SACRAMENTO LOCAL AGENCY FORMATION COMMISSION 1112 I Street, Suite #100 Sacramento, California 95814 (916) 874-6458

August 3, 2005

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: <u>GUM RANCH LOT A ANNEXATION</u> <u>TO FAIR OAKS WATER DISTRICT</u> (04-05) [CEQA: Addendum to Mitigated Negative Declaration]

Contact: Don Lockhart, AICP, Assistant Executive Officer [(916) 874-2937]

RECOMMENDATION

- 1. Consider the Addendum, together with the Mitigated Negative Declaration and Mitigation Monitoring Plan, previously certified by the County of Sacramento as the CEQA lead agency, as adequate and complete for the project cited above and direct the Executive Officer to file the Notice of Determination with the County Clerk.
 - Approve the <u>Gum Ranch Lot A Annexation to Fair Oaks Water District (04-05)</u> and authorize your Commission to waive Conducting Authority proceedings, due to one-hundred percent consent of affected landowners and affected agencies.

Project Proponent

GSJ Company LLC (DBA Dunmore Communities) c/o Josh Fischer 1115 Orlando Ave. Roseville, CA 95661 (916) 676-1115

PROJECT DESCRIPTION

The Gum Ranch proposal consists of annexing "Lot A" - a 16+ acre portion of a 107+ acre undeveloped parcel, for purposes of supplying municipal water service to a residential subdivision. Lot A has been approved by Sacramento County for the development of an 89 unit single-family residential subdivision, with a .8 acre site to be used as an interim park/detention basin. The affected territory is a vacant remainder portion

of the previously approved 107+ acre Gum Ranch SPA, a single family residential subdivision with 251 lots. Development of the balance of the site will provide for a 15 acre detention basin, and the joint use of the on-site park site will no longer be necessary.

Approval of the annexation to the Fair Oaks Water District will implement a condition of project approval imposed by the County of Sacramento Project Planning Commission, February 28, 2005.

FPPC Disclosure

No parties to this reorganization have declared any contributions to any members of the Commission.

100 Percent Consent

Staff recommends that the Conducting Authority protest proceedings be waived. The affected territory is owned solely by the project proponent. The adjacent neighborhood associations, affected property owners, and landowners within a 500 foot radius of the project site, have been notified of the date, time and place of the hearing on this proposal. There are no registered voters within the affected territory. No agency protest has been received.

PROJECT LOCATION

The property to be annexed is located in the unincorporated community of Fair Oaks, Sacramento County, at the northwest corner of the intersection of Madison and Kenneth Avenues. The project is located within the service boundary of Fair Oaks Water District.

Project Setting:

| Project Site: Vacant | County Zoning: | Gum Ranch SPA |
|---|----------------|---|
| Surrounding Land Uses: North: Vacant East: Commercial, Single Family South: Developed Commercial West: Vacant | County Zoning: | Gum Ranch SPA Gum Ranch SPA LC Gum Ranch SPA |

LAFCo Policy, County General Plan, and Zoning Consistency:

The proposed Gum Ranch Lot A Annexation is consistent with the Sacramento LAFCo Policies and Procedures, County of Sacramento General Plan, the Gum Ranch SPA. The provision of water by the District to serve existing and planned future growth in the area is assumed in, and consistent with, the County General Plan.

Affected Agencies:

The following districts were notified and have taken a position of no opposition to the proposed annexation:

Sacramento Metropolitan Fire District Orangevale Recreation and Park District Fair Oaks Recreation and Park District Sacramento County Water Agency Fair Oaks Cemetery District

Sacramento Metropolitan Fire District commented that the proposed annexation may enhance life safety delivery capabilities to the affected territory.

Fair Oaks Recreation and Park District provided comment affirming their commitment to provide park and recreation programming services for the proposed park site.

The site falls within the CSD No.1 "Relief" area, and the SRCSD "Infill" area. As such, development of the site will be subject to applicable fee reductions or waivers. This in turn will contribute to the mission of your Commission to encourage infill development, while providing housing for persons and families of all incomes, and the efficient extension of governmental services.

Fair Oaks Water District Service Plan and Master Services Element

Although supportive of the proposal, the Board of Directors of Fair Oaks Water District has not taken formal action on this matter. Typically the District adopts a Resolution accepting an annexation after approval by LAFCo.

The Fair Oaks Water District staff has provided the following comments:

Fair Oaks Water District's role in providing water service to the project referenced above is as follows:

Service Territory

The lands proposed for annexation are within Fair Oaks Water District's (FOWD) sphere of influence. The affected territory essentially constitutes an island in the westerly portion of FOWD. The 1993 FOWD Master Services Element anticipated service to this area. Furthermore, the territory is within the wholesale service area of San Juan Water District (SJWD), the agency from which FOWD purchases surface water.

Water Supply & Conservation Programs

The Wright Irrigation Act authorized the establishment of irrigation districts by more than 50 people or a majority of landowners. By 1915, there were 57 irrigation districts in California, watering 29.2 percent of the acreage. FOWD still retains original water rights dating to 1887, called "pre-1914 water rights."

The district purchases most of its water from San Juan Water District as treated water and delivers it to approximately 13,000 residential and commercial service connections. SJWD has anticipated FOWD serving this territory utilizing the water resources available through SJWD. SJWD has sufficient water supply and treatment plant capacity to provide wholesale water to FOWD to serve the affected territory.

FOWD is among the signatories of the landmark Water Forum Memorandum of Understanding to protect the environmental benefits of the Lower American River and provide for reliable regional water supplies. FOWD has remained engaged in the ongoing efforts to implement the pact. These elements include researching appropriate river flows for fish, developing new upstream diversion agreements, organizing groundwater management programs, implementing water conservation programs, providing consistency in land use planning that impacts water supplies, and drafting potential recreational improvements at Folsom Lake. Since its inception, the Water Forum effort has been nationally recognized as a model of good public planning, providing an effective solution to related issues that affect a wide spectrum of interests.

The District's Water Demand Management (Conservation) Program addresses a variety of water conservation "best management practices" including: offering free water use reviews for residential, commercial and institutional customers; distributing low-flow showerheads and other plumbing retrofit devices; public information and school education programs; rebates for ultra-low-flush toilets; conservation pricing for metered water consumption; and many others.

Infrastructure

The District, anticipating water service to the subject territory, has facilities proximate to the project site. The on-site water distribution system will be designed by the developer's engineer and then reviewed and subsequently approved by the District prior to construction. All on-site service infrastructure will be installed at the landowner's expense, consistent with District specifications.

Service Demand and Capacity

In 1992, Central Valley Project Improvement Act was passed by Congress, which required the U.S. Bureau of Reclamation (USBR) to require all of its water contractors to implement water metering. FOWD, as a customer to the USBR, has made a good faith commitment to meter all customer service connections by 2005.

Fair Oaks Water District provides customer service, administration and accounting for nearly 13,500 water service connections, representing approximately 42,000 residents, covering approximately 6053 acres. District staff also operates, maintains and upgrades the 180 miles of FOWD pipeline, operates six wells and the storage and pumping facility, manages water conservation, provides safety management, a 3 million-gallon water tank, a state-of-the-art telemetry system, and plans system replacements and upgrades.

Fire Protection Facilities

Fair Oaks Water District and Sacramento Metropolitan Fire District (SMFD) conjunctively review the project plans for the placement of fire protection facilities and will approve same prior to construction. Staffs of FOWD and SMFD confer routinely to discuss planning and construction issues.

Fees and Charges

Fair Oaks Water District is an "enterprise district" in that its revenue sources are based on user service charges and fees. The District receives no property tax revenues. Water rates are typically assessed on a flat-rate basis for single family, condominium and duplex residential accounts.

The water service to this project will be metered and billed at metered rates.

ENVIRONMENTAL CONSIDERATIONS

LAFCo will act as a responsible agency consistent with CEQA Guidelines §15096, regarding the environmental documentation for the annexation of the Gum Ranch Lot A SPA into the Fair Oaks Water District (FOWD.) LAFCo has prepared an addendum as the appropriate CEQA document due to its determination that revisions to the environmental document for the proposed project entails only a minor technical change. LAFCo will consider an addendum to a previously ratified Mitigated Negative Declaration, per CEQA Guidelines §15164

The Initial Study / Mitigated Negative Declaration prepared for the Gum Ranch Lot A Subdivision Map addressed the potential environmental effects associated with development of the property with single family residential uses, including the provision of public services necessary to serve the project. As assessed by the Negative Declaration, the proposed project did not include annexation of the project area to the Fair Oaks Water District among the list of entitlements or actions necessary to approve the project. LAFCo is unable to approve the annexation without consideration of an environmental document prepared in compliance with CEQA. Therefore, LAFCo is amending the Initial Study / Negative Declaration via this Addendum (attached) to add the proposed LAFCo action as an entitlement evaluated in the Negative Declaration.

EXECUTIVE OFFICER COMMENTS:

The proposal is consistent with the Sacramento County General Plan, the Master Services Element of the Fair Oaks Water District, and your Commissions local polices and procedures. I recommend that your Commission:

1. Approve the Mitigated Negative Declaration and Addendum, certified by the County of Sacramento as CEQA lead agency, and direct the Executive Officer to file the Notice of Determination with the County Clerk.

2. Approve the <u>Gum Ranch Lot A Annexation to Fair Oaks Water District (04-05)</u> and authorize your Commission to waive Conducting Authority proceedings, due to one-hundred percent consent of affected landowners and affected agencies.

Respectfully,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage Executive Officer

Attachments: Maps (Exhibit A) CEQA Addendum and Mitigated Negative Declaration Agency Correspondence

DL:Maf (Gum Ranch FOWD)