposes to expand the CCWD and DWD SOIs by 23.11+ acres, which includes the Santiago Island Village Mobile Home Park (“SIV”). The subject area comprises 21.87+ acres and a 1.24+ acre portion of Gateway Road for the extension of the DWD treated water line.

The subject area is located at 3505 Gateway Blvd (APN 029-050-038) in unincorporated Bethel Island, and is within the Contra Costa County Urban Limit Line (ULL) - see attached map (Exhibit A). The applicant has also submitted a corresponding proposal to annex the property to CCWD and DWD.

PURPOSE  The purpose of the proposal is to allow for the extension of municipal water to serve the SIV as recommended by the State Water Resources Control Board (SWRCB). CCWD will provide wholesale water and DWD will provide treated water to the property. This will eliminate the need for reliance on a single groundwater well. The single well could potentially fail, and this creates a water supply issue as well as a potential for contamination within the mobile home park. Further, the existing groundwater well exceeds the secondary maximum contaminant level for manganese.

BACKGROUND  The SIV is a mobile home park located on Gateway Road in unincorporated Bethel Island. The existing community water system serves approximately 300 residents and 100 daily visitors through 211 connections. The water system has one groundwater source – Well 01. According to the SWRCB (Division of Drinking Water), the treatment system is limited, and there is no distribution system storage or pumping facilities. The average monthly demand for 2016 and 2017 was 926,117 gallons, and a maximum monthly demand of 2,051,600 gallons during September 2017. The SWRCB recommends that the SIV consolidate with DWD to obtain reliable drinking water and discontinue Well 01. This consolidation will address two main water deficiencies: 1) water source and facilities and capacity, and 2) water quality. The SWRCB is aware of the current effort to address the water issues through annexation; and therefore, has not taken enforcement action to require the SIV to correct these deficiencies by a specific deadline.

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 subject property is developed with 211 mobile homes. The County General Plan designation for the property is “MO” (Mobile Home) and the Zoning designations include “T-1” (Mobile Home/Manufactured Home Park) and “FH” (Flood Hazard). The proposed SOI amendments and pending annexations will not facilitate new development or changes in land use and will have no impact on agricultural land.

2. **The present and probable need for public facilities and services in the area** – The existing residential land use requires public services, including water, wastewater and fire. As noted above, the existing single groundwater well is no longer adequate to serve the property; municipal water service through CCWD and DWD is needed.

3. **The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide** – Regarding wholesale water, CCWD’s boundary encompasses 220+ square miles in central and eastern Contra Costa County. CCWD’s untreated water service area includes Antioch, Bay Point, Oakley, Pittsburg, and portions of Brentwood and Martinez. The District’s treated water service area includes Clayton, Clyde, Concord, Pacheco, Port Costa, and parts of Martinez, Pleasant Hill, and Walnut Creek. CCWD also treats and delivers water to the City of Brentwood, Golden State Water Company (Bay Point), Diablo Water District (Oakley), and the City of Antioch. CCWD serves approximately 500,000 (61,085 water connections). The primary sources of water are the United States Bureau of Reclamation (USBR) Central Valley Project (CVP) and delta diversions. One of CCWD’s prerequisites for service, including future annexation, is inclusion in the CVP service area. The CVP inclusion review is a separate process, and requires specific environmental documents.

   Regarding retail water, DWD encompasses 21+ square miles including Oakley, downtown Knightsen, parts of Bethel Island including Delta Coves, and unincorporated areas including the Hotchkiss Tract, East Cypress Corridor Specific Plan Area, and the Summer Lakes development. DWD collects, treats and supplies municipal water to over 40,000 residents. The District’s primary sources of water include CVP (purchased from CCWD) and groundwater extracted from Tracy sub-basin.

   The DWD intends to serve the SIV with a treated water line extension from the adjacent Delta Coves residential subdivision that already lies within the DWD SOI and service area. The SIV will construct a water service line from the DWD meter to connect to the existing water system.

   Based on their recent future water supply studies and urban water management plans, both CCWD and DWD indicate they have the capacity to serve the project. The districts and landowners will work together to complete the CVP inclusion process.

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 23-acre subject area is located in unincorporated Bethel Island. Both CCWD and DWD have a presence in the area as both districts provide water service to an adjacent development (Delta Coves) in Bethel island and to the City of Oakley, south of Bethel Island. Further, the entirety of Bethel Island is a Disadvantaged Unincorporated Community (DUC). In considering an SOI update, LAFCO must consider needs or deficiencies related to sewer, municipal and industrial water, and structural fire protection in any DUC within or contiguous to the subject agency’s SOI.

5. **Nature, location, extent, functions & classes of services to be provided** – CCWD provides treated water service to Clayton, Clyde, Concord, Pacheco, Port Costa, and parts of Martinez, Pleasant Hill, and
Walnut Creek. CCWD also treats and delivers water to the City of Brentwood, Golden State Water Company (Bay Point), Diablo Water District (Oakley), and the City of Antioch. CCWD serves approximately 500,000 (61,085 water connections). The primary sources of water are the USBR CVP and delta diversions. CCWD is expected to provide wholesale water to the subject area.

DWD provides retail water to the City of Oakley, downtown Knightsen, parts of Bethel Island including Delta Coves, and unincorporated areas including the Hotchkiss Tract, East Cypress Corridor Specific Plan Area, and the Summer Lakes development. DWD collects, treats and supplies municipal water to over 40,000 residents. The District’s primary sources of water include CVP (purchased from CCWD) and groundwater extracted from San Joaquin Valley Basin. DWD is expected to provide retail water to the subject area.

Environmental Impact of the Proposal – DWD, as Lead Agency, found the project exempt pursuant to CEQA Guidelines sections 15303(d) – *New Construction or Conversion of Small Structures* and section 15319(a) Annexations of Existing Facilities and Lots for Exempt Facilities.

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 resolution (Attachment 1) approving the proposed expansions to the SOIs of CCWD and DWD adding 23.11+ acres to the SOIs as depicted on the attached map (Exhibit A).

A.  
Determine that the DWD, as Lead Agency, found the project exempt pursuant to CEQA Guidelines sections 15303(d) – *New Construction or Conversion of Small Structures* and section 15319(a) Annexations of Existing Facilities and Lots for Exempt Facilities

B.  
Adopt this report and amend the SOIs of CCWD and DWD 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.

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

Exhibit A - Map – Proposed CCWD and DWD SOI Amendments  
Attachment 1 - Draft LAFCO Resolution – CCWD and DWD SOI Amendments  
c:  
Dan Muelrath, General Manager, Diablo Water District  
Mark A. Seedall, Principal Planner, Contra Costa Water District  
Aimee Molsberry, Santiago Communities, Inc.
LAFCO No. 18-13 - CCWD, DWD SOI Amendment (Santiago Island Village)

Map created 11/19/2018 by Contra Costa County Department of Conservation and Development, GIS Group
30 Muir Road, Martinez, CA 94553 37.93.41.781N 122.07.03.756W

This map or dataset was created by the Contra Costa County Department of Conservation and Development with data from the Contra Costa County 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.
SPHERE OF INFLUENCE RESOLUTION NO. 18-13

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND EXPANDING THE SPHERES OF INFLUENCE OF CONTRA COSTA WATER DISTRICT AND DIABLO WATER DISTRICT (SANTIAGO VILLAGE)

WHEREAS, a proposal to expand the spheres of influence (SOI) of Contra Costa Water District (CCWD) and Diablo Water District (DWD) 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 CCWD and DD to include 23.11+ acres, including Assessor Parcel Number 029-050-038, located at 3505 Gateway Road in unincorporated Bethel Island.

2. The Commission is a Responsible Agency under the California Environmental Quality Act (CEQA); and in accordance with CEQA, finds the project is exempt pursuant to CEQA Guidelines, Section 15303 and 15319, consistent with the determination of DWD acting as Lead Agency.

3. The SOIs of CCWD and DWD are hereby expanded to include the areas as shown on the attached map (Exhibit A).

4. CCWD and DWD services are limited to serving the subject property.

5. 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 – The County General Plan designation for the property is “MO” (Mobile Home) and the zoning designations include “T-1” (Mobile Home/Manufactured Home Park) and “FH” (Flood Hazard). The proposed SOI amendments and pending annexations will not facilitate new development or changes in land use and will have no impact on agricultural land.

   The present and probable need for public facilities and services in the area – The existing residential land use requires public services, including water, wastewater and fire. As noted above, the existing single groundwater well is no longer adequate to serve the property; and municipal water service through CCWD and DWD is needed.

   The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide – DWD intends to serve the subject area with a treated water line extension from the adjacent Delta Coves residential subdivision that already lies within the DWD SOI and service area. The property owner will construct a water service line from the DWD meter to connect to the existing water system. Based on their recent future water supply studies and urban water management plans, CCWD and DWD indicate they have the capacity to serve the project. The districts and landowners will work together to complete the Central Valley Project (CVP) inclusion process.

   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 23+ acre subject area is located in unincorporated Bethel Island. Both CCWD and DWD have a presence in the area as both districts provide water service to an adjacent development (Delta Coves) in Bethel Island and to the City of
Oakley, south of Bethel Island. Further, the entirety of Bethel Island is a Disadvantaged Unincorporated Community (DUC). In considering an SOI update, LAFCO must consider needs or deficiencies related to sewer, municipal and industrial water, and structural fire protection in any DUC within or contiguous to the subject agency’s SOI.

**Nature, location, extent, functions & classes of services to be provided** – CCWD provides treated water service to Clayton, Clyde, Concord, Pacheco, Port Costa, and parts of Martinez, Pleasant Hill, and Walnut Creek. CCWD also treats and delivers water to the City of Brentwood, Golden State Water Company (Bay Point), DWD (Oakley), and the City of Antioch. CCWD serves approximately 500,000 (61,085 water connections). The primary sources of water are the U.S. Bureau of Reclamation CVP and delta diversions. CCWD is expected to provide wholesale water to the subject area.

DWD provides retail water to the City of Oakley, downtown Knightsen, parts of Bethel Island including Delta Coves, and unincorporated areas including the Hotchkiss Tract, East Cypress Corridor Specific Plan Area, and the Summer Lakes development. DWD collects, treats and supplies municipal water to over 40,000 residents. The District’s primary sources of water include CVP (purchased from CCWD) and groundwater extracted from San Joaquin Valley Basin. DWD is expected to provide retail water to the subject area.

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PASSED AND ADOPTED THIS 13th day of February 2019, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

TOM BUTT, 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: February 13, 2017
Lou Ann Texeira, Executive Officer